

## PROPANE CONTRACT

THIS CONTRACT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by and between **Farmers Cooperative Association** and \_\_\_\_\_ of \_\_\_\_\_ hereinafter referred to as "buyer."

The parties agree as follows:

1. Buyer hereby purchases from Seller \_\_\_\_\_ gallons of propane for the price of **\$1.99** per gallon. The contract price has full downside protection below the contract price of **\$1.99** per gallon. **3¢ discount will apply if paid within 10 days of delivery or when paid at time of delivery.** Your account must be kept current and in good standing to receive your 3¢ discount.

2. Buyer shall accept delivery of contracted gallons within time period specified in paragraph six below. The 10¢ deposit is non refundable and taken off contract price.

3. Buyer must be a Scheduled fill or Budget Customer. Buyer also must have your account current according to the Company credit policy as stated on the monthly statements.

4. Delivery point: The propane shall be delivered by Seller to Buyer at \_\_\_\_\_.

5. Delivery quantities: The propane shall be delivered by Seller on a Scheduled Route, unless other arrangements are made with seller.

6. Time of delivery: Delivery shall be made by seller on a Scheduled Route. All deliveries shall be made between the dates of **October 1, 2011** and **March 31, 2012**

7. Taxes: This contract is based solely on the cost of propane and does not include any local, state, or federal taxes. If any taxes are imposed because of this contract or Buyer's use of the propane, the amount of said taxes shall be added to the contract and shall be paid by Buyer to Seller. The taxes on the Prepaid Contract will be estimated at the time the contract is drawn up and added to the prepayment. If the taxes should change during the year, the Buyer is responsible for payment of tax to the Seller. 8. Not speculation. This is not a speculative contract. It is agreed that Seller shall deliver and Buyer will accept the fuel as set forth above.

9. That the above stated contract will require a deposit of **10¢ per gallon**, which will be deducted off of the Contract sales price originally agreed upon and is **non-refundable**.

10. Forfeiture: Buyer acknowledges that Seller is making binding commitments to purchase the fuel and have it available for delivery to Buyer.

11. Not assignable: This contract may not be assigned or transferred by Buyer without the written consent of Seller.

12. Miscellaneous: This written contract constitutes the entire agreement between the parties regarding this matter and shall not be modified except by written document signed by all parties. This contract is binding upon the parties hereto and their herein, executors, administrators, and successors. Except with respect to the obligation of Buyer to make payment for product received, each party shall be excused for delay or failure in performance by reason of any cause beyond the party's control, including war, fire, strikes, revolutions, not acts of hostility, government acts and requests, governmental interference, flood, storm, or any act of God.

IN WITNESS WHEREOF, the parties have executed this agreement effective this day and year above written.

“Seller”

“Buyer”

By: \_\_\_\_\_

By: \_\_\_\_\_