

## PARACO/KOSCOHERITAGE CUSTOMER AGREEMENT TERMS AND CONDITIONS

**THANK YOU FOR YOUR BUSINESS. OUR RELATIONSHIP IS BASED ON THE FOLLOWING UNDERSTANDINGS:**

- I. GENERAL TERMS:** The provisions of this section apply to all Paraco/Koscoheritage Customers, including those with Price Plans.
- a. Defined words:** The words Seller, Company, We, Us, Our, Ours refer to Paraco/Koscoheritage. The words Buyer, You, Your, and Yours refer to the person(s) listed as the Applicant on the Residential Supply Agreement (RSA) and customer account. The word Premises refer to the Delivery Address you indicated on your RSA and on your account. The word Plans refers to your Price Plan, Service Plan and/or Basic Labor Plan, as applicable. The word Agreement refers collectively to this RSA, credit application and if applicable the terms of a Plan. LP stands for Liquefied Petroleum Gas (hereafter called "LP"). Your storage system means your own fuel container and all appurtenant piping and lines between the container and the burning appliance, but does NOT include the equipment loaned to you by Paraco/Koscoheritage. The measurement of LP and fuel is to be sold and purchased under this agreement as gallons and Seller shall have the option of determining the method of measurement. Buyer shall be invoiced for actual number of U.S. gallons of liquid corrected to 60°F for LP.
- b. Automatic delivery:** We will automatically deliver fuel/LP to your Premises based on degree-day projections or appropriate forecasting projections. Only automatic delivery customers can participate in Plans. See Section II below. Non-Plan customers will pay Paraco/Koscoheritage daily Posted Retail price on the date delivery is made. To enhance degree-day projection accuracy, you agree that Paraco/Koscoheritage will be the only supplier of heating fuel/LP to your premises or Tank Location. We will make every reasonable effort to keep you supplied with fuel/LP, but we cannot be liable for damages or losses etc. We cannot be responsible if you run out of our fuel/ LP as a result of changes in your use of alternate heat sources. Any change in delivery status must be made in writing to Paraco/Koscoheritage.
- c. Will call delivery:** We will deliver your fuel/LP only when you request if noted as Will Call on your RSA or if you notify us in writing to discontinue automatic delivery. Will Call customers will pay Paraco/Koscoheritage's Daily Posted Retail Price posted on the date of delivery. Will Call customers are not eligible for Plans. We generally need 72 hours for Will Call deliveries. Minimum requirements may apply. Any change in delivery status must be made in writing and is subject to credit approval.
- d. Emergency delivery:** We will fulfill your emergency delivery requests as soon as practicable. However, certain circumstances may cause delay and emergency delivery fee(s) may apply.
- e. Delivery conditions:** A copy of the delivery invoice shall be left at Buyers premises even if the customer is not present at the time of the delivery, or emailed within forty-eight (48) hours of delivery at customer's request. Buyer grants permission to Seller to access property for deliveries and removal of Company equipment. You will provide us a safe, accessible approach and access to the fuel/ LP container at all times. Seller is not responsible for claims resulting from damage to any unmarked sprinkler, electrical, septic, phone, utility or other underground lines. Seller is not responsible for driveway damage unless Buyer specifies in writing that the Company is prohibited from using it. All deliveries may be subject to delivery fees, government fees and taxes.
- f. Your fuel storage systems:** Unless you notify us otherwise, we will rely on your continuous representation that you have inspected your storage system and that it is in compliance with applicable legal requirements, leak-free and otherwise safe to deliver into.  
It is your sole responsibility to inspect your storage system and take all actions necessary to confirm that it is in compliance with applicable legal requirements, leak-free and safe for deliveries.  
We will not be liable for any damage or loss if we cannot deliver your fuel/ LP because (a) we cannot access your fuel/ LP container, (b) a dangerous or unsanitary condition exists in or around the premises, for example ice,

- snow, or a wild, unruly or menacing animal, (c) your storage system violates legal requirements, (d) we are prevented by circumstances beyond our control.
- g. Limited Environmental Liability:** Seller is not responsible for the condition of your storage system, unless it is on loan from us. Service Plans do not cover any storage system or costs. You are solely responsible for the cost of installation, maintenance, repair, replacement, removal, or necessary modification of your storage system. You will be solely responsible for all costs of any cleanup, remediation, or other act of complying with any environmental legal requirements related to your storage system, unless resulting solely from Seller's gross negligence. PARACO/KOSCOHERITAGE WILL NOT BE LIABLE FOR ANY LOSS, BODILY INJURY, PROPERTY DAMAGE, EXPENSE, OR DECREASE IN PROPERTY VALUE ARISING OUT OF THE DISPOSAL, DISCHARGE, DISPERSAL, RELEASE OR ESCAPE OF ANY HAZARDOUS SUBSTANCE INTO OR UPON YOUR PREMISES, SURROUNDING PROPERTY, THE ATMOSPHERE OR ANY WATER COURSE OR BODY OF WATER UNLESS IN EACH CASE CAUSED BY OUR GROSS NEGLIGENCE. Buyer acknowledges Company provided Safety Data Sheets, if applicable.
- h. Service not included. Service Warranty:** You agree to pay us for parts and labor at our current rates for any service work that is not covered by a Plan or our warranty. Shop fee or waste fee may apply.
- i. LP equipment loan:** We may lend you one or more LP containers and related equipment as needed. The Customer agrees to purchase a minimum of 48 gallons or the amount of storage provided (whichever is larger) per year at this location. If Customer fails to satisfy this requirement, the Company has the right to charge a minimum annual requirement charge calculated by taking the difference between the container size and actual usage, multiplied by the then Koscoheritage or Paraco, as the case may be, Posted Price Per Gallon. A container fee may apply to Customers using less than 100 gallons annually. Customers who lease the equipment are not subject to the minimum use charge. Container loan or lease fee may apply. When you stop using our container, we will remove it and charge a minimum one hour labor and an hourly tank pump-out fee if applicable. Buyer shall pay for cost of removal including transit and rigging to Seller's plant at current hourly labor rate.
- j. Terms of payment, billing, late payments:** All sales are subject to credit approval and are final when delivered. Buyer authorizes Seller to check Buyer's credit. You agree to pay invoices within 10 days of invoice date. Returned checks are subject to a minimum of a \$20 fee. Statements will be sent for service charges, overdue amounts, additional fees and charges. If credit of the Buyer shall be deemed unsatisfactory by the Seller, Seller shall have the right to require payment in advance before making further deliveries or providing services. Buyer agrees to pay finance charges at the maximum legal rate of interest. All sales are final.
- k. Taxes:** Buyer shall pay all license, permit or inspection fees or taxes imposed upon or in respect to the sale, installation, storage or use of Fuel Oil/ LP Gas sold or Fuel Oil/LP Gas equipment loaned hereunder.
- l. Collection cost:** If we hire an attorney or agency to collect your unpaid balance, you agree to pay, in addition to your balance, all costs of collection as permitted by law, including without limitation, reasonable attorney and agency fees and Court costs. We may accept late payment, partial payment and payment marked "payment in full" without losing any of our legal rights. We may waive or delay enforcing this Agreement without losing or impairing any of our rights.
- m. Force-Majeure-Other Contingencies. Subrogation waived: To the extent otherwise legally permitted, Buyer and Seller** mutually waive any and all rights of subrogation and recovery against each other in any way related to this Agreement, the delivery of heating fuel/ LP or any service or repair at your premises to the extent a loss or damage is compensated by proceeds from casualty, homeowner's or other insurance received by the other party. No third party, for example an insurer, may seek recovery on behalf of one party against the other by way of subrogation, assignment or otherwise whether based in tort, contract or otherwise. In the event that either party hereto is hindered, delayed or prevented by an act of God, flood, fire, explosion, war, riot, strike or other labor disturbances. Seller may terminate this Agreement upon written notice to Buyer.

Company acknowledges that it has filed a Notice of Business Activities Report or Certificate of Authority to do business in New Jersey, if applicable.

- n. Period of Contract:** This Agreement shall become effective upon its execution or on such date when Company shall notify Buyer that the installation or modification of the equipment on the Buyers Premises has been completed, and shall continue for a period of one (1) years from such effective date and thereafter renewing automatically year to year, subject to, (a) termination, by either party at the expiration of the initial one (1) year period or any subsequent yearly period, upon 60 days written notice, "by Certified mail" or (b) termination, by either party after failure of the other party to fulfill or conform to any of the terms or conditions hereof, upon like written notice to the other party. If you have certain active Plans, you may incur an early termination fee for terminating this agreement.
- o. Amendments:** We may impose, eliminate or change our fees, rates, charges and minimums without notice. This Agreement may not be changed orally. You may not assign this Agreement or any right or duty hereunder without our prior written consent. If you try to assign this Agreement (delete it), you will remain liable to us.
- p. Tank Monitor Contracts:** This service is only available to existing Credit approved Paraco/Koscoheritage Customers. If Customer terminates or breaches the Tank Monitor Agreement, within two (2) years from the effective date, Customer shall pay Paraco/Koscoheritage an early termination fee of Two Hundred (\$200) Dollars, in addition to any other monies due on account. If Customer fails to return the Tank Monitor Equipment to Paraco/Koscoheritage, Customer shall pay Paraco/Koscoheritage the then cost of replacement.
- q. Amendments, Assignment, Severability:** We may impose, eliminate, or change our fees, rates, charges, and minimums without notice. This Agreement may not be changed orally. Any changes to this Agreement will be made by publishing a new version at Paracogas.com or Koscoheritage.com. Your acceptance of any service or product from us will indicate your agreement with the terms and conditions of Paraco/Koscoheritage Customer Agreement in effect on the date of delivery. Customer will be notified in writing 30 days prior to any material changes in Paraco/Koscoheritage Terms and conditions. You may not assign this Agreement or any right or duty hereunder without our prior written consent. If you try to assign it, you will remain liable to us. If a court or regulatory agency of competent jurisdiction holds any provision of this Agreement to be invalid, void or unenforceable in a particular circumstance, the remaining provisions will continue in full force and effect and the severed provision will remain in effect in other circumstances. Section headings are not terms of this Agreement.
- r. Third Party Notifications:** Buyer may request a Third Party be notified of changes to their account by completing a Third Party Notification Form available by contacting our office or going on our website at <https://www.paracogas.com/Third-party-notification>.
- s. Liability Limited:** We will not be responsible for loss or damage arising from changes in fuel consumption; your failure to schedule maintenance; frozen, gelled or leaking fuel line; power interruption or loss; vacant, unattended, or unoccupied premises; theft; abuse or misuse of equipment; spontaneous part failure; act of God; terrorism; war; riot; blockade; embargo; strike; lockout; shortage of fuel, labor, transport, electricity, or water; inability of hedging counterparty to perform its contract duties; explosion; fire; flood; snow; hurricane; extreme adverse weather; delay; accident; governmental act; or any other condition beyond our reasonable control. TO THE MAXIMUM EXTENT PERMITTED BY LAW, WE WILL NOT BE LIABLE FOR THIRD PARTY CLAIMS, OR FOR DIRECT OR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING LOST PROFITS, LOSS OF USE, EVEN IF WE ARE INFORMED OF THEIR POSSIBILITY. Any and all suits and actions against us, whether based in contract, tort or otherwise, whether for personal injury or property damage, in any way related to this Agreement must be commented within one year of the cause of action. IN NO EVENT SHALL OUR AGGREGATE LIABILITY TO YOU OR OTHERS UNDER THIS AGREEMENT OR OTHERWISE EXCEEDS \$1,000 OR THE COST OF REPLACEMENT OR REPAIRS OF SERVICES OR PRODUCT, WHICHEVER IS LESS.

**II. TERMS OF PRICE PLANS:** The provisions of this section apply to your Fixed Prepay Plan, CAP PLUS Downside Prepay Plan, CAP PLUS Downside Budget Plan, and similar pricing plan from us (collectively referred to as Price Plan).

- a. Eligibility:** Price Plans require you to be on automatic delivery. If you cancel automatic delivery during the Plan Period, your Price Plans will Terminate, which may subject you to early termination fees and your Account will be converted to will call.
- b. Plan period; plan gallons:** The Plan Period and Plan Gallons are specified at the time you purchase your Price Plan.
- c. Automatic delivery after Plan expires, is exhausted or is terminated:** After the Plan period expires or your Plan gallons are delivered or you terminate your price Plan, whichever is earlier, we will continue to make automatic deliveries to your premises at the Paraco/Koscoheritage Daily Posted Retail price, unless you request otherwise in writing.
- d. Unused Plan balance:** Any remaining credit balance for gallons not delivered at the end of the Plan Period will be applied to future purchases as a credit to the customer's account at Paraco/Koscoheritage's Daily Posted Retail Price rate at the time of delivery.  
All deliveries will be made on an automatic basis as determined by Paraco Koscoheritage and tank will not be topped off to use any credits remaining on file. Prepaid purchases are nonrefundable. Substantial under usage may subject unused gallons to penalties equal to the early termination fee provided in Section "g" below.
- e. Budget plan payments:** You must remain current with your Budget Plan payments at all times. If your account is overdue, your Price Plan may be terminated and subject to early termination, lateness and other fees and charges.
- f. Service not included:** Service Plans are sold separately from Price Plans. Services covered by the Service Plan and the Basic Labor Plan are not included in the Price Plans, unless expressly specified in our written offer of the Price Plan.
- g. Early Termination fee- Fuel Oil – Does not apply to LP:** If your Price Plan or account is terminated for any reason prior to the end of the Plan Period, you agree to pay us an early termination fee unless you establish that you no longer occupy the account premises. The early termination fee will be calculated by multiplying 75 cents by the difference between your Price Plan estimated gallons and gallons delivered to you since the start of the Plan Period. Buyer and Seller acknowledge and agree that it would be extremely difficult to determine Seller's actual damages from the early termination of Buyers Price Plan. Buyer agrees that this early termination fee, as liquidated damages, is a fair and reasonable estimate of actual damages in light of the magnitude of the actual or anticipated harm to Seller.
- h. LP Pre-Buy balances:** are not refundable.

WEBSITE INFORMATION: <https://www.paracogas.com>

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