

Frederick Bros. Oil & Propane

164 U.S. Route 1; Scarborough, ME 04074
(207) 883-2551 Fax (207) 883-3304

PROPANE LEASE AGREEMENT TERMS AND CONDITIONS

COMPANY = WE, US

CONSUMER = YOU

- I. We agree to sell and deliver to you, all of your requirements of propane gas for use at the location listed on the reverse of this Agreement (the "Location"). We also agree to install and lease to you all necessary gas regulating equipment for your use at that Location, and to maintain and repair at no charge to you all containers and regulating equipment supplies by us to you which become defective, unless we determine that someone has made or attempted to make an unauthorized repair, or the containers or equipment have been damaged through abuse, neglect, or mistreatment. In such an event, we agree to maintain and repair the containers and equipment provided that you pay us a reasonable charge for that service at the time of the maintenance or repair.
- II. You agree to purchase all of your requirements for propane gas at the Location from us or our duly authorized dealer. You further agree to pay for all propane gas purchased at the rate we establish from time to time, and on such credit terms as we and you may from time to time agree. You acknowledge that the price we may charge, or the terms we may require for payment, may change. We agree to provide you with whatever notice may be required by law in the event of a change in the terms of sale.
- III. You agree to use only containers and equipment that we have supplied you, and to return this equipment and containers in good condition if at any time you stop purchasing propane from us. You understand WE are making a substantial investment in the said equipment and containers. If any of the said equipment or containers are lost, destroyed, or damaged while in your possession, you agree to reimburse us for the cost of the loss or damage. In addition, upon termination of this agreement you agree to pay our usual equipment removal fee. If your usage falls below our 100 gallon minimum annual requirement, WE reserve the right to assess an annual fee and/or remove our equipment at our discretion. Annual fees differ according to tank size, fees subject to change without notice. Customer initial _____.
- IV. All containers and regulating equipment supplied by us to you at the Location are and shall remain our property and You agree with us that neither the containers nor the regulators shall become a fixture or a part of the real estate. All service lines, pipes and appliance into which propane gas may be delivered are and shall be your property. If we install any gas piping, servicing lines or appliance, thus modifying your gas system, You agree to pay us the purchase price of the modification.
- V. You agree to use only such appliance that are listed and approved by Underwriters Laboratories (UL), the American Gas Association (AGA) or other appropriate authority having jurisdiction over the use of such appliance. You further agree to allow us sufficient means of entry into the Location where the service is supplied for installing, servicing, or maintaining the containers and equipment, and for delivery of propane gas. All propane gas piping shall be located and installed and sized in accordance with the standards established by us and by applicable federal, state, local or other authority having jurisdiction.
- VI. You agree not to permit, allow, or authorize the refilling of any tank or container we own by anyone other than us or others whom we authorize in writing. **Maine law so regulates this issue.**
- VII. You agree you will not allow anyone except us to provide mechanical service-work to the gas system, thus interrupting the gas service pressure or restarting the gas system appliances, unless you first
 - i. Notify us in advance of your intent, and
 - ii. Ascertain the person who will provide service is qualified and licensed to do so according to Maine Law, and
 - iii. Receive written authorization from us to do so. Customer initial _____.
- VIII. We shall not be liable for you for any loss or damage you may incur if we do not perform under this Contract because of any governmental regulation, request, or requisition, any strike, fire, riot, war, act of God, or any interruption in the manufacture, storage, transportation, distribution, or delivery of propane gas for any other reason which is beyond our reasonable control. We reserve the right in the event of a shortage of supply of propane gas to allocate available supplies among our customers in such quantities as we may determine; however, we will not unreasonably discriminate between you and other similarly situated customers. In the event and for the duration of any allocation by us, you may purchase your requirements of propane gas from any other source. You acknowledge that we must comply with any mandatory government allocation of propane gas.
- IX. We agree with you and you agree with us that this Contract shall not be assigned by you without our prior consent in writing and that we may assign this Contract without your prior consent. Also, the execution and performance of this Agreement by both of us is not in violation of any agreement you have already entered. This Agreement contains the entire agreement between us, and there are no other oral or written agreements dealing with our providing service to you.
- X. You may terminate this Agreement by giving us written notice at least 30 days prior to the date the initial period of this Agreement ends, or the date any renewal period ends. You may also terminate this Contract in the event we breach any provision of the Agreement.
- XI. We may terminate this Agreement by giving you written notice at least 30 days prior to the date of termination of service, or as allowed by law. We may also terminate this Agreement if you breach any term or condition of this Agreement, or fail to fulfill any of the requirements that you have agreed to perform, including the payment of all charges for services and for propane gas.
- XII. You agree that any amendments to this agreement must be approved by both parties in writing.

In the event this Agreement is terminated or the Location is sold, abandoned, transferred or leased by you, we may enter the Location and remove our containers and regulating equipment without further notice. In the event either we or you should waive any breach of this Agreement, that waiver shall not be considered a waiver of any breach that might later occur.

NOTE TO THE CONSUMER/OWNER: You are entitled to a copy of this agreement. Please keep it for future reference.

X _____

Date _____