



Propane Energy Contract

Office Phone# (507) 726-6455

P.O. Box 210, Lake Crystal, MN 56055

Effective Date: _____ Time: _____ In Person Phone
Customer name _____ Account No. _____
Home phone _____ Cell _____ Email _____

Crystal Valley hereby agrees to sell and deliver, and Buyer hereby agrees to purchase and receive.

September 1, 20__ April 30, 20__

Home Heating Contracts

<input type="checkbox"/> OPTION 1: <u>100% Pre-Pay Contract</u>	<input type="checkbox"/> OPTION 2: <u>\$0.20 Deposit Contract</u>
Contract Gallons _____	Contract Gallons _____
Contract Price \$ _____	Contract Price \$ _____
Sub Total \$ _____	Deposit \$ _____
Tax Amount _____% \$ _____	Tax Amount _____% \$ _____
_____ \$ _____	_____ \$ _____
Pre-Pay Amount Due \$ _____	Deposit Amount Due \$ _____

OPTION 3: Budget Contract

Contract Gallons _____

Budget Contract Price \$ _____

Dryer / Barn Contracts

<input type="checkbox"/> OPTION 1: <u>100% Pre-Pay Contract</u>	<input type="checkbox"/> OPTION 2: <u>\$0.20 Deposit Contract</u>
Contract Gallons _____	Contract Gallons _____
Contract Price \$ _____	Contract Price \$ _____
_____ \$ _____	_____ \$ _____
Pre-Pay Amount Due \$ _____	Deposit Amount Due \$ _____

Commercial Contracts

<input type="checkbox"/> OPTION 1: <u>100% Pre-Pay Contract</u>	<input type="checkbox"/> OPTION 2: <u>\$0.20 Deposit Contract</u>
Contract Gallons _____	Contract Gallons _____
Contract Price \$ _____	Contract Price \$ _____
Sub Total \$ _____	Deposit \$ _____
Tax Amount _____% \$ _____	Tax Amount _____% \$ _____
_____ \$ _____	_____ \$ _____
Pre-Pay Amount Due \$ _____	Deposit Amount Due \$ _____

Customer Signature _____ Date _____

Terms of this agreement are on the reverse side

Customer _____

Account # _____

Employee _____

Payment Terms: "Prepay" Buyer agrees to pay the total Dollar Amount as specified upon execution of this agreement. Buyer shall be responsible to pay for all applicable taxes upon receipt of an invoice for delivered product. Crystal Valley credit terms apply. Customer agrees to pay all cost and expenses; including attorney fees incurred by Crystal Valley in any action brought by Crystal Valley to enforce the provisions of the Agreement.

Terms of Agreement: The terms of this Agreement shall commence on the date hereof, and shall continue until such time the Buyer has taken delivery of, and paid for, the Quantity of products specified in Section * **reverse side**.

Delivery of Product and Risk of Loss: Title to the product shall pass to Buyer upon delivery of the product at Buyer's storage locations. Thereafter; the care, handling, and use of product shall be at the sole risk and expense of the Buyer. Buyer specifically agrees that the Seller may direct personnel to deliver the product covered by this Agreement at the Seller's convenience, subject to a covenant by Seller to use its best efforts to prevent Buyer from running out of product during the term of this Agreement. In the event the Seller needs to allocate product among its customers due to a product supply shortage, it will give priority in allocation to those customers who have entered into contracts.

Warranties and Limitations of Liability: Seller warrants the product sold under this Agreement meets specifications of Gas Processors Association at the time of a delivery. This warranty is in lieu of all other warranties, expressed or implied, including, but not limited to, implied warranties of merchantability or of fitness for a particular purpose. The correction of any nonconformity, the refund of the price, or replacement of the product, at Seller's option, constitutes fulfillment of all liabilities of Seller arising hereunder whether liabilities are based on contract, negligence's, or otherwise. In no event, will the Seller be liable for special, consequential, or incidental damages.

Entire Agreement: This Agreement constitutes the entire Agreement, between the parties, and there are no oral promise, representation, or warranties, no alteration or amendment of this Agreement will be effective unless it is in writing and signed by both Seller and the Buyer.

Assignment: This agreement may not be assigned by the Buyer. Buyer is obligated to take delivery of contracted gallons before any other deliveries may be made.

Severability: In the event that any provision of this Agreement is held to be invalid or unenforceable under applicable law, that holding shall not affect the validity, or enforcement, of the remaining provisions of this Agreement.

Take or Pay Contract: The Buyer understands that this is a "Take or Pay Contract". The Buyer understands that if the Buyer refuses to accept delivery of, and pay for, the contracted quantity of fuel by the expiration of the term the Buyer will be liable to Crystal Valley for the damages specified by this Agreement.

Default Provision: If any portion of this contract remains unfilled at the expiration date due to default of the Buyer, Crystal Valley reserves the right to extend the time of delivery and assess any associated fees or declare the Buyer in default of the unfilled portion of the contract and Crystal Valley reserves the right to bring the **contract to market**. **80% Rule:** If 80% of the total contracted gallons have been delivered and paid for, and only 20% or less is remaining of the total contracted gallons because of weather and/or supply reasons, the Seller has the right to waive any penalty charges and may refund any remaining deposit available.

Contract to Market: Formula = Buyer's contract price minus daily posted delivered cash price. This value will be multiplied by the remaining gallons on the contract and will be settled on following business month.

Buy Out: If Buyer would request to terminate this contract at any time before the expiration date, a Buy Out price will be determined by the following formula, the difference between set contract price and a current rack price at the time, plus penalty of **\$.10 cents** per gallon on the remaining portion of gallons.

Extension Clause: This contract may be extended for a period of 90 days, for **\$.10 cents** per gallon fee on the unused portion of the original contracted gallons.

Any Changes: In the fuel tax structure (State or Federal) will be applied to this contract.

Should Products: Not be available at a terminal within 75 miles, Crystal Valley reserves the right to charge the Buyer any additional freight and demurrage charges incurred from obtaining fuel from the nearest available source of supply.

NOTE: "THIS INSTRUMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE PARTIES UNLESS AND UNTIL IT HAS BECOME FULLY EXECUTED BY BOTH PARTIES." **This contract must be signed and returned to any Crystal Valley office within ten days of written date or it will be voided!**