



# CHS Storage for Pennies – Refined Fuels

With the CHS Storage for Pennies program, you can lease-to-own new bulk fuel storage and equipment for your customers without the burden of costly upfront expenses.

## How It Works

CHS will help you choose equipment with features customized to fit your customer's unique operation.

CHS will coordinate financing for the Storage for Pennies program. The annual lease payment is conveniently divided and included in the price of fuel purchased from CHS – only pennies per gallon. CHS also offers flexible lease-to-own terms ranging from three to five years. The lease is available only to a CHS refined fuels marketer.

## Benefits

- Secure long-term bulk fuel purchases with customers
- Reduce debt load by preserving working capital
- Alleviate supply interruptions with increased storage capacity
- Gain potential tax benefits
- Take advantage of savings by filling during off-peak demand

To qualify for the CHS Storage for Pennies Refined Fuels program, equipment must be purchased through CHS Energy Equipment. For more details call

**800-852-8186, option 1.**



### CHS Storage for Pennies annual cost example based on a typical stand-alone 12,000 gallon bulk tank

<b>Total Annual Gallons</b>	120,000
<b>Total Project Cost</b>	\$33,000
<b>Residual Payment</b>	15% Residual Amount
	\$4,950
<b>Term in Years</b>	Cent Per Gallon Rate
<b>3</b>	\$0.0860
<b>4</b>	\$0.0662
<b>5</b>	\$0.0543

### CHS Storage for Pennies annual cost example based on a typical stand-alone 10,000 gallon bulk tank

<b>Total Annual Gallons</b>	80,000
<b>Total Project Cost</b>	\$30,000
<b>Residual Payment</b>	15% Residual Amount
	\$4,500
<b>Term in Years</b>	Cent Per Gallon Rate
<b>3</b>	\$0.1173
<b>4</b>	\$0.0903
<b>5</b>	\$0.0741



## Program Details

### ***Qualification Process***

Prior to starting, contact CHS Energy Equipment to make sure the project qualifies. Although CHS will facilitate the introduction process with a third-party leasing company, CHS does not approve the leasing agreement. Other factors to consider with the lease:

- CHS does not hold the lease; CHS is the facilitator of the payments.
- Based upon the length of the lease agreement, CHS will collect a per-gallon lease amount for each project placed on this program. Gallons are based on the lift number for each specific tank in the program.
- The lease amount will only be on fuel gallons purchased from CHS Refined Fuels.

### ***Assets that qualify for the Storage for Pennies Refined Fuels program***

For a leasing company to offer the Storage for Pennies program, tangible assets in your project must be used. The following are examples of project assets that could be included in the program:

- Bulk tank (Above-ground tanks)
- Pumps
- Plumbing of bulk tank (piping, fittings)

### ***Elements not covered through the Storage for Pennies Refined Fuels program***

Generally, services used in building bulk storage will not qualify for the Storage for Pennies program.

Items not covered include:

- Excavation/site preparation
- Backfill
- Paving/driveways
- Electrical