



Owatonna Office
712 N Cedar Ave
Owatonna, MN 55060
800-270-2339

Truman Office
233 West Ciro St, P.O. Box 68
Truman, MN 56088

Propane (LP) Home Heat Contract

April 2019

Date: _____

Account # _____

Name: _____

Address 1: _____

Address 2: _____

City, State Zip: _____

This contract is for the 2019 - 2020 heating season. Contract start date: _____

Current percentage of propane in tank: _____ date: _____

Gallons allocated for Home Heat: _____ Shop: _____

A - Prepay: ____ I will prepay _____ gallons of propane at \$_____ price per gallon. I am enclosing payment in the amount of \$_____. I understand my gallons need to be paid for in full to guarantee this prepay propane contract. These prepaid gallons will be delivered through September 15th, 2020. If I exceed these prepay gallons before September 15th I will pay the current market price at the time of each delivery.

B - Budget: ____ I will contract _____ gallons of propane at \$_____ which is a locked price per gallon and will make 11 monthly installments of \$_____, or will make monthly payments of \$_____ based on time of delivery option described below. The first payment is due in June, and any remaining charge/credit balance due in May. Budget payments are required to be directly withdrawn from a checking/savings account with electronic funds transfer (ACH). You must fill in the form on the back side of this contract to setup ACH payments. **Budget contracts must be set up before the end of May and will be unavailable after May 31st.**

C - Market Price: ____ I would like to pay for my propane as it is delivered to me. I understand that it will be subject to market price at the time of each delivery. The balance on my account will be paid in full before I receive my next propane delivery, or when due on my statement, whichever is sooner. This option is only available to accounts in good credit standings. Our normal credit terms apply to this option.

Call Owatonna at 800-270-2339 for current pricing, to reserve your gallons, or to ask any questions you have.

Prepay contracts are available year-round and Budget contract signups are available March to May every year. You have the choice of fixing the price per gallon or paying the current price at the time of delivery on our budget program. If you choose the price at the time of delivery option, we will calculate your monthly payments based on the current budget contract price and then add \$20.00 to the monthly payment. If you choose the fixed price option, the price will be locked on the number of gallons you commit to on the contract; any deliveries more than the fixed price budgeted gallons will be priced at the current pricing at the time of delivery. **All fixed price budget and prepay contracts will be summer filled at your contract price. All budget customers that choose the price at time of delivery option will be summer filled when we are in the area.**

Please initial here _____ and sign on reverse side.

Additional terms and conditions:

- If your account with Central Farm Service becomes delinquent, Central Farm Service reserves the right to cancel this contract. If contract is canceled for this reason, customer is still subject to contract settlement.
- This contract is for bulk delivery only.
- Delivery charges apply to any requested delivery of less than current CFS posted minimum gallons at rates as posted on retail price sheet.
- CFS's obligation to deliver fuel purchased hereunder by Customer is conditional upon the availability of fuel from CFS's supply chain in the ordinary course of business. Additional costs of procuring fuel during supply outages will be passed on to Customer. CFS shall have no responsibility for any damages incurred by customer due to lack of delivery caused by supply outages.
- Customer acknowledges that he/she understands that prices in petroleum markets are subject to sharp fluctuations that may be unexpected and may result in losses, that any market news and pricing analysis provided by CFS as a service to Customer does not represent a recommendation or a solicitation of actions based on such analysis, and that although such analysis is based on information that CFS does consider reliable, it is no more than CFS's current opinion; at no time does CFS represent that it is accurate or complete, and should not be relied upon as accurate or complete.
- Customer agrees that he/she is responsible for making all final decisions as to transactions effected by this memorandum of agreement.
- If there are remaining gallons on expiring home heat contracts CFS will either, roll the remaining gallons forward into a new contract at the expiring contract price per gallon plus 10 cents, or at the then current CFS posted contract price, whichever is higher. CFS reserves the right to do a mark to market on unused contract gallons in lieu of writing a new contract if less than 50% of the contracted gallons are taken by customer. Mark to market is defined as: CFS will invoice customer a 5 cent per gallon processing fee on all undelivered contract gallons. In addition to the processing fee, CFS will invoice customer the difference on any undelivered contract gallons that are higher in price than CFS's retail pricing on the last business day prior to contract expiration.
- Customer agrees to pay CFS's reasonable attorney's fees and costs incurred in connection with enforcement of this agreement due to any breach of this agreement by Customer.
- Title and risk of loss of the fuel delivered by CFS to Customer passes to Customer upon delivery at the point where fuel leaves CFS's, CHS's AFD trucks, or Transport Company owned delivery equipment.
- Pricing on this contract is subject to change whenever any taxes or fees are changed or imposed by any Government agency, or whenever a pipeline tariff or freight rate change is imposed on CFS by CFS's suppliers.

ACH payments are required with Budget contracts. If you wish to participate in our budget program, please fill in the information below and send in a canceled check with this contract to verify your bank account information. We must have this authorization annually even if you were on ACH last year. Your dollars will be withdrawn each month (June thru April) on the 20th of each month.

Bank Name: _____

City/State/Zip: _____

Account Number: Checking _____ or Savings: _____

Routing Number: _____

This information and a canceled check are required annually if you want ACH, even if you were on ACH last year.

I authorize Central Farm Service to initiate electronic entries to my checking/savings or credit card account.

Signature: _____ **Date:** _____ **Daytime Phone #:** _____

By signing I confirm I have read and understand all terms and conditions of this contract. I understand I will be subject to charges if I do not take delivery of all the contracted gallons within the contracted time-period. I also confirm I have received a copy of, have read, and agree to Central Farm Service delivery and payment policies.

This contract must be signed and returned to Central Farm Service to make your contract valid.

(Must be signed and returned within 5 days of price quote to be valid)