

NETHERLANDS FUEL CARD PROGRAM – REPLACING THE EXISTING COUPON PROGRAM

FAQ

AS OF 14 OCTOBER 2015

Background information:

The Dutch Government approached the Exchange in 2001 and requested to replace the coupon system with a card program for the purchase of tax free fuel. Due to the priority of the Germany ESSO Card program, they were advised that a card program for the Netherlands would be developed after the initiation of the Germany card program. It is the view of the Dutch Government that VAT and duty free fuel is a privilege, and not a right and that more stringent procedures and control mechanism were needed to provide greater visibility of individual transactions and to reduce the possibility of fraud.

Discussion ceased for many years until the beginning of 2010. Since then there have been multiple discussions with the Dutch Government on the proposed card program and the best way to implement the program. Early in 2014 ESSO advised the Exchange that they wanted to get out of the coupon program in the Netherlands by January 2016, as it was too labor intensive with only a small income to the ESSO Stations. Only a hand full of ESSO Stations were still willing to participate (14 out of over 330 Stations) in the program at that time. This number will reduce to 0 by January 2016 with no other mechanism to purchase tax free fuel on and off Post/Base in The Netherlands. The Exchange identified a contractor to oversee the fuel card administration and in April 2015 the Dutch Government and the Exchange finally agreed on the new program. Please note that the new card program for The Netherlands greatly differs from the Germany card program.

Under the new program the fuel card will work at **ALL** (over 330 – including the unmanned stations) Dutch ESSO Stations as well as the Exchange Gas Station in Schinnen. The fuel card will be tied to Military Star – requiring all customers to have Military Star Account.

Development and programming has been ongoing since June 2015 and as of 1 January 2016 all authorized customers wishing to purchase fuel in The Netherlands will have to be converted to the card program.

- How will the gas card work?
 - The gas card will be tied to the customers Military Star account. The customer will complete the application, Terms and Conditions and POV/STV rules and the fuel card will be issued at the Schinnen Main Store, Schinnen Car Care Center or Volkel Retail Store. The card is immediately active upon receipt. A PIN mailer is issued to the customer with the card. The 4 digit PIN number is necessary for all transactions at the Netherlands ESSO Stations. Customer will drive up to the gas station, fuel up their vehicle and then go inside to pay (at manned stations). Inside they will present their fuel card. The purchase will be totaled and the fuel card will be swiped, and will require the

customer to enter the 4 digit PIN number. The transaction is then completed and the customer signs for the purchase. The customer will receive a receipt with only the Euro price printed. No payment will take place at the time of the transaction. The transactions are extracted daily and transmitted to the fuel card company for all necessary checks and balances. At that time it is decided whether the customer should be charged the tax free price or the taxed price and the transaction will post to the customers Military Star account within 24 to 72 hours.

- Do I need a Military Star Card? Why?
 - Yes, an active Military Star account will be required for the program to work. The Military Star account will be the billing mechanism used for customers will pay for the fuel purchased with the fuel card. This is the fastest way to get this program implemented and allows for a billing mechanism with all necessary controls needed in place.
- Why the Military Star Account?
 - We have to be able to bill customers in a convenient manner, keep developing and programming costs to a minimum and deliver an acceptable program to the Dutch Government. With terms and conditions that can seldom be matched by any commercial credit card company in the industry and one of the lowest interest rate cards available, it is, at this time, a billing mechanism which meets the necessary criteria's and allows us to implement this program in a short time frame. Eventually, there may be future opportunity for other payment options. It now relies on being a responsible customer. Customers will be able to pay their billing online, set up direct payments online or pay at any of our retail facility checkouts throughout the Exchange-Europe. And of course there is a 25 day grace period on all purchases.
- Does this mean I have to have a Military Star account and I cannot buy fuel with any other tender (cash, debit card, credit card)?
 - Yes. Please see answers to the two previous questions.
- Is the Military Star Card used as the gas card?
 - No. A separate card will be required to fuel up at any ESSO Station in the Netherlands as well as the Exchange Gas Station in Schinnen. Customers eligible for the card program will have to come to Schinnen Main Store, The Schinnen Car Care Center or Volkel Retail Store and complete the fuel card application and sign the Terms and Conditions. The fuel card will then be issued and can be used immediately for fuel purchases. Customers will need to verify the fuel card information upon receipt, for accuracy.
- Will the gas cost more with the gas card?
- No! The Exchange intends to keep the pricing consistent with the current pricing. Exchange pump prices will continue to change weekly and are based on the DoE weekly averages plus the unique country specific incremental dispensing cost (the difference in dispensing fuel in Europe versus the US). For additional information on how the Exchange gas prices are determined for overseas, please visit www.shopmyexchange.com and click on the FAQ link. Pricing will be

announced on Thursday, and valid the following Saturday through Friday and will fluctuate with the market.

- What gas stations will accept the new gas card?
 - There will be over 300 ESSO Stations in The Netherlands that will accept this card. This includes all self-service stations which was not possible under the existing fuel coupon program. Customers can go to the website: <http://www.essostations.ca/station-locations/netherlands> to look up all stations.
- How many fuel cards will be issued per vehicle and per family?
 - There will be one fuel card for each registered vehicle. Families with more than one vehicle will have more than one fuel card. The fuel card is vehicle, ration and fuel type specific. However, all fuel purchases will be charged to the same Military Star account.
- What can we as the customer do to help with this change over process and what documents will we need to bring?
 - Customers should apply for a Military Star account at their nearest Exchange. For the fuel card customers will have to follow these guidelines:
 - The regulation that governs the sale of tax-free fuel is AE Regulation 550-35, Regulations on Personal Property, Local Currency, and Motor Vehicles for U.S. Personnel dated March 2010.
 - The following personnel are entitled to Purchase tax-free fuel in the Netherlands:
 - a. Personnel stationed in The Netherlands: Each person who owns a POV must register it with the JFC HQ vehicle registration office according to JFCBD 5-9. Personnel who registered a vehicle are allowed to request a fuel card. Ration allowance is based on vehicle horsepower as stated in Table 1, 2, 3 and 4 in AE Regulation 550-35.
 - b. Personnel traveling into The Netherlands from Germany: Complete AE Form 600-17A dated July 2014, Request and Authorization for Additional Gas or Diesel Fuel. The maximum allowance per month is 200 liters. Your Supervisor or Commander must sign the form prior to your departure to the Netherlands. Take your ID card and copies of your TDY orders, Leave Orders or Pass and rental contract or vehicle registration documentation and the Supplemental Ration Request Form to the Schinnen MP station. You will be issued AE Form 550-35B, Short-Term Registration that allows you to request a fuel card at one of the three Card Issuing Stores in the Netherlands.
- What will the interest rate be for fuel purchases?
 - Same terms and conditions as a regular Military Star account. The APR on a Military Star account is the Prime Rate plus 4.99% but not less than 9.99%. Note, there is a 25 day grace period for repayment of purchase balances. If customers pay the full balance due on their account every month, they will not incur any interest charges. Full visibility of the Military Star card can be viewed online at www.shopmyexchange.com and clicking on the Exchange Credit link.

- Under what circumstances will I be charged the taxed price? Purchasing fuel with an expired registration, purchasing the wrong fuel product, or exceeding the ration limit will require the Exchange to charge the customer the full local pump price, to include taxes.
- If I use the fuel card and there are credits on the card at the end of the month, do they carry over to the next month?
 - There are no “credits” on the fuel card. The ration authorization for each vehicle will run per calendar month and will not carry over to the next month.
- I understand the fuel card will be linked to the vehicle registration; will I be the only one who can fuel the car?
 - The fuel card will be vehicle specific but there are no names imprinted on the fuel card. Only the vehicle owner/owners should fuel up the vehicle.
- Is my old Military Star account ok for this program?
- Yes, as long as the Military Star account is active and in good standing. Customers should allow for adequate available credit to cover the fuel purchases.
- I cannot secure a Military Star account due to a poor credit history, what do I do?
 - Individuals who are declined a Military Star account will be worked with individually.
- I object to having a Military Star account reflected on my credit history and object to it being mandatory?
 - If a customer pays their bill timely and exercises responsible credit behavior, over time, it can enhance their credit rating and will not reflect negatively on their credit report.
- If someone decides to get a new vehicle and wants to switch the card to the new vehicle, will that be possible?
 - Each card is vehicle and registration specific. Therefore, any change in registration will require a new fuel card.
- What are the ration limits?
- One fuel card is issued for each vehicle. The quantity of fuel will be subject to a **monthly ration amount per registered vehicle.**

(1) Gasoline - Table 1: Gasoline by Horsepower (liters)

Under 40	-	160
40 to 60	-	240
More than 60	-	400

(2) Diesel Fuel - Table 2: Diesel by Horsepower (liters)

Under 40	-	120
40 to 60	-	180
More than 60	-	300

(3) Rental Vehicles – Table 3:

Monthly Prorated Amounts for Personnel Renting a Vehicle - # of Days Rented per Month - Gas/Diesel Ration Allowance in liters

# of Days	Gas	Diesel
1 through 7	100	75
8 through 14	200	150

15 through 21 300 225
22 through 31 400 300

(4) Personnel Stationed in Germany Traveling to and Within the Netherlands - Table 4

Monthly Gasoline or Diesel Ration Authorized (liters)

Maximum Ration Allowance 200

- Are there exceptions to the ration limits?
 - No, there are no exceptions to the ration limits.
- How is the ration limit going to be monitored?
 - The limits are monitored in an account by the fuel card administrator. The ration authorization runs by calendar month and is reset on the first of the month. Left over ration from the previous month will not carry over to the new month. The fuel card administrator will monitor ration usage by month and if a customer goes over their authorized limit they will be charged the fuel price including all applicable taxes and fees for any/all liters above their authorized ration.
 - The fuel card administrator will send an email to the customer for each fuel purchase with the details of the transaction, the monthly authorized ration and the remaining ration after the transaction.

POC Information for questions or inquiries regarding the new program is shown below:

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