

Valley Gas & Oil Company

103 Main Street • Kingfield, Maine 04947

207-265-5443 phone • 207-265-2987 fax • email: info@valleygasandoil.com

NAME

ADDRESS

ADDRESS 2

CITY, STATE ZIP

2012/2013 PREBUY LOCK-IN PRICE CONTRACT

Valley Gas & Oil Company of Kingfield, Maine (“Company”) agrees to sell **PROPANE or OIL** to Account **ACCT #, NAME** (“Customer”), at **DELIVERY ADDRESS** (“the Premises”) **QTY** gallons at a fixed price of **\$CPPG** per gallon or a contract total of **\$CONTRACT TOTAL** (“the Contract Price”), for the contract period of **June 1, 2012** to **April 30, 2013**, and Customer agrees to purchase the above listed amount of gallons from Company subject to the following conditions:

- A. Lock-in Price contracts require a minimum annual usage of **300** gallons and the contract must be for the total gallons used the prior year.
- B. This contract quote is valid until **6/30/12**, when signed and returned to Company, with payment in full by quote date.
- C. If Customer’s account balance does not fully cover the cost of a delivery or if Customer has consumed all pre-paid gallons, the delivery may be billed according to Company’s standard daily retail pricing and credit terms on the date of delivery or at the Contract Price at the Company’s discretion. Any amounts remaining on account will be used to pay for delivery. Company may, at its discretion, deliver fuel at the Contract Price until the account balance has been expended.
- D. Fuel will be delivered to Customer by Company to the Premises only. Company shall debit Customer’s account after each fuel delivery. Any fuel delivered upon Customer’s request shall also be debited to Customer’s account. Failure by Company to deliver fuel does not void any other terms of this Agreement.
- E. Company shall not be held responsible for any damage or loss to Customer resulting from failure or delay in making deliveries which may be due to strike, accident, fire, war, insufficient supply of products, failure or delay in transportation, inaccessibility of Premises; including snow, ice, water, mud, other obstruction, Act of God or any other cause beyond Company’s control, whether or not similar to the causes enumerated herein.
- F. Because of market conditions significantly affecting the costs and expenses of selling fuel, if Customer has not consumed at least 90% of contracted gallons, or has otherwise violated the terms of the Agreement, then \$0.75 per contracted gallon will be retained by Company for liquidation damages, plus any other damages caused by Customer.

****Please initial both pages and return both pages of the signed contract.****

INTL_____

- G. A credit balance remaining on Customer's account after consumption of pre-bought gallons at the end date of the contract will be distributed in any of the following ways:
 - 1) The credit balance refunded to Customer within 30 days upon request
 - 2) Retain the credit balance on Customer account to be used against future purchases at standard rates determined by Company
- H. If any new taxes not in effect as of the date of the Agreement are imposed against fuel sales, Customer shall be responsible for all such taxes.
- I. The price fixed in this Agreement is based upon market conditions prevailing at the time of its execution. Customer understands that the price is fixed for the season regardless of whether market price goes up or down. Purchases are made by Company based on Customer's projected needs and the minimum gallon purchase required. Company guarantees the Contract Price even if retail or wholesale prices increase during the Agreement unless the increase in price is greater than 100%. Customer agrees to pay Contract Price regardless of Company's standard daily retail pricing. Customer understands that retail prices on any given date may be less than Contract Price, but Contract Price applies at all times while contract remains valid.
- J. This contract may be terminated and a new contract issued, with a penalty charge of \$0.40 per total contract gallon, prior to October 1, 2012 upon request at discretion of Company.
- K. Customer understands the Agreement is binding against heirs or assigns and that he/she will be obligated under this Agreement whether or not he/she resides at Premises during contract term.
- L. Performance of this contract will be secured by one of the options set forth under Maine law, 10 M.R.S.A. 1110(2).

THIS IS A LEGALLY BINDING CONTRACT. PLEASE READ CAREFULLY BEFORE SIGNING BELOW. THIS AGREEMENT IS NOT BINDING UNTIL IT IS SIGNED AND RETURNED TO COMPANY.

Valley Gas & Oil Company
2012/2013 PREBUY LOCK-IN PRICE CONTRACT
Quote expires June30, 2012.

Account # **ACCT #**

QTY gallons x **\$CPPG** per gallon = **\$CONTRACT TOTAL** - credit of **\$CREDIT** = **\$TOTAL** payment due

Approved by: _____ Date: _____
Your signature

_____ Check enclosed

_____ Charge my card

_____ Exp: ____/____

Card mailing address (# only) _____ Zip _____

Payment Amount \$ _____

****Please initial both pages and return both pages of the signed contract.****

INTL _____