

**THE COMPANY'S REVISED TERMS AND CONDITIONS ARE SET FORTH BELOW. PLEASE READ THIS NOTICE CAREFULLY AND KEEP IT WITH YOUR OTHER IMPORTANT RECORDS. THIS NOTICE MODIFIES OR REPLACES ALL PRIOR AGREEMENTS AND GOVERNS YOUR RELATIONSHIP WITH THE COMPANY.**

For residential customers (“you” or “your”), the new Terms and Conditions will become effective thirty days after the date of this Notice, unless your agreement does not permit such modification. In that event, this Notice will serve as a notice of termination and an offer to do business under the Terms and Conditions set forth below. If you find these new terms and conditions unacceptable, you have the right to terminate your service.

THESE TERMS & CONDITIONS REQUIRE THAT DISPUTES BE RESOLVED INDIVIDUALLY IN ARBITRATION OR SMALL CLAIMS COURT. IN ARBITRATION, THERE IS NO JUDGE OR JURY AND THERE IS LESS DISCOVERY AND LESS APPELLATE REVIEW THAN IN COURT.

**GENERAL TERMS AND CONDITIONS FOR RESIDENTIAL CUSTOMERS**

**1. ACCEPTANCE OF THESE TERMS AND CONDITIONS.** By accepting delivery of propane or by paying any invoice from the Company, you are deemed to have accepted these Terms and Conditions.

**2. TERM.** Your term is the period of time for which you have agreed to maintain service with us. If you did not sign a customer contract, your Term will be determined as the date you began service with the Company through the end of the third year (the “Initial Term”) and will automatically renew year to year thereafter (the “Renewal Term”).

**3. LEASED EQUIPMENT.**

**A. General Provisions.** Upon request, the Company (“us” or “our” or “we”) will lease and provide to you various equipment, including a propane storage tank or cylinder, regulator(s), and related equipment (the “Leased Equipment”). In the interest of safety, you will not allow anyone to make any adjustments, connections or disconnections to the Leased Equipment or remove or pump-out the tank without our written permission. You agree that if you sell the residence where the Leased Equipment has been installed, you will notify the Company at least 30 days in advance of the sale taking place and will inform the buyer that the Leased Equipment is owned by the Company. You agree that only propane sold by the Company will be used with the Leased Equipment.

**B. Propane System Maintenance & Repair.** Except for the Leased Equipment, you are responsible for the maintenance and repair of your entire propane system, including compliance with applicable laws and regulations. You are required to notify us in the event that you disconnect the propane system or add or remove appliances so that we may conduct a leak check on the Leased Equipment. You will notify the Company immediately if the Leased Equipment is damaged or malfunctions, or if you experience any problems with the Leased Equipment.

**C. Tank Rent.** You agree to pay the Company annual tank rent during the period the Leased Equipment is installed at your residence. The amount of rent can vary depending on, among other things, the size of the tank, the location of the residence, and your actual annual usage. Please contact your local District office if you have questions about the tank rent that is applicable to you.

**D. Access to Equipment.** You agree that the Company has an irrevocable right of entry and exit to your property, without prior notice, to deliver propane or to install, repair, service, or remove the Leased Equipment, or to perform any other services that the Company deems reasonably necessary. You agree to provide the Company with safe, free and unimpeded access to the Leased Equipment, including, but not limited to, access free of ice, snow, water, mud and other hazards. You will mark or otherwise identify the location of septic systems, leach pits, underground ponds and similar underground features as necessary to allow the Company to safely install the Leased Equipment, perform services, and make deliveries. You agree that the Company has no obligation to contact you to access the Leased Equipment and may suspend deliveries or service in the event the Company is unable to reasonably access the Leased Equipment. You agree to promptly surrender to the Company the Leased Equipment when your relationship with the Company is terminated for any reason.

**E. Title to Equipment.** The Leased Equipment will at all times remain the property of the Company and will not become a fixture or a part of your real property.

**F. Propane Meters.** If you have a Company propane meter installed on the Leased Equipment, you will be billed for your actual propane usage rather than per delivery. The Company reserves the right to bill you based on an estimated usage amount, which will later be followed-up by an actual reading, based on which: (i) you will receive a credit to the extent that the estimated amount exceeds the actual propane usage amount or (ii) you will be charged an additional amount to the extent that the actual amount of propane used exceeds the estimated amount. A monthly Meter Fee as defined in Section 6(B) below is applied to customers who have meters.

**4. SAFETY INFORMATION.** Safety information has been or will be supplied in your Welcome Packet. If you did not receive the safety information, please contact us at 800-501-8953 and we will mail this information to you. Additionally, the Company’s safety warnings are also contained on our website or visit [www.propanesafetyfirst.com](http://www.propanesafetyfirst.com). We strongly advise you to regularly visit our website to view those and other important safety warnings. **If you smell propane or experience any other adverse propane condition or safety-related matter, you should immediately contact your local District office.**

**5. PROPANE DELIVERY.** The Company offers two types of propane delivery:

**Automatic** – Under this delivery option, the Company will make periodic deliveries to you on either a fixed cycle basis or based upon a number of forecasting factors, including temperature conditions and your specific usage patterns. To ensure accurate forecasting, we request that you update the Company with any changes in your usage or appliances.

**Will Call** – Under this delivery option, you must request a propane delivery. The Company recommends you order a delivery when your tank is at approximately 30% to ensure a timely delivery. Most Will Call deliveries will be made within 5-7 business days after your request. The Company will assess a Will Call Convenience Fee per delivery. Weather and other factors may affect delivery times. Expedited delivery requests may be assessed a Special Trip Charge.

**6. PRICING, FEES, RATES, AND CHARGES.** You agree to pay the Company's price per gallon, fees, rates, and charges in effect on the date that propane is delivered for Automatic delivery or ordered for Will Call delivery, when services are rendered, or as may be set forth on the delivery ticket.

**A) Price.**

Unless you have an agreement which determines your price, you will receive the Company's daily market price per gallon that is set at the Company's discretion, which includes, among other things and without limitation, our costs to procure the propane, freight and transportation, and may vary depending upon the volume of propane purchased by the customer, customer classification, ownership of propane tank and competitive conditions. You may contact your District office to receive current pricing information as pricing changes frequently and without prior notice to the customer.

**B) Current Fees and Charges.** In addition to the price per gallon, the Company will apply other fees and charges to your account depending on the services requested and/or required. The fees and charges provided below are the most frequently assessed, but other fees and charges may apply depending on the services rendered. Please contact your local District office for specific questions regarding fees and charges and for updated amount information. **THE FEES LISTED BELOW ARE NOT GOVERNMENT IMPOSED, NOR ARE ANY PORTION OF THEM PAID TO ANY GOVERNMENT AGENCY. THE COMPANY RESERVES THE RIGHT TO CHANGE ITS FEES, RATES, AND CHARGES WITHOUT PRIOR NOTICE.**

- **Early Termination Fee** – For customers with Leased Equipment, you have received certain benefits from the Company in exchange for your service commitment, which may include, but are not limited to, the installation costs of the Leased Equipment. In the event that you terminate propane service with the Company prior to the end of the Initial Term, the Company will charge you an Early Termination Fee as of the date of your request. The Early Termination Fee is \$149.99.
- **Fuel Recovery Fee** – This fee, which is assessed to propane deliveries and service calls, helps to offset the significant expenses incurred by the Company in fueling its fleet of motor vehicles. This fee fluctuates on a monthly basis as the Company's cost of fuel fluctuates. For updated Fuel Recovery Fee information, please contact your local District office or visit the Company's website.
- **HazMat & Safety Compliance Fee** – This fee, which is assessed to propane deliveries and service calls, helps to offset a portion of the costs the Company incurs to comply with federal, state and local government regulations, including, but not limited to, hazardous materials, homeland security, emergency preparedness and workplace safety. It is also used to fund, among other things, employee safety training and inspections, cylinder re-qualification, and environmental compliance. The fee as of the date of this Notice is \$10.59.
- **Leak Check Charge** – This charge is applied when the Company must perform a leak check to verify that the propane system does not have any leaks. This test is required by law under certain circumstances, which may include: when a new piping system is installed, if the gas has been turned off for any reason or if there has been an interruption of gas service, or in the event a leak in the system is suspected. The local District office can provide specifics on when a leak check is required and the current charge.
- **Meter Fee** – This fee is applicable to customers who are charged for their propane based on an amount of usage as measured by the Company's meter. This fee helps to offset the cost of the meter, meter reading and related administrative costs. The fee also helps to offset the costs otherwise covered by the HazMat & Safety Compliance Fee (as described above), which is not charged to metered customers. The fee as of the date of this Notice is \$11.99 per month.
- **Pump-Out/Restocking Charge** – This charge is assessed when the Company is required to pump out a tank that contains propane in excess of five percent water capacity in order to remove a Company-owned tank from the customer's property. You can avoid this charge by continuing service with the Company until the supply of propane in the tank is less than five percent. Depending on the size of the tank/cylinder, this charge may be up to \$149.99.
- **Reconnect Charge** – In the event that your tank is locked off by the Company due to nonpayment, this fee will be assessed to remove the lock, perform a leak check and put your propane system back into service. The fee as of the date of this Notice is \$79.99.
- **Returned Check Fee** – This fee is intended to cover the deposit return fee assessed by financial institutions and related administrative expenses associated with the return of a customer check for insufficient funds. The Returned Check Fee is \$33.00.
- **Service Dispatch Charge** – This charge is applied when a service technician is requested to a customer's residence or other location to perform diagnostic or other service work on customer-owned equipment and appliances or to pick-up a Company-owned tank or cylinder. The Service Dispatch Charge as of the date of this Notice is \$39.99. This charge will not be credited toward service work performed and additional charges may be assessed depending upon the nature of the service work required. Please check with your local District office regarding the availability of appliance repair service.
- **Special Trip Charge**– This charge is incurred by customers who request deliveries within forty-eight (48) hours or non-emergency service after business hours or on weekends. This charge can vary due to the distance involved and/or the time required to service the request and can be obtained from your local District office.
- **Tank Rent** – See Section 3C.
- **Will Call Convenience Fee** – This fee is assessed for propane deliveries to customers enrolled in the Will Call delivery option. Eligible customers may avoid this fee by switching to Automatic delivery. The fee as of the date of this Notice is \$4.99 per delivery.

**7. PAYMENT TERMS AND LATE FEES.** If you have received credit terms from the Company, you will be billed after propane is delivered or services are rendered, unless you have enrolled in a budget payment program. If you dispute an invoice or believe your invoice is inaccurate, you must contact your District office within thirty (30) days of receipt. You agree to pay the Company's price per gallon and all fees, rates, and charges on or before the due date indicated on the invoice. If you fail to pay all amounts owed to the Company by the applicable due date, the Company may, unless prohibited by law, add a monthly late charge of 1.5% of the average daily balance until paid or a late charge of \$36.00, whichever is greater. In the event you fail to make a payment on the outstanding

amount owed, the Company may, after providing written notice to you, suspend service and/or place a lock on the Leased Equipment. If the Company places a lock on the Leased Equipment, all amounts outstanding (including the applicable Reconnect Fee) must be paid in full before service will be restored. The Company reserves the right to require you to pay for propane deliveries or services in advance or to post a cash deposit, which may be applied by the Company at any time in whole or in part to the outstanding balance.

**Maryland Customers: If all of the outstanding amount owed is not received within 15 days after it is due, you will pay a late charge of the greater of \$5.00 per month or up to 10% per month for the part of the outstanding amount that is late.**

**8. LICENSES, PERMITS AND TAXES.** You agree to pay for all licenses, permits, and taxes associated with the sale or use of the propane and Leased Equipment or service covered by these Terms and Conditions.

**9. LIMITATION OF LIABILITY.** UNDER NO CIRCUMSTANCES WILL THE COMPANY BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES. THIS LIMITATION SHALL APPLY REGARDLESS OF WHETHER A CLAIM OR REMEDY IS SOUGHT IN CONTRACT, TORT OR OTHERWISE. COMPANY IS NOT LIABLE FOR ANY LOSS SUSTAINED BY YOU AS A RESULT OF THE EXHAUSTION OF COMPANY'S SUPPLY OF PROPANE.

**10. DISCLAIMER OF WARRANTIES.** THE COMPANY MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY PROPANE, TANK, CYLINDER, AND/OR RELATED EQUIPMENT OR SERVICE PERFORMED UNDER THESE TERMS AND CONDITIONS OR ANY PRIOR AGREEMENT OR UNDERSTANDING, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SOME STATES (CT, KS, ME, MS, NH, WA, AND WV) DO NOT ALLOW THIS EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSIONS MAY NOT APPLY TO YOU.

**11. TERMINATION OF PROPANE SERVICE.** Unless otherwise specified, your propane service may be terminated for convenience at the end of the Initial Term or Renewal Term upon the provision of thirty (30) days prior written notice to the Company.

- For Leased Equipment customers only: In the event service is terminated prior to the end of the Initial Term, the Company will charge you an Early Termination Fee, as outlined in Section 6(B). The Company may also charge you a Service Dispatch Charge, the Pump-Out/Restocking Charge if the supply of propane remaining in the tank is greater than 5% water capacity, and the HazMat and Fuel Recovery Fee, if applicable.
- For Leased Equipment customers only: If propane service is terminated after your Initial Term, the Company will charge you a Service Dispatch Charge, the Pump-Out/Restocking Charge if the supply of propane remaining in the tank is more than 5%, and the HazMat and Fuel Recovery Fee, if applicable.
- Unless required by law, the Company does not repurchase propane remaining in the tank or provide customer refunds for any unused propane. The Company, may however, in its sole discretion, repurchase the propane remaining in the tank in certain circumstances. If the Company determines to repurchase the remaining propane, the repurchase price will be based upon the lower of the price per gallon that you paid or the Company's current daily market price.
- The Company may terminate service with you at any time, without prior notice, if you fail to satisfy any of these Terms and Conditions or if the Company determines, in its sole discretion, that a condition exists that poses a health or safety threat.

**12. EXCUSED PERFORMANCE.** The Company 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, wars, hostilities, compliance with laws or regulations, the Company's inability to obtain propane or equipment from its customary suppliers, terminal, refinery or pipeline disruptions, allocation programs, lack of or inadequate transportation facilities, or terrorism. Under any of these or similar circumstances, the Company may allocate propane and equipment among its customers in any manner that the Company, in its sole judgment, deems reasonable.

**13. CHANGES TO THE TERMS & CONDITIONS.** The Company reserves the right to amend or add to these Terms and Conditions (other than price per gallon, fees, rates, and charges, which may be changed without prior notice) at any time by giving you written notice of the change(s). The notice may be in the form of a bill insert, email or other written notification. By accepting delivery of propane or by paying any invoice after you have been given notice of the change(s), you will be deemed to have agreed to the change(s).

**14. CUSTOMERS WITH UNDERGROUND LEASED TANKS.** At the time of installation and removal of the Leased Equipment, you will mark or otherwise accurately identify the location of all underground systems that are not marked by your State's "Call Before you Dig" program, including, but not limited to, sprinkler lines, septic systems, leach pits, underground ponds and similar underground features. You are responsible for all costs of the excavation and removal of the Leased Equipment and the Company is not responsible for furnishing fill, resurfacing, landscaping or restoring your property to its previous condition upon removal. You will be billed on an hourly basis for this work with local labor rates prevailing, unless other arrangements are provided. The charge to remove an underground tank can vary greatly and is affected by numerous factors, including the size of the tank, access to the tank, the soil conditions and other impediments. The Company may at its option charge you for the value of the underground tank in lieu of physically removing the tank from your property.

**15. CUSTOMERS WITH RESIDENCES THAT ARE NOT OCCUPIED YEAR-ROUND.** If you are enrolled in the Company's Automatic delivery program, we will make periodic deliveries to your vacation/seasonal residence based upon a number of factors, including temperature conditions and the number and types of propane appliances in your vacation/seasonal residence. **However, it is your responsibility to notify us if your tank percentage falls below 30%.** Moreover, you must notify our District office if you should change any propane appliances, use your vacation/seasonal residence more than customary, or if any other change or development occurs that may cause your residence to use more propane gas than customary. We do not accept responsibility for any damage caused by your failure to notify your local District office of a delivery request. **ADDITIONALLY, COMPANY IS NOT LIABLE FOR DIRECT DAMAGES TO PERSONAL AND REAL PROPERTY (INCLUDING, BUT NOT LIMITED TO, DAMAGE RESULTING FROM FROZEN PIPES) THAT OCCUR AS A RESULT OF YOUR INCREASE IN USAGE OR YOUR FAILURE TO PROVIDE ADEQUATE ADVANCED NOTICE OF A NEED FOR A DELIVERY TO AVOID THE EXHAUSTION OF YOUR PROPANE SUPPLY.**

**16. CLAIMS AND ARBITRATION.**

**A. Arbitration Agreement.** Upon the election of either party, a Dispute shall be resolved by binding arbitration. "Dispute" means any claim or controversy arising from or relating to the relationship between you and the Company, including without limitation any and all: (1) claims for relief or theories of liability, whether based in contract, tort, statute or otherwise; (2) claims against the Company or its parents, subsidiaries, affiliates, predecessors, successors or assigns and any of their directors, officers, employees and agents; (3) claims that arose before or after the expiration or termination of this or any prior Agreement; and (4) claims that are the subject of a putative class action in which no class has been certified. "Dispute" shall not, however, include: (1) issues relating to the scope, validity or enforceability of this arbitration agreement; (2) claims filed by you or the Company on an individual basis in small claims court; or (3) claims filed by or on behalf of the Company to collect money you owe the Company.

**B. Right to Reject this Agreement or Changes to this Agreement.** Notwithstanding anything in this Agreement to the contrary, you may reject this arbitration agreement or future changes to this arbitration agreement. To do so, you must send the Company written notice by certified mail postmarked no later than thirty (30) days after your first receipt of notice of this arbitration agreement (if rejecting the arbitration agreement) or notice of the change (if rejecting changes to the arbitration agreement) to Box 965, Valley Forge, PA 19482, Attn: General Counsel. Your decision will not adversely affect your relationship with or receipt of goods or services from the Company.

**C. Procedures for Arbitration.** This arbitration agreement is governed by the Federal Arbitration Act. Arbitrations shall be administered by the American Arbitration Association ("AAA") pursuant to its Commercial Arbitration Rules and Supplementary Procedures for Consumer Related Disputes (collectively the "AAA Rules") as modified by this arbitration agreement. If your claim is less than \$10,000, you may choose whether the arbitration will be decided on the papers or after a telephonic or in-person hearing.

**D. Waiver of Jury Trials and Class Actions.** IN ARBITRATION, DISPUTES ARE RESOLVED BY AN ARBITRATOR RATHER THAN A JUDGE OR JURY. WHETHER IN ARBITRATION OR COURT, YOU AND THE COMPANY WAIVE THE RIGHT TO PROSECUTE OR PARTICIPATE IN A CLASS ACTION, COLLECTIVE ACTION, OR OTHER REPRESENTATIVE ACTION. UNLESS YOU AND THE COMPANY AGREE OTHERWISE IN WRITING, THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS TO BE ARBITRATED OR LITIGATED ON A CLASS ACTION BASIS, AND NEITHER THE ARBITRATOR NOR JUDGE MAY CONSOLIDATE MORE THAN ONE PERSON'S CLAIMS. THE ARBITRATOR/JUDGE MAY AWARD RELIEF ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF TO THAT INDIVIDUAL PARTY. THIS CLASS ACTION WAIVER IS A MATERIAL AND ESSENTIAL PART OF AND CANNOT BE SEVERED FROM THIS ARBITRATION AGREEMENT.

**17. NOTICE.** Any notice by you shall be sent by U.S. mail, postage prepaid, to the Company at Box 965, Valley Forge, PA 19482, Attn: Customer Service. Notice to you may be in the form of a bill insert, stand-alone mailing, email or other written notification.

**18. WAIVER.** If we delay in exercising any of our rights, the Company will not be prevented from exercising our rights at a later date. The Company's waiver of any breach of the Terms & Conditions at any time shall not excuse future breaches by the customer.

**19. SURVIVAL.** Paragraphs 3, 7, 9, 10, 11, 14, 16 and 17 shall survive termination of your relationship with the Company.

**20. CUSTOMER OWNED EQUIPMENT.** The following provisions do not apply to Customer-owned equipment:

Paragraph 3: • Leased Equipment

Paragraph 6(B): • Early Termination Fee and Pump-Out/Restocking Charge as it relates to the pick-up of the Company-owned Equipment; however, the remaining provisions of this paragraph apply.

Paragraph 8: • Licenses Permits & Taxes as it relates to permits for tank installation; however, the remaining provisions of this paragraph apply.

*These Terms and Conditions shall apply to customers in all States except where specifically prohibited by law.*

**THESE TERMS & CONDITIONS DO NOT APPLY TO CUSTOMERS IN CONNECTICUT, NEW JERSEY OR VERMONT.**

**TERMINATION FEES NOT APPLICABLE TO NEVADA RESIDENTS.**

November 1, 2015, effective December 1, 2015