



PROPANE SUPPLY AGREEMENT AND EQUIPMENT LEASE (RESIDENTIAL CUSTOMERS)

This Propane Supply Agreement and Equipment Lease is between Quality Propane and Delivery Address City State Zip ("Customer")

- 1. EQUIPMENT. Quality Propane will lease to and provide customer with a Size (in gallons) storage tank bearing the Serial Number or cylinder, regulator (s), blocks ("Related Equipment"). Customer agrees to pay the equipment rental charge. Quality Propane reserves the right to substitute a tank or cylinder and Related Equipment of different size or capacity if Customer's propane usage changes or to remove the tank or cylinder and Related Equipment during periods of non-usage. Customer agrees that if Customer sells the residence at which the Quality Propane storage tank or cylinder and Related Equipment have been installed, Customer will notify the buyer that the tank or cylinder and Related Equipment is owned by Quality Propane.
2. PROPANE SUPPLY. Customer agrees that only propane sold by Quality Propane will be used with the Quality Propane owned tank or cylinder and Related Equipment.
3. FEES, RATES, SURCHARGES AND OTHER CHARGES. Customer agrees to pay Quality Propane's fees, rates, surcharges and other charges in effect on the date that propane is delivered or services are rendered. The Hazardous Materials Surcharge is not required by federal, state or local law and any amounts collected are not remitted to any government agency. Quality Propane reserve the right to change its fee, rates, surcharges and other charges from time to time without prior notice. Customer acknowledges that Quality Propane's fee, rates and charges may vary depending upon the volume of propane purchased, customer classification, ownership of equipment and competitive conditions. Quality Propane's fee, rates, surcharges and other charges, if any are not refundable except to the extent that a refund may be required by law.
4. PAYMENT TERMS. Customer agrees to pay all fees, rates, surcharges and other charges required by this agreement within 15 days after the invoice date or on the due date shown, whichever is later, to the location designated by Quality Propane. Where permitted by law, Customer agrees that Quality Propane may send Customer an invoice instead of a delivery ticket. If Customer fails to pay any fee, rates, surcharge or charges within 15 days after the invoice due date, Quality Propane may, unless prohibited by law add a monthly late charge of one and one-half percent to all past due amounts or a late charge not to exceed \$10.00, whichever is greater. Quality Propane reserves the right to require Customer to pay for propane deliveries or services in advance or to post a cash deposit, which may be applied by Quality Propane at any time in whole or in part to the outstanding balance.
5. LICENSE, PERMITS AND TAXES. Customer agrees to pay all taxes, and all license, permit, inspection and requalification fees and expenses associated with the sale or use of the propane, tank or cylinder and Related Equipment covered by this agreement.
6. PROPANE SYSTEM MAINTENANCE & REPAIR. Except for the tank or Cylinder and Related Equipment leased from Quality Propane, Customer is responsible for the maintenance and repair of Customer's entire propane system (including, but not limited to, the underground line, appliances, indoor gas plumbing and shut-offs), and Customer is responsible for the compliance of the propane system with all applicable laws, codes and regulations.
7. TITLE TO THE EQUIPMENT. The tank or cylinder and Related Equipment provided to Customer by Quality Propane will at all times remain the property of Quality Propane and will not become a fixture or a part of Customer's real property. IN THE INTEREST OF SAFETY, CUSTOMER WILL NOT ALLOW ANYONE TO MAKE ANY ADJUSTMENTS, CONNECTIONS OR DISCONNECTIONS TO THE TANK, CYLINDER AND/ OR RELATED EQUIPMENT WITHOUT THE WRITTEN PERMISSION OF QUALITY PROPANE. CUSTOMER WILL NOTIFY IMMEDIATELY IF THE TANK, CYLINDER AND/ OR RELATED EQUIPMENT ARE DAMAGED OR MALFUNCTION OR IF CUSTOMER EXPERIENCES ANY PROBLEMS WITH THE TANK, CYLINDER OR RELATED EQUIPMENT.
8. ACCESS TO THE EQUIPMENT. (a) Quality Propane may without prior notice enter Customer's property to deliver propane or to install repair, service or remove the tank or cylinder or any Related Equipment provided to Customer by Quality Propane or to perform any other services that it deems necessary under this agreement. Customer agrees to provide Quality Propane with safe, free and impeded access to the tank or cylinder and Related Equipment, including, but not limited to, free of ice, snow, water, mud and other debris. Customer will mark or otherwise identify the location of septic systems, leach pits, and underground ponds. (b) Customer agrees to promptly surrender to Quality Propane the tank or cylinder and Related Equipment when this agreement is terminated for any reason. (c) Paragraph 9 shall survive termination of Customer's relationship with Quality Propane.
9. WARRANTIES. MAKES NO REPRESENTATIVES OR WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY PROPANE, TANK, CYLINDER AND/ OR RELATED EQUIPMENT OR SERVICE SUPPLIED OR

PERFORMED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SOME STATES DO NOT ALLOW THIS EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSIONS MAY NOT APPLY TO CUSTOMER.
10. LIABILITY. UNDER NO CIRCUMSTANCES WILL QUALITY PROPANE BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGE TO CUSTOMER'S PLUMBING, SEPTIC SYSTEM, DRIVEWAY AND/ OR LANDSCAPING. CUSTOMER IS RESPONSIBLE FOR PERIODICALLY MONITORING TANK LEVEL AND CONTACTING QUALITY PROPANE IF A FUEL DELIVERY IS REQUIRED. QUALITY PROPANE IS NOT LIABLE FOR ANY DAMAGES THAT MAY OCCUR AS A RESULT OF TEMPORARY EXHAUSTION OF PROPANE SUPPLY.
11. TERMINATION. Either party may terminate this agreement by giving the other party (30) days prior written notice. Customer may terminate this agreement at any time if Quality Propane amends the terms or changes the fee, rates, surcharges, or other charges. Quality Propane may terminate this agreement at any time without prior notice if Customer fails to satisfy the terms and conditions of Customer's agreement or if Quality Propane determines that a condition exists that poses a health or safety threat. This provision shall in no way, however, affect the term in any contract involving a special promotion, including water heater agreements, and Pre-Buy. Before terminating this agreement, Customer agrees to use all propane in the tank or cylinder. Quality Propane reserves the right to charge Customer a service disconnection and/ or restocking fee.
12. EXCUSED PERFORMANCE. Quality Propane will not be responsible for any delay or damages caused by events or circumstances beyond its reasonable control, including without limitation, acts of God, fire, storms, floods, labor disputes, war, hostilities, terrorism, compliance with laws or regulations, Quality Propane's inability to obtain propane allocation programs, lack of or inadequate transportation facilities. Under any of these circumstances, Quality Propane may allocate propane and equipment among its Customers in any manner that Quality Propane in its sole judgment deems reasonable.
13. CHANGES TO THE AGREEMENT. Quality Propane reserves the right to change the applicable terms and conditions (other than fee, rates, surcharges and other charges which may be changed without prior notice) at any time by giving Customer thirty (30) days prior written notice of the change. The notice of change may be in the form of a bill insert or other written notification. By accepting propane or by paying any fees, rates, surcharges or other charges after Customer has been given notice of changes, Customer will be deemed to have agreed to the charges. This agreement may not be modified orally.
14. ARBITRATION. Customer and Quality Propane agree that, if either party requests, any dispute or controversy between the parties that in any way arises out of or relates to this agreement or a prior agreement, or Quality Propane's provision of goods or services to Customer, will be decided by binding arbitration in accordance with Commercial Arbitration Rules of the American Arbitration Association. Upon a sufficient showing that Customer cannot afford to pay for arbitration cost, the arbitrator may direct that Quality Propane bear the costs of arbitration (but not including attorney's fees) that the arbitrator finds should not be borne by the Customer. Neither Customer nor Quality Propane shall be entitled to arbitrate joint or consolidated claims by or against other customers, or arbitrate any claim as a representative or member of a class or in or as part of a private attorney general capacity. Judgments upon any arbitration award shall be final and binding on Customer and Quality Propane and may be entered in any court having jurisdiction. If a court of competent jurisdiction, or an arbitrator with authority to adjudicate the matter, should declare all or any part of this arbitration provision invalid or unenforceable, then the remainder of this arbitration provision shall be valid and enforceable to the fullest extent permitted by law. In the absence of this arbitration provision, you may have otherwise had an opportunity to litigate claims in court and/ or to have claims decided by a jury. Within thirty days of receipt of this arbitration provision, Customer can elect to opt out of this provision (that is, exclude it from this agreement) by sending a written notice by certified mail stating that Customer wishes to opt out of this arbitration provision.
15. The following paragraphs apply only if Customer is leasing a tank or cylinder and Related Equipment from Quality Propane; Paragraphs 1, 2, 7 and 8 (b). Paragraph 14 shall survive termination of Customer's relationship with Quality Propane.

CUSTOMER
By: Date: / /
Billing Address:

Quality Propane
By: Date: / /
District:
Address: