

## PROPANE CUSTOMER AGREEMENT

The terms and conditions of this Customer Agreement constitute a contract that will be accepted by you when any one of the following first occurs: (1) you request or accept delivery of propane, service, or equipment from us; or (2) you permit a tank leased from us to remain on your property for more than thirty (30) days after your receipt of this Agreement; or (3) you do not contact Ag Supply Company of Wenatchee in writing within thirty (30) days after your receipt of this Agreement and terminate service.

For purposes of this Agreement, "we" or "us" means Ag Supply Company of Wenatchee. "You" will be any person or entity who (a) requests or permits delivery of Propane or a tank from us, or (b) permits Propane or equipment obtained from us to be retained on property which the person or entity owns, rents, or has a right to use (the "Property"). "Party" or "Parties" means either or both you and us. You have received from us a letter enclosing this Agreement and describing the services you have requested or are receiving from us (the "Service Letter"). You should review the Service Letter carefully and notify us immediately at the telephone number printed at the bottom of the Service Letter (the "Customer Service Number") if any information contained in it is incorrect. All information contained on the Service Letter will be considered accurate and applicable to this Agreement until you notify us otherwise or we send you a new Service Letter. The current list of fees and charges (the "Current Charges List") at the end of this Agreement is subject to change upon thirty (30) days' prior notice to you. THE CARBON MONOXIDE BROCHURE AND IMPORTANT SAFETY INFORMATION BROCHURE (THE "SAFETY INSTRUCTIONS") ARE INCLUDED WITH THE SERVICE LETTER. YOU AGREE THAT YOU MUST FOLLOW ALL OF THE INSTRUCTIONS IN THE SAFETY INSTRUCTIONS. THE SERVICE LETTER AND THE SAFETY INSTRUCTIONS ARE PART OF THESE TERMS AND CONDITIONS. IF YOU DO NOT HAVE THE SERVICE LETTER OR THE SAFETY INSTRUCTIONS, PLEASE CALL THE CUSTOMER SERVICE NUMBER AND REQUEST ANOTHER COPY.

Section I applies to all purchases of Propane. Section II applies to leases of tanks. Section III describes your payment obligations to us, whether for Propane, leasing or both. Section IV applies to all transactions with us.

### I. TERMS APPLICABLE TO PROPANE PURCHASES

- 1. Service. If the Service Letter does not specify otherwise, we will deliver Propane into the tank you lease from us or own (in either case, the "Tank"). You will own all Propane delivered by us to your Tank from the time the Propane is both delivered and paid for in full. As used in this Agreement, the term "System" means the external components, such as your Tank regulators, vents, pigtails and hoses.
- 2. Purchase Price. We set Propane prices in our discretion and prices may vary due to a variety of factors, including without limitation: propane commodity prices and supply points, costs of transportation and storage, geographic location of the Customer in relation to our service units and supply points, and volume purchased/usage. You agree to pay our current daily price for Propane unless you have a different written agreement in place that determines the purchase price. Ag Supply Company of Wenatchee reserves the right to set its daily price and to vary that pricing among its Customer types at its sole discretion. All Customers may obtain their current price by calling the Customer Service Number. Payment terms for purchase and delivery are set forth in Section III.
- 3. Delivery of Propane. Once you have made a delivery request, we will deliver Propane according to a schedule that we establish. If you request us to deliver Propane to you at other times or on an emergency basis, additional delivery charges (as set forth on the Current Charges List) will apply. You authorize us to make delivery of Propane whether or not you are present. IF YOU RUN OUT OF PROPANE FOR ANY REASON, WE WILL NOT BE RESPONSIBLE FOR ANY CONSEQUENTIAL DAMAGES YOU MAY INCUR, INCLUDING WITHOUT LIMITATION, FROZEN PIPES OR DAMAGE TO BUILDINGS, PERSONAL PROPERTY OR ANIMALS. AII sales of Propane are final.

Unless we have a separate written agreement with you, we will not deliver Propane until you call and request delivery. You should call not less than five (5) business days prior to the date you anticipate needing Propane. If you call with less than five (5) business days' notice, we may not be able to meet your schedule. We may also impose additional delivery charges (as set forth on the Current Charges List), and you may incur additional costs associated with retesting your System. We suggest that you call us when your Tank reaches twenty percent (20%) capacity.

- 4. Inspection; Other Services; Empty Tank. Whether a Tank is owned or leased, we must perform certain inspections and leak checks from time to time as required by law or by our internal policies, upon the occurrence of any of the following: every five years, empty tank, new System or new Customer, occupancy change, suspected leak, System repair or modification, change of regulator, turning off the gas. These services should be scheduled as you must be on-site when they occur. The costs of these will be charged to you at our then Current Rates, which do not include the cost of any repair.
- a. Leak Check. If a leak check requires repair, then we will make necessary repairs from the Tank to the second stage regulator at our then applicable We do not perform any appliance repair which is your rates. responsibility.
- b. Empty Tank/Out of Propane. If you experience a situation where you run out of Propane, you should <u>immediately</u> do all the following: -close the service valve on the Tank;

  - -shut off all Tank valves, -call the Customer Service Line immediately.
  - You must be home when we respond to an empty Tank call so we may check the System for leaks. If we arrive and no one is home, we will not fill the Tank. Repairs will be your responsibility prior to arranging another delivery of Propane.
- c. Limits of Our Checks/Services. We reserve the right to determine a System is no longer adequate for the delivery of Propane and terminate service, including for failure to comply with any local, state or federal fire, building or other code or standard. However, we make no representations and warranties to you as to the safety or condition of your appliances or System and have no responsibility for the maintenance or inspection of any System, unless expressly described herein. During any check or service, we perform, we will use our reasonable efforts to determine and inform you of any problem. However, not all problems can be detected, and some problems may develop later.
- 5. Your Responsibility for Your Equipment. If you are leasing the Tank from us, you own and are solely responsible for the inspection and maintenance of all piping, equipment, and/or appliances which are downstream of any Tank that is owned or maintained by us. If you own the Tank, you are solely responsible for the inspection or maintenance of the System. Whether you lease or own your Tank, it is your duty to inform us about all work, service, removal or repair of any nature on any part of your System and/or other related appliances including but not limited to repair, removal, installation, adjustment, modification, maintenance, and/or service of any part of the System and/or related appliances. You understand and agree that we have no obligation to inspect or maintain any equipment that we have not committed in writing to inspect or maintain.
- 6. Your Safety Responsibility. In addition to the Safety Instructions, you must also read and follow all safety warnings and operating instructions provided by us or anyone else in connection with the use of Propane or any equipment or appliances (collectively the "Instructions"). If you do not understand the Instructions, you should call us at the Customer Service Number. You must make all employees, tenants, or other residents aware of all instructions, and train any employee or resident who uses Propane to use it in accordance with the Instructions. YOU AGREE THAT WE WILL NOT BE RESPONSIBLE FOR YOUR OR ANY EMPLOYEE, TENANT, OR OTHER RESIDENT'S FAILURE TO FOLLOW THE INSTRUCTIONS, WE WILL NOT BE RESPONSIBLE FOR ANY DAMAGES THAT MAY RESULT

# OR OCCUR, INCLUDING BUT NOT LIMITED TO PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE.

#### II. TERMS APPLICABLE TO TANK LEASE

1. Lease. If you are leasing a tank from us (the "Leased Tank"), the lease includes only the Leased Tank. All other appurtenances, including but not limited to all first stage regulators, pigtails, additional hoses, and other components will be purchased and owned by you. We will deliver the Leased Tank to you and install it if installation is required. You agree to lease the Leased Tank for the period this Agreement is in effect, unless changed in a written agreement. Lease payments will not be credited, refunded, or prorated if service terminates before the lease term expires. The Leased Tank belongs to us even though it is upon, fastened to, or attached to your Property. You are responsible for the repair of any damage caused to the Leased Tank while it is on your Property. If you recover insurance proceeds for loss of the Leased Tank for any reason, you must deliver the proceeds to us for replacement of the Leased Tank.

To the extent that you purchase any regulators, pigtails, hoses or other components from us, we make no warranty or representation regarding such purchased products other than those given by the manufacturer of such products, which we are able to assign to you, if any.

- 2. <u>Limitations On Use</u>. You will not permit any Propane or other product to be delivered into the Leased Tank by anyone other than us. Before leasing a Tank, you should request us to specify where the Tank should be located, since we will not install a Tank at a location we determine unsafe or inadvisable. The Leased Tank must not be moved, handled, or maintained by anyone other than us or someone authorized by us. You may not move the Leased Tank to any location other than the location where we installed it, without our express authorization. Call us at our Customer Service Number if maintenance or repair is needed. <u>YOU AGREE THAT IF YOU DO NOT STRICTLY FOLLOW THESE LIMITATIONS ON USE, WE WILL NOT BE RESPONSIBLE FOR ANY DAMAGES THAT MAY OCCUR OR RESULT FROM YOUR USE OF PROPANE OR OTHER PRODUCTS OBTAINED FROM US, INCLUDING BUT NOT LIMITED TO PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE.</u>
- **3. Your Inspection Obligations.** You must regularly inspect the Leased Tank. You must inform us at once if the Leased Tank has sustained any damage. Follow the emergency procedures in the Instructions any time you smell odorized Propane or believe the Leased Tank to be damaged.

# III. PAYMENT TERMS FOR PROPANE PURCHASE, TANK LEASES, AND RELATED CHARGES

1. <u>Payment Obligation.</u> You agree to pay us for all Propane delivered, the lease price for the Leased Tank, and all other charges which you incur under this Agreement. You must pay in advance unless other arrangements have been made with, and approved by us, in which case we will invoice you. We will apply payments to the oldest balance due. If you fail to pay us when payment is due, we may refuse to deliver Propane to you until you pay your outstanding balance and pay in advance for future delivery. We may also apply any amount we hold as a deposit against amounts you owe us.

Lease payment for the Leased Tank is payable in annual installments, invoiced in December of each year. During the first year only of the Tank Lease, any lease commencing after 7/1 will be prorated for half of the annual lease installment. There will be no monthly or other proration of the lease payment for the Leased Tank at the time of commencement or termination.

- 2. <u>Invoices/ Billing</u>. If we invoice you for any lease or Service, payment will be due by the due date shown on the invoice. If you have questions about your statements, you should call us at the Customer Service Number. You must call us within ten (10) days of receiving a statement, if you believe that any of the information in the statement is incorrect. Otherwise, you will be responsible for all amounts charged to you in the statement. Your payment for delivery of Propane or any other Service that is billed to you on a statement is due upon receipt of the statement. If payment is not made on time, we will charge you a late charge of \$25 or 5% of the outstanding balance, whichever is greater, together with interest on unpaid amounts at 18% per annum. If your check, draft, or electronic funds transfer is returned for insufficient funds, we will also charge you twenty-five dollars (\$25) fee for such insufficient funds/returned check.
- 3. <u>Credit Check</u>. By seeking services, you give us permission to obtain your credit information from consumer reporting agencies at any time.

# IV. GENERAL TERMS APPLICABLE TO ALL SERVICES

1. Access to Property. You agree that we may enter your Property (even if you are not present) to deliver Propane, to access the Tank, for repairs and maintenance described herein, for installing or removing property

belonging to us, and for any other purpose related to the service provided to you. We may refuse to provide service if we believe that we cannot safely make delivery due to conditions on or approaching your Property, including unsafe road conditions, dangerous animals, or locked gates. You agree to maintain the Property in a condition so that the weight of our vehicle will not damage your driveway or yard and agree not to hold us responsible for any such damage. You agree to provide ingress and egress to the Tank. You agree not to erect structures, fences, or other improvements and not to plant or grow trees or shrubs that restrict access to the equipment.

- 2. <u>Monitoring Your Property During Your Absence</u>. If your Property is not continually occupied (such as a vacation home), you must have someone check your Property daily or otherwise monitor the Property with an alarm system to be sure that the heat is on. Power outages, a System failure, or running out of Propane can cause your Property to be without heat. We will not be responsible for losses caused by your failure to have your Property adequately monitored during your absence.
- **3.** Compliance with Applicable Laws. You must comply with all applicable local, state and federal laws and standards governing the use or storage of Propane. You will pay any costs associated with repairs, modifications, or additions to equipment (including the Leased Tank) required by Applicable Laws or Industry Standards.
- 4. <u>Termination of Service</u>. Service may be terminated by giving written notice thirty (30) days prior to termination, or by you calling the Customer Service Number thirty (30) days prior to termination. If you fail to perform any of your obligations under this Agreement or if we, in our discretion, believe any part of your System may not be safe, we may, at our option, <u>immediately</u> suspend Service until you cure the default or unsafe condition or may terminate Service under the Agreement. If you fail to make payment in accordance with our payment terms, or fail to perform any of your other obligations, or if you no longer occupy or use the Property, we may terminate Service <u>without prior notice</u>. In addition, service will terminate without notice to you at our option upon the institution of any proceeding alleging that you are insolvent or unable to pay your debts, or on your death or dissolution, or if you take action to go out of business.
- 5. Effect of Termination. If service is terminated, in addition to any other remedy we may have, we may without further notice to you (other than the notice of termination) adjust or disconnect equipment to stop withdrawal of Propane from any Tank, pick up the Leased Tank, and repossess and dispose of any Propane left in the Tank. You will be charged applicable charges as set forth on the Current Charges List in effect at the time of termination. You may be entitled to a credit or refund for any Propane which remains in the Tank, subject to tank pump out and pick-up charges and other charges specified in the Current Charges List. If we determine, in our sole discretion in accordance with our internal policies, to provide a refund for Propane remaining in the Tank, the refund will be applicable only to Propane that we resell and the refund shall be based on the lower of the price at which you purchased the Propane or our current daily price for the Propane at the time that we take possession of the Propane. You will be responsible for paying all amounts you owe us under this Agreement even after termination. All of Section II, all of Section III, and Section IV.1,5,6, 7,8 and 9 and 12.e. will continue to apply even after termination of Service.
- **6.** Payment of Taxes. Losses, and Collection Costs. You are responsible for paying any taxes, including personal property taxes attributable to the Propane and any Leased Tank until termination of Service. You are also responsible for paying for all loss or damage to Leased Tank or Propane owned by us, except for damage to the Leased Tank resulting from ordinary wear and tear. We will bear the cost of maintenance and repair of the Leased Tank due to ordinary wear and tear. If inspection, testing, or repairs are required by Applicable Laws, you must pay for all such work and for all costs associated with such work, including landscaping costs, if any. You agree to pay costs we incur to collect amounts due hereunder, including reasonable attorney's fees. If any Party brings legal action to enforce the terms of this Agreement, then the substantially prevailing party in such legal action shall be entitled to recover reasonable attorneys' fees.
- 7. <u>Indemnification: Hold Harmless.</u> You shall indemnify and hold us, our officers, and our Employees and other representatives, harmless from and against any and all claims, losses, damages, causes of action, suits, liabilities, and judgments (including all expenses of litigation and reasonable attorney's fees), injury to, or death of any person or for damages to any property to the extent that such injuries, death, or damages are caused by the negligence or the willful acts of you or your guests, invitees, family members, employees, agents, contractors, and/or customers or by the failure to follow your obligations as set forth in this Agreement.
- 8. <u>Limited Warranty Disclaimer</u>. We warrant that at the time we transfer ownership of Propane or deliver a Leased Tank to you, we will transfer it

free from all liens, claims, and encumbrances. WE MAKE NO OTHER REPRESENTATIONS OR WARRANTIES OF ANY KIND, DIRECT OR INDIRECT, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, SUITABILITY, MERCHANTABILITY, FITNESS FOR USE, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPANE, TANK OR EQUIPMENT SOLD BY US. WE EXPRESSLY DISCLAIM AND EXCLUDE ALL SUCH REPRESENTATIONS AND WARRANTIES. NO EMPLOYEE, OR AGENT OF OURS MAY MAKE ANY WARRANTY ON OUR BEHALF.

- 9. <u>Limitations of Liability.</u> YOU AGREE THAT UNDER NO CIRCUMSTANCES WILL WE BE LIABLE FOR INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR INCREASED COSTS OF OPERATION. WE WILL NOT BE LIABLE FOR PUNITIVE, INCIDENTAL, EXEMPLARY, OR SPECIAL DAMAGES. THESE LIMITATIONS APPLY EVEN IF THE DAMAGES WERE FORESEEABLE OR WE KNEW THEY WERE POSSIBLE. THESE LIMITATIONS APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, TORT, PRODUCT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY. OUR LIABILITY FOR LANDSCAPING DAMAGE DURING INSTALLATION, DISCONNECTION, OR DELIVERY SHALL NOT EXCEED THE REASONABLE COST OF REPLACING LANDSCAPING AND IN NO EVENT SHALL EXCEED ONE THOUSAND DOLLARS (\$1,000).
- 10. <u>Amendment.</u> We may amend this Agreement, including the Current Charges List, at any time. Any charge list updates can be found on our website. You agree that the amendment will become effective thirty (30) days after receipt of the notice unless you contact us in writing prior to its effective date and terminate service.
- **11.** <u>Property Ownership and Use.</u> If you own the Property where Propane is delivered or a Leased Tank is installed, you must give us thirty (30) days' prior written notice or by calling the Customer Service Number before you transfer the Property.

If you are a Landlord and rent out the Property where Propane is delivered or a Leased Tank is installed, you must notify us in writing at least thirty (30) days before a change in occupancy or a vacancy. You must supply us with the current tenant's name, telephone number, and the date on which he or she plans to take possession of the Property.

### 12. Miscellaneous.

- a. Waiver. Delay or failure to enforce any term under this Agreement shall not constitute a waiver of enforcement of such term, or of any breach of this Agreement by you.
- **b. Severability.** If any provision of this Agreement is found invalid, the rest of this Agreement will remain enforceable.
- c. Entire Agreement. This Agreement, together with the Service Letter and Instructions and any written agreements signed between us that are limited to pricing and cover the current period, constitute the entire agreement between us. No Employee, representative, or agent has any authority to vary the terms of this Agreement.
- d. Acts Beyond Our Control. We will not be responsible or liable for any delay; failure of performance; loss or damage due to fire, explosion, power outage, earthquake, flood, weather elements; strike; labor disputes; embargo; civil or military authority; war; acts of God; pandemic, acts of carriers or suppliers (including shortages or pipeline allocations); acts of terrorism; acts of governmental agencies; or other causes beyond our reasonable control.
- e. Notices. Notices to you from us under this Agreement will be made by mailing notice to you either under separate cover or by including notice with a billing statement. Notices will be effective upon deposit into the U.S. mail. Notices from you to us will be effective by mailing written notice to us at the address on your Service Letter.
- f. Assignment. You may not assign your rights under this Agreement to any other party. We may assign our rights and obligations under this Agreement at any time without notice.
- g. Governing Law. This Agreement and all Service performed under this Agreement are governed by the law of the State of Washington.