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PROPANE EQUIPMENT LEASE AGREEMENT

This lease agreement is between Philly Fuels Inc. (the "Lessor") and _____ (the "Lessee"), of _____, NY (the "residence").

Philly Fuels Inc. agrees to lease the Equipment to _____ under the following terms:

1. Equipment:

- a. The Equipment referenced in this contract is _____ (tank size) propane tank (Serial # _____) (to be recorded on date of installation) and needed regulator(s).
- b. The Equipment is the property of the Lessor and will remain the property of the Lessor. Alternative tanks cannot be connected to Lessor's tank or regulator under any circumstances. If Lessor discovers modification or alterations have been made, a leak test is required (fees apply). Lessor also reserves the right to remove their equipment and bill the Lessee for any damages. The right, title and property interest of the Equipment is and will remain at all times under the ownership of Lessor. Lessee shall keep the Equipment free and clear of all liens, encumbrances, pledges and security interest and will not permit the Equipment to be removed from the residence of the Lessee.
- c. The Lessee will use the Equipment in a good and careful manner and will comply with all of the manufacturer's requirements and recommendations respecting the Equipment and with any applicable law, whether local, state or federal respecting the use of the equipment, including, but not limited to, environmental and copyright law. Ordinary wear and tear expected. The Lessee will use the Equipment for the purpose for which it was designed and not for any other purpose.
- d. To the extent permitted by law, the Lessee will be responsible for risk of loss, theft, damage or destruction to the Equipment from any and every cause.
- e. If the Equipment is lost or damaged, the Lessee will provide prompt written notice of such loss or damage and will, if the Equipment is repairable put or cause the Equipment to be put in a state of good repair, appearance and condition. Any applicable rental fees will not be waived during periods of nonuse.
- f. In the event of Total Loss of the Equipment, the Lessee will provide the Lessor with prompt written notice of such loss and will pay the Lessor all unpaid Rent for the Term plus the Casualty Value of the Equipment, at which point ownership of the Equipment passes to the Lessee.
- g. Painting the tank or removing labeling is not allowed. Leased equipment will at all times remain the property of the Lessor and will not become a fixture or a part of your real property.
- h. Lessee understands that if they are to sell or lease out their residence, they have the responsibility to inform the new resident that the Equipment is property of the Lessor. The new resident will also need to schedule a leak test and system check (fees apply) in order to transfer the account into their name.
- i. The Lessee understands that if the Equipment is requested to be picked up by either the Lessee or the Lessor within the initial three years of this contract, an early termination fee will be charged.
- j. Lessee acknowledges that Lessor has leased the equipment "as is", without any warranties.
- k. Unless otherwise stated, regulators are owned by the Lessor and any future propane companies are not allowed to use or install said regulators on their equipment. There will be a charge to the Lessee at time of pick up if our regulator are missing or hooked into another tank.

2. Installation

- a. Lessor will deliver and install the Equipment. There is an installation fee of **\$40.00**. Lessor allows for up to _____ hours for propane hook ups/installations. The installation includes hooking the tank to the existing piping and performing a leak test to ensure there are no current leaks in the lines. Any time spent beyond 2 hours and/or any materials needed will be billed in addition to the installation fee.
- b. Lessee must be home during installation.
- c. Lessor is the last step in the propane process. Lessee should NOT schedule a tank installation until everything that will be hooked into the propane tank is on premises and ready to be activated. We do NOT schedule installations to be simultaneous with other service companies. If a second trip is needed in order to complete a hookup there will be a service dispatch charge.

- d. Lessee must arrange with their own service technician for any work to be done on their equipment or propane line on or inside the home. Lessee is responsible for the maintenance and repair of all equipment Lessee owns, including compliance with applicable laws and regulations. Lessee is required to notify Lessor if Lessee disconnects the propane system or adds/removes appliances so that Lessor may conduct a leak check (fees apply) and/or adjust delivery schedules to prevent run outs. Lessee understands that only certified propane technicians are permitted to disconnect/add/remove/alter propane appliances or equipment.
- e. Lessee agrees that Lessor is not liable for any loss sustained by Lessee as a result of the exhaustion of your propane supply, including without limitation, damage to your home or property resulting from water damage from frozen pipes, or any other cause as a consequence of running out.
- f. If the Lessee no longer wants the use of the equipment, the Lessee must make arrangements with Lessor to schedule the equipment to be picked up. The Lessee understands that many factors, including seasonal conditions, could delay Lessor from picking the equipment up, but Lessor will attempt to pick up the equipment in a timely manner. Early termination fees are detailed in the fee section of this contract. Fees are billed regardless of whether the Lessor or Lessee requests the removal of the tank. Fees subject to change without notice.
- g. Any propane remaining in the tank at the time of removal will be credited to the Lessee's account at a rate of **\$0.50** per gallon. Rates subject to change without notice.

3. Terms

- a. The Agreement commences on _____ (date of installation) for a term of three years and unless terminated will continue on a year-to-year basis.
- b. The Lessee agrees to keep their account in good standing and remain on automatic delivery (separate contract required) for the full time the Equipment is being leased. We highly recommend signing up for our online portal that will notify you when a delivery has been made (please provide email address below). If for some reason your account is not on automatic, a separate will call contract is required along with this contract.
- c. Your price per gallon may vary depending upon the volume of propane you purchase.
- d. Lessor has the irrevocable right to enter Lessee's property without prior notice for deliveries of propane, servicing or removal of leased Equipment.
- e. We may refuse to provide Service if we believe that we cannot safely make delivery due to conditions on or approaching Lessee's Property, including unsafe road conditions, dangerous animals, or locked gates. You agree to maintain the Property in a condition so that the weight of our vehicle will not damage your driveway or yard, and agree not to hold us responsible for any such damage. You agree to provide ingress and egress to the equipment. You agree not to erect structures, fences, or other improvements and not to plant or grow trees or shrubs that restrict access to the equipment. Lessee agrees to provide Lessor with safe and unimpeded access to Equipment, including but not limited to access free of ice, snow, water and other hazards.

4. Additional Fees – All fees are subject to change without notice. Lessor reserves the right to charge additional fees that are not listed or contained on this contract.

- a. **YEARLY RENTAL FEES.** Propane accounts that do not hit a yearly minimum gallon requirement will be subject to an annual rental fee. Current usage and rental fees are listed below but are subject to change without notice:

i. > 100-gallon tank	minimum usage of 500 gallons/year	tank will be downsized
ii. 100-gallon tank	minimum usage of 150 gallons/year	\$135.00/year rental fee
iii. 24-gallon tank	minimum usage of 25 gallons/year	\$45.00/year rental fee
- b. **EARLY TERMINATION FEES.**
 - i. 1st year from installation - \$150.00 plus tax
 - ii. 2nd year from installation - \$100.00 plus tax
 - iii. 3rd year from installation - \$75.00 plus tax
- c. **LEAK CHECK FEE - \$40.00 plus tax**
 - i. This charge 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, if there has been an interruption of gas service, or if a leak in the system is suspected. This fee only applies when the driver/technician is already on site and performs the leak test.
- d. **SERVICE DISPATCH CHARGE - \$75.00 - \$150.00 plus tax**
 - i. This charge is when a service technician is requested to perform a diagnostic or other service work on equipment.
- e. **SPECIAL TRIP CHARGE - \$75.00 - \$125.00 plus tax**

- i. This charge applies when you request a delivery before the next delivery day for your area. During busy seasons, this fee may not be available – an emergency trip charge may apply.
 - f. EMERGENCY TRIP CHARGE - \$200.00 plus tax
 - i. This charge applies when you request a delivery after business hours or on weekends or holidays. This fee also applies during busy times of the season when making this delivery causes the route to go into the evening that day.
 - g. RETURNED CHECK FEE - \$50.00
 - i. This fee is intended to cover the deposit return fee assessed by financial institutions and related administrative expenses associated with the return of the customer check for insufficient funds or any other reason. If the returned check is not paid in full within 10 days of the date of delivery, the customer will lose the cash discount of the propane delivered. Returned checks can only be paid in full with cash or money orders.
 - h. NON-DELIVERY FEE - \$20.00 plus tax
 - i. This fee is charged if Lessor attempts to make a delivery and is unable to do so due to causes of the Lessee. Examples are, but not limited to, unplowed driveway, vehicles blocking driveway, impassible path to tank, no funds found (if a COD account) etc.
- 5. Miscellaneous
 - a. In the event the Lessee is selling the residence, upon request the Lessor will provide, prior to property closing, our closest estimation of the value of product in tank(s). We do not refund the seller for product before or after a house sale nor do we charge any possible future buyer/customer for product previously delivered to the tank.
 - b. Lessee should notify Lessor of home sale prior to the closing to avoid any deliveries being made in Lessee's name after the sale is final. Lessee should notify new owners to contact Lessor within 10 days of the closing.
 - c. In the event the residence is a rental property, the Lessor has no authority therefore no opinion on how the value of the product in the tank is handled at the change of tenants. Therefore, no refunds/charges/transfers will be given to prior/future tenants and/or landlords.
 - d. Our waiver or delay of enforcement of any of our rights under this Agreement shall not prevent us from enforcing those rights at a later date and shall not constitute a waiver of any subsequent breach of this Agreement by you.
 - e. If any provision of this agreement is found invalid, the rest of this Agreement will remain enforceable.
 - f. Lessee may not assign your rights under this Agreement to any other party. Lessor may assign our rights and obligations under this Agreement at any time without notice to you.
 - g. ACTS BEYOND OUR CONTROL. We will not be responsible for any delay; failure of performance; loss or damage due to fire, explosion, power blackout, earthquake, flood, or weather elements; embargo; civil or military authority; war; acts of God; acts of carriers or suppliers (including shortages or pipeline allocations); acts of terrorism; acts of governmental agencies; or other causes beyond our reasonable control. We will have no obligation to purchase propane for delivery and sale under this Agreement from others in order to replace propane which is not available due to circumstances beyond our control. Lessor may choose not to deliver propane or perform services if, in its sole discretion, it believes that doing so will pose an unnecessary risk of injury or harm to you, its employees, or the public. This includes due to impassable roads or driveways due to snow or ice.
 - h. YOUR SAFETY RESPONSIBILITIES. You have received the Safety Information Pamphlet. You understand that the odor of ethyl mercaptan can fade in certain circumstances, as described in the Safety Information Pamphlet. You must also read all safety warnings and operating instructions provided by us or anyone else in connection with the use of propane or provided with any equipment or appliances ("Instructions and Warnings"). If you do not understand the Safety Information Pamphlet or the Instructions and Warnings, you should call Lessor. You agree to follow all instructions in the Safety Information Pamphlet and the Instructions and Warnings. You must make all employees, tenants, or other residents aware of the Safety Information Pamphlet and the Instructions and Warnings and train any employee or resident who uses propane to it in accordance with the Safety Information Pamphlet and Instructions and Warnings. Lessee agrees that in the event Lessee or any employee, tenant, or other resident does not follow the Safety Instructions Pamphlet and the Instructions and Warnings, Lessor will not be responsible for any damages that may result or occur, including but not limited to personal injury, death, or property damage. It is your duty to inform us about all work of any nature on any part of your system and/or related appliances, including but not limited to repair, removal, installation, adjustment, modification, maintenance, and/or service of any part of the system and/or related appliances.
 - i. All sales are final.

These terms and conditions are subject to change without prior notice. You are deemed to have accepted these Terms and Conditions by conducting business with Philly Fuels Inc., which includes but is not limited to: (1) accepting or requesting propane delivery or propane-related services; (2) paying a Philly Fuels Inc. invoice; or (3) allowing Philly Fuels Inc.-owned equipment to remain on your property for at least thirty (30) days. If you find these Terms and Conditions unacceptable you may reject this offer by terminating your service.

Lessee's signature and/or acceptance of the tank or propane represents the Lessee's emergency awareness including propane odor, what to do if there is an odor or a propane leak is suspected, and how to turn off the propane supply.

Print name: _____ Email for online portal: _____

Signature: _____ Date: ____/____/____