



# PEARL CITY ELEVATOR INC.

2017 – 2018 Propane Contract

This agreement is made and entered into as of the date hereunder by and between Pearl City Elevator, Inc., an Illinois corporation with its main office located at 119 South Main Street, P.O. Box 248, Pearl City, Illinois 61062, hereafter referred to as Pearl City, and the customer named below, hereinafter referred to as Patron.

Patron Name and Billing Address

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Delivery Address (If Different than Billing Address)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Email Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Tank Size? \_\_\_\_\_  
LP Percent in Tank? \_\_\_\_\_ Own? \_\_\_\_\_

2016/ 2017 Usage: Contracted:

PEARL CITY SHALL:

Sell and deliver \_\_\_\_\_ gallons of propane to Patron on the terms and conditions set forth in the Pearl City CREDIT TERMS AND DISCLOSURE STATEMENT and herein below.

PATRON HEREBY AGREES:

1. Payment is due on or before August 25<sup>th</sup>, 2017 to lock in contract prices. Patron's account must be current before Pearl City's acceptance of this agreement.
2. Delivery of Contracted Propane Gallons will be made through March 31, 2018.
3. Minimum purchase quantity: 500 gallons.

| OPTION 1: 100% PAID IN ADVANCE        |   |                       |
|---------------------------------------|---|-----------------------|
| Contracted Gallons                    |   |                       |
| Contracted Price                      | X | <b>CALL FOR PRICE</b> |
| Subtotal                              |   | \$                    |
| Sales Tax IL @ \$0.0675               | X | \$                    |
| WI @ \$0.0000                         |   | \$                    |
| 2.75% Credit Card Fee (If Applicable) |   | \$                    |
| TOTAL AMOUNT DUE                      |   | \$                    |

| OPTION 2: 10 CENTS DOWN               |   |                       |
|---------------------------------------|---|-----------------------|
| Contracted Gallons                    |   |                       |
| Contracted Price                      | X | <b>CALL FOR PRICE</b> |
| \$0.10 Down per Gallon                |   | <b>\$0.10</b>         |
| (Example: 500gl = \$50.00)            |   |                       |
| Subtotal                              |   | \$                    |
| 2.75% Credit Card Fee (If Applicable) |   | \$                    |
| TOTAL AMOUNT DUE                      |   | \$                    |

**CREDIT CARD PROCESSING FEE OF 2.75% OF THE SUBTOTAL PLUS TAXES DUE IS REQUIRED ON ALL CREDIT CARD TRANSACTIONS. ELECTING TO CONTRACT USING BOTH OPTIONS STILL REQUIRES A MINIMUM OF 500 GALLONS PREPAID.**

PEARL CITY AND PATRON AGREE THAT:

1. Propane contracts will not be available to customers with an existing past due propane balance.
2. This agreement may not be sold nor assigned by Patron. Pearl City may assign its rights in this agreement without consent of Patron.
3. This agreement is a Take or Pay contract. If Patron elects not to have or prohibits contracted gallons from being delivered by March 31, 2018, Pearl City reserves the right for all undelivered contracted gallons to be charged to Patron at contract price.
4. This agreement shall be terminated when all contracted gallons of propane are delivered to Patron, or on March 31, 2018, whichever comes first. Provided that the account balance due is \$0.00, any unused prepayment amount will be kept on account to be used towards next season's contract unless Patron requests a refund thereof.
5. This agreement will terminate if any of the following credit terms is not met:
  - A. Account with an unpaid propane balance must be paid prior to the next delivery.
  - B. Patron must pay all late charges on past due unpaid deliveries. Unpaid balances will be charged a finance charge of 2% per month (24% per year).
  - C. Agreements for accounts past due over 60 days may be terminated in Pearl City's sole discretion.
6. Any remaining money from the prepayment of propane may be applied to past due amounts on Patron's account.
7. If delivery of material is prevented, restricted, or interfered with due to any cause beyond the reasonable control of Pearl City, then Pearl City shall be excused from performance hereunder to such extent, and the time period specified in contract above shall be extended by the amount of such time period. In no event shall Pearl City be liable for consequential damages on account thereof or on account of any loss, damages, or injury arising from or in connection with this agreement, or any act or failure to act relating to this agreement.
8. Pearl City's maximum liability relating to this agreement or any propane sold will not exceed the aggregate amount of Patron's payments to Pearl City during the 12-month period immediately preceding the event on which the claim is based.
9. Pearl City disclaims all warranties, whether express or implied, relating to the propane sold hereunder, including without limitation warranties of merchantability and fitness for a particular purpose.
10. Title to, and risk of loss of, the propane sold hereunder transfers to Patron upon delivery.
11. PATRON'S PROPANE TANK SHALL BE ON A "ROUTED DELIVERY" unless specified as "will-call". If contracted gallons run out before March 31, 2018, tank will continue to be on a routed basis invoiced at current truck pricing the day of delivery unless Patron instructs Pearl City not to go over the contracted amount.
12. Patron is responsible for having a clear drive for delivery of propane.
13. No other discounts are applicable to this agreement.
14. Pearl City reserves the right to deny any contracts with a delinquent account history.
15. Patron acknowledges receipt of the propane safety information brochure.
16. Patron agrees to have a current leak check on file for its propane system completed by a qualified employee of Pearl City.
17. By returning this contract with deposit money, Patron agrees to all terms stated in this agreement, including the terms set forth on the reverse side hereof.

### LOCATION PHONE NUMBERS

|                      |                         |
|----------------------|-------------------------|
| Pearl City Elevator  | 1-800-851-8584          |
| McConnell Coop       | 1-815-868-2258          |
| Dakota Coop          | 1-888-670-6035          |
| Warren Coop          | 1-815-745-2056          |
| Baileyville Coop     | 1-815-362-2667          |
| Alliance Commodities | 1-815-809-2667 ext. 503 |

PATRON (name): \_\_\_\_\_

PEARL CITY ELEVATOR, INC.

BY (INCLUDING TITLE): \_\_\_\_\_

BY (INCLUDING TITLE): \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**Leased or Customer-Owned Tanks.** Pearl City Elevator, Inc. (“we”, “us”, “our”) reserves the right (but has no obligation) to inspect Patron’s (“you”, “your”) entire system for delivery of propane, including components such as your tank, regulators, piping and appliances. If we choose to deliver propane to you, we may require you to upgrade your system to meet our safety standards. By inspecting your system, we make no representation or warranty to you concerning the safety or adequacy of your system. You are responsible for any loss or damage caused by your system. If we determine at any time that your system is no longer adequate for delivery of propane, we will terminate service. If inspections, testing or repairs are required by applicable federal, state or local laws, regulations or ordinances, you will be responsible for the cost and completion of all such work and for property repair, including landscaping costs, if any, related to such work. **It is your duty to inform us** about all work of any nature on any part of your system and/or 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.

**Your Safety Responsibilities.** You have received the Propane Safety Information Brochure. **YOU AGREE THAT, IN THE EVENT YOU OR ANY EMPLOYEE, TENANT OR OTHER RESIDENT DOES NOT FOLLOW THE SAFETY PLAN AND THE INSTRUCTIONS AND WARNINGS, WE WILL NOT BE RESPONSIBLE FOR ANY DAMAGES THAT MAY RESULT OR OCCUR, INCLUDING BUT NOT LIMITED TO PERSONAL INJURY, DEATH OR PROPERTY DAMAGE.**

**Delivery of Propane.** 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, POULTRY OR LIVESTOCK.

**a. Will Call.** If you have chosen Will Call, we will not deliver propane until you call and request delivery. You should call at least three (3) business days prior to the date you anticipate needing propane. If you call with less than three (3) 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 at the end of this Agreement), and you may incur additional costs associated with retesting your system. We suggest that you call us when your tank reaches thirty percent (30%) capacity.

**b. Routed Delivery.** If you have chosen Routed Delivery, we will deliver propane to you from time to time on our schedule when we believe that delivery is appropriate. We will use reasonable commercial efforts to keep your propane supply adequate, but make no representation that we will inspect your propane supply on a specific schedule. We have the right to determine when to fill your tank. If where we deliver propane is not your primary residence, you must notify us in advance of any significant increase or decrease in your propane use from the prior month. If you fail to notify us in advance of a change in usage, and as a result you must order an additional delivery of propane, we will impose an additional delivery charge (as set forth on the Current Charges List), and if we deem it appropriate, we may charge you for retesting the system.

**Monitoring your Property During Your Absence.** If you leave your property during the heating season or 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.

**Payment Options.**

**a. CASH Customers.** If you are a customer who does not have credit established with us, you must **pay in advance of delivery**. No propane will be delivered to you unless you have paid in full prior to delivery. You may pay in advance by mailing or hand-delivering your payment at any of our local offices, or you may pay by credit card by calling any of the office numbers. Service will not be provided until we have actually received your payment.

**b. Preferred Payment Option (PPO).** Your monthly installments will be used to pay for deliveries. You are responsible for paying the actual amount of propane delivered to you.

**Access to Property.** You agree that our representatives may enter your property (even if you are not present) for the purpose of making deliveries of propane, for gaining access to equipment into which propane is delivered, for repairs and maintenance, for installing or removing property belonging to us, for investigating the cause of any fire or accident and for any other purpose related to the service. 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 equipment. 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. **It is the customer’s responsibility to keep the driveway clear of snow and ice.** We will not attempt to deliver if the drive is questionable. We will not be held liable if you run out of propane due to us being unable to deliver because of driveway conditions.

**Property Issues.**

**a. Sale of Property.** If you own the property where propane is delivered or leased equipment is installed, you must give us at least thirty (30) days’ prior notice in writing before you sell the property.

**b. Landlord.** If you are a landlord and are renting out the property where propane is delivered or leased equipment is installed, you must inform any and all tenants of the presence of propane-operated appliances or other equipment on the premises. You must notify us in writing at least thirty (30) days prior to a change in occupancy. 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. If your tenant leaves the property, you will be responsible for any propane used after the tenant has given up possession.

**c. Tenant.** If you are a tenant, and you rent or have some other right to use the property where propane is in use, you acknowledge the presence of propane-operated appliances on the property. You must supply us with your landlord’s name, address and telephone number. You must notify us in writing at least thirty (30) days prior to the date on which you plan to surrender possession. You must also supply thirty (30) days’ advance written notice to us and to the landlord of any installation, service, repair or removal of propane lines or equipment.

**Underground Tanks.** Underground tanks require additional testing, since the tank cannot be seen. Underground tank owners agree to pay for the testing as set forth in the Current Charges List below. Because these tests are required at different time frames and require specific weather conditions, these may be completed after the propane is delivered.

| CURRENT CHARGES LIST               |                    |  |
|------------------------------------|--------------------|--|
| FEES                               | CHARGES            | EXPLANATION  |
| Leak Check Fees                    | \$50.00<br>\$35.00 | Imposed If a Tank Is Empty At Time Of Delivery<br>All Current Customers Who Require the Every 5-Year Leak Check to be Completed or<br>ALL Returning Customers Who Previously Had LP Delivered, But Had Another Company Fill One or<br>More Times Since Last Delivery From Pearl City Elevator. |
| Charges to Discontinue Service     |                    |  |
| Tank Pump Out Charge               | \$102 Per Hour     | Empty tank prior to pick up or repair.   |
| Delivery Charges                   |                    |  |
| Same Day Fee                       | \$50.00            | Customer Requests Off-Route Delivery During Normal Business Hours  |
| After Hours / Weekend Delivery Fee | \$100.00           | Customer Requests Delivery After Normal Business Hours (Call After 2:00PM)   |
| Minimum Delivery Fee               | \$35.00            | Imposed If Customer Demands Delivery Of Less Than 200 Gallons For 500 Gallon Tanks and Larger or For<br>Full Fill (50%) of Capacity For Tanks Smaller Than 500 Gallons.  |
| Leak Check Fee                     | \$50.00            | Imposed If Tank Is Empty At Time Of Delivery   |
| Service Work Charges               | \$68 Per Hour      | Work Such As Installation, Removal or Modification to Tank, Piping, Equipment, Etc.  |
| Underground Tank Testing Charges   |                    |  |
| Annual Cathodic Test               | \$15               | Annual test to check for potential for corrosion   |
| Bar Probe Test                     | \$35               | Test completed on all new/returning customers, every 5 years or when the tank is out of gas to test for<br>presence of propane underground.  |