Northern Star Cooperative Services
P.O. Box 458, Deer River, MN 56636 (218) 246-8296
www.northernstarcoop.com

Propane Prepay Agreement

July 28, 2017

Name:_____

Account #:_____

Below is some information that will help you in making a decision on prepaying your propane needs for the coming winter. You will see your propane consumption from 6/1/16 until 5/31/17. In response to requests from our customers you will now have 3 options available to help you better manage your winter propane needs.

* **The first option is the "Full Pre-Pay" option**. This option offers a fixed price of $1.34 per gallon on a designated number of gallons. Accounts choosing this option need to determine how many gallons they would like to contract and multiply that by the $1.34 price and submit a check or cash for the full amount by August 25, 2017. The proven usage and **contracted amount must be 400 gallons or more**. If paying by credit card the price is $.05 higher.

* **The second option is a "Ceiling Price Option." This option is available to customers with approved credit on file.** Accounts choosing the Ceiling Price Option are allowed to follow the market price of propane off of the truck. If the price goes down, customers will pay the lower price. If the price goes up they will pay the higher price. However, the upside of the market will have a ceiling of $1.59 per gallon. That means regardless of how high the price may go, the accounts choosing this option will be guaranteed that their price will not exceed $1.59 per gallon through April 30, 2018. ***This program requires a low down payment of $.50 per gallon***. The proven usage and **contracted amount must be 400 gallons or more**.

The third option is our "Secure Comfort Budget Program:** Customers participating in this program are allowed to make monthly payments on their propane needs with a "ceiling price" of $1.59 per gallon. Please contact our office for further information. Some restrictions apply. ***If you are a current budget customer, you automatically remain on budget.

Cooperatively,

The Staff of Northern Star Cooperative Services

Option #1 "**Full Pre-pay**" Number of Gallons _______ X $1.34 = $ _____

Option #2 "Ceiling Price" Number of Gallons_____ X $ .50 = $ _____
Max Price of $1.59 Per Gallon

Less credit on account $_____

Amount Due $_____
Remit Check For This Amount

***CONTRACT MUST BE AT LEAST 400 GALLONS**
***120 TANKS EXCLUDED**

By signing this form I understand that I am entering into a contract with Northern Star Cooperative Services for the number of gallons listed above. I understand that I will be required to abide by the terms of the Propane Pre-Pay Contract available for review in any Northern Star Cooperative Services offices or on our website at www.northernstarcoop.com. I further understand that contracted gallons are to be used between September 1, 2017 and April 30, 2018 and that our 200 gallon minimum delivery policy applies.

_____	_____	_____	_____
Signature of Customer	Date	Signature of Co-op Rep	Date