



Terms & Conditions and Customer Responsibilities for Supply of Propane and Related Services

The Scott Energy Co., Inc. (Company) Terms & Conditions and Customer Responsibilities (Guidelines) become effective immediately upon customer (Customer) receipt of this document. Acceptance of deliveries of propane gas, service work, and installation or placement of equipment owned by Scott Energy Co., Inc. shall also constitute acceptance of these Guidelines. The Guidelines shall supersede all previous agreements between Scott Energy Co., Inc. and the Customer. **Please read this document carefully and retain a copy for your records.** These Guidelines cannot be modified by Customer unless submitted in writing and accepted in writing by an authorized representative of Scott Energy Co., Inc. These Guidelines may be modified at times by Company without notice. Please refer to our website or contact our office to obtain a copy of Company's most recent Terms & Conditions and Customer Responsibilities.

Propane Supply. Customer agrees that only propane sold by Scott Energy will be used with the Scott Energy tanks, cylinders and/or related equipment. Company will exercise its commercially reasonable best efforts to deliver propane upon the schedule requested by customer.

Equipment. Scott Energy will provide the customer with the propane storage container(s) and related equipment that Scott Energy deems necessary to provide service. Customer agrees to pay equipment rental or minimum usage charges, in effect at the time, based on Company's Minimum Usage Policy.

Minimum Usage Policy

Scott Energy may charge the customer a rental charge for the use of propane gas equipment owned by Scott Energy if a minimum amount of propane is not purchased in a twelve (12) month period. For these purposes, the period of April 1 to March 31 is used annually. The minimum usage and rental charge is based on the type and size of equipment provided by Scott Energy. The minimum rental charge may be changed at any time by Company and Customer agrees to pay the then current charges in effect.

Title to Equipment. The propane container(s) and related equipment provided to Customer by Scott Energy will, at all times, remain the property of Scott Energy. All containers and related equipment shall be considered separate from the real property on which it is located and shall not be deemed a fixture. Scott Energy expressly prohibits anyone from adjusting, connecting, disconnecting or removing any equipment owned by Scott Energy without our consent. Scott Energy is to be notified immediately if the equipment malfunctions, is damaged or has been tampered with in any way.

Access to Equipment. Scott Energy may enter customers property to deliver propane, install, service or remove any Scott Energy owned equipment in order to provide services it deems necessary. The customer agrees to promptly surrender to Scott Energy all equipment provided upon termination for any reason.



Rates and Charges. The price per gallon to be paid by Customer to Scott Energy for propane delivered to Customer shall be Scott Energy's established retail price for Customer in effect on the date of delivery. The posted price per gallon for propane for each delivery will be set forth on the delivery ticket provided to Customer. Scott Energy reserves the right to change rates and charges from time to time without notice.

Delinquency, Disconnection. If a valid bill remains unpaid thirty (30) days after issuance of statement, Scott Energy may send a NOTICE OF DISCONNECTION to the Customer. The Customer will be given at least fourteen (14) days, but no more than twenty (20) days, before the date on which a disconnection is to take place. Thereafter, Scott Energy may refuse, interrupt or disconnect service as provided by applicable State & Federal law. A complete outline of Company's credit terms is found on our credit application and is published on our website.

License, permits, and taxes. Customer agrees to pay all license, permit and inspection fees and all taxes associated with the sale, installation or use of propane gas and related equipment supplied by Scott Energy.

Release. To the extent permitted by law, the customer agrees to release and hold harmless Scott Energy or its' agents for all claims for bodily injury or property damage arising from the consumers use of LPG, including, but not limited to, any act or omission committed by the consumer in its use of LPG and the adjoining system.

Ownership of Interior Piping and Appliances. Customer acknowledges that it owns and is responsible for the maintenance and safe operation of all piping and propane consuming appliances downstream of the outlet of the first stage regulator. Customer represents that such piping and appliances are safe, operate properly and are installed, maintained and operated in accordance with all applicable codes and regulatory requirements and that all interior piping and connections, including those on propane burning appliances and equipment, are tight and free of leaks.

Automatic Delivery. As a convenience to our customers, Scott Energy offers automatic delivery to its customers. Our computerized automatic delivery program is designed to project future fuel deliveries based on your historical consumption and daily temperature data. It is not an exact science and sometimes factors beyond our control, and for which we are not responsible, affect consumption so a greater or lesser amount of fuel oil is used without our knowledge. Our propane dispatch department makes its best effort to ensure you have an adequate supply of fuel but being an automatic delivery customer is not a guarantee that you will never run out. Ultimately, it is your responsibility to check your tank and ensure that you have an adequate supply of fuel at all times.

Will Call Delivery. The other option our customers have for delivery of their fuel is to become a will call customer. This means that we do not track your historical consumption or anticipate when you need fuel. We will only deliver fuel to your property when you call us and instruct us to do so. It is your responsibility to monitor the fuel level in your tank and the best time to order a delivery is when your tank gauge reads 30% full. We require at least 24-hour notice for weekday deliveries. Weekend delivery may be available during the heating season but cannot be guaranteed. In the event of a run-out, a request for fuel could result in a chargeable service call.



Driveway Access. During the winter, Scott Energy will always make an effort to deliver fuel but harsh weather conditions can make that impossible. The combination of major snow storms, packed ice and extreme cold can make driveway accessibility dangerous for our drivers and their equipment. Whether a customer is on automatic or will call delivery, it is their responsibility to ensure that we can access the property to make timely deliveries in a safe manner.

Make sure driveway is cleared to a width of at least 10 feet to accommodate our trucks

Clear a path to and around your fill pipe or the underground tank

Unoccupied/Vacant Primary Residence or Rental Property. Scott Energy will not be responsible for any loss, damage or injury due to, or resulting from, the failure of any heating system or fuel run-out in a property that the Customer has left unoccupied or vacant for any period of time. The Customer is responsible for monitoring the operation of the heating system on a day-to-day basis and notifying Scott Energy of any problem which arises. If the property is unoccupied or vacant the Customer is responsible for making arrangements for daily temperature monitoring and that there is an adequate amount of fuel in the tank.

Seasonal or Second Home. Since occupancy is inconsistent in seasonal and second homes, temperature and fuel monitoring is the responsibility of the Customer even if on automatic delivery. A heating system can breakdown for any number of reasons and fuel consumption in these types of properties is difficult for the Company to monitor even if the Customer is on automatic delivery. The Customer is required to arrange for daily monitoring of their property to make certain the heating equipment is operating properly and that the tank has adequate fuel. Scott Energy will not be responsible for any loss, damage or injury due to, or resulting from, the failure of any heating system or fuel run-out in a seasonal or second home.

Release and Waiver of Subrogation.

Company and Customer will each look to its own insurance for recovery of any loss. Company and Customer release one another from such claims. Company and Customer waive any right of recovery of insured claims by anyone claiming through them, by way of subrogation or otherwise, including their respective insurers

Contingencies. Scott Energy shall not be held liable if prevented from performing any of its obligations due to causes beyond its reasonable control including, but not limited to, acts of God or government, fires, floods, droughts, snow emergencies, earthquakes, wars, acts of terrorism, riots, labor disputes, delays in transportation, embargoes or shortages of product.

Termination. This agreement may be terminated at any time if either side fails to meet the terms and conditions of this agreement or if it is determined that a threat to health and safety exist. Unused propane returned at the time of termination is subject to Scott Energy's Gas Return policy. Either party may also terminate this relationship at any time with written notice. If Customer's account is terminated by either party, then Company will no longer be responsible for making fuel deliveries or providing service of any kind to Customer. Any service plan(s) will become null and void and will be cancelled as of the date of termination. Service plans are not totally or partially refundable. If Customer account is terminated, by either party, Customer is responsible for all amounts owed to Company.



Gas Return on Termination

Scott Energy may refund 50% of the retail value of propane gas returned in containers removed from the buyer's premises upon termination. Cylinders sized 50 gallons and smaller will not be refunded returned gas.