



Propane Equipment Lease & Gas Supply Agreement

1840 Route 9H
Hudson, NY 12534

Contract Type
 Residential Commercial

Heat / Hot Water / Cooking / Dryer / Fireplace / Pool
(circle all that apply)

AGREEMENT, made this 12 day of FEB, 2008 between First Fuel & Heating, Inc. with its principle offices located at 1840 Route 9H, Hudson, NY (hereinafter called "COMPANY"), &

Owner's/Tenants Name ROBERT SCHUNK

Phone # 877-8410

Installation Address 647 TANNER RD City CL. PARK State NY Zip 12065

The COMPANY agrees to lease to the CUSTOMER for the term of the agreement, the following Propane Gas Equip.:

Propane Tank(s) 2 120 Est. Yearly Usage 700 Gal.
Quantity Size/Gallons

Security Deposit NONE Quarterly Charge NONE Monthly Charge NONE

Special Conditions PROMO: FREE INSTALL, FREE GAS CHECK-FIRST FILE 199 GAL.

SALES AND PURCHASE

1. Company agrees to sell Customer, and Customer agrees to purchase from Company all of the Customer's requirements of Liquefied Petroleum Gas (herein called "Gas") for consumption. Customer acknowledges that from time to time increased cost and higher prices of LP Gas supplies may cause increased costs to Company in connection with supply requirements, and therefore Customer agrees that Company may revise said price schedule at any time, and Company agrees that any revisions of said price schedule at the time thereof and shall be fixed by Company in good Faith. Customer acknowledges that all sales are final. No refund for propane left in propane tank(s).

MEASUREMENT

2. Measurement of LP Gas to be sold and purchased under this agreement will be by gallons and Company shall have the option of determining the method of payment invoiced for actual number of U.S. Gallons of liquid corrected to 60°F. Customer shall be

DELIVERY

3. Delivery into storage tank or tanks at Customer's address set forth on this agreement shall be considered delivery to Customer. Company will not be liable for run when Customer usage deviates more than 10% based on historic usage and our weather controlled degree day system.

TERM OF PAYMENT

4. Terms of payment are subject at all times to the control of Company's credit department. If Customer's credit is satisfactory to Company, Customer shall pay the price set forth on this agreement within 10 days from the date of invoice. If the credit of the Customer shall for any cause be deemed unsatisfactory by Company, Company shall have the right to require payment in advance before making further deliveries. There will be a service charge for all returned checks. Statement fees will be applied to balances over 60 days in addition to any late charges.

DEFAULT AND COLLECTION COSTS

5. If customer defaults on Gas Supply Agreement, the default cost will be 2 times the tank capacity at the current day's market price multiplied by the years remaining in contract. Example: 100 gallon tank x 2 (deliveries per year) @ \$2.40 per gallon x 2 years remainder of contract = \$960. Customer will be in default if Customer does not pay the balance on time, file for bankruptcy, or make an assignment of the benefit of creditors. Default means seller can demand immediate payment of the full balance. There will be a 2% charge on the balance of over 30 days which is an Annual Percentage rate of 24%.

All or some of the following steps will be taken in collections: 1. After 30 days the account will be turned over to our attorney; 2. If Company refers the account to collection, Customer will pay all fees involved in the collection, attorney and court costs; and 3. In the event of any dispute over the amount owed, Customer agrees to settle the matter by submitting to the jurisdiction of the Columbia/Rensselaer County Supreme Court, Columbia/Rensselaer County Court or Columbia/Rensselaer County Commercial Small Claims Court, Hudson/Rensselaer New York.

PERIOD OF CONTRACT

6. This agreement shall become effective on agreement date previously set forth, or on such date there to when Company shall notify Customer that installation or replacement of LP Gas equipment on Customer's premises has been completed, and shall continue for a period of five (5) years from such effective date and thereafter from year, subject to the following rights of termination: 1. By either party at the expiration of initial five year period or any subsequent yearly period, upon not less than 30 days prior written notice to the other party; 2. By either party after the failure of the other party to fulfill or conform to any of the terms or conditions hereof, upon written notice to the other party; and 3. By Company upon termination to paragraph 10 hereof.

REMOVAL

7. Customer shall pay for the cost of removal of equipment including transit and rigging to Company's plant at Company's current hourly rate schedule.

DAMAGES

8. Failure of either party to fulfill or conform to any of the terms or conditions hereof shall entitle the other party to any remedy available at law or in equity, but, in such failure may be difficult or impossible to determine, Company shall in any event be entitled to recover no less than current market rate per month for each calendar month, or major portion thereof, remaining between the date of such failure and the next succeeding date upon which this agreement may be terminated pursuant to the provision of Paragraph 6(1) above, which shall constitute the minimum amount of settled and liquidate damage for such failure. Company is not responsible for damages when Customer's home and/or business is under construction and/or this is not a permanent residence (usage may change based on sporadic visits to part-time residency).

AMENDMENT OR CHANGES

9. Company can change this agreement including Service Charges (including returned check fees), Statement Fees, and the Annual Percentage Rate at any time provided Customer at least (30) days notice, before the beginning of the billing period in which the change becomes effective.

FORCE MAJEURE—OTHER CONTINGENCIES

10. In the event that either party hereto is hindered, delayed or prevented by an act of God, flood, fire, explosion, war, riot, strike and other labor disturbances in the performance of this agreement, the obligations of the party affected shall not be liable in damages or otherwise for its failure to perform. Company's obligation to perform hereunder shall also be subject to delays, embargoes, contingencies of transportation or other cause beyond Company's control. In addition, if Company shall be unable to fulfill its contractual obligations to its customers, including those to Customer, because of 1. Failure or inability of Company to obtain sufficient supplies on reasonable terms, or 2. Diminution or nonexistence of LP Gas supplies as a result of compliance by Company, voluntarily or otherwise, with any request, order directive or regulation of the government or of any other governmental officer, agent or representative reporting to at under authority, or with any governmental or industry rationing or supply program Company may, at its option 1. Reduce its obligations hereunder, while such conditions exist, to the extent necessary in its judgment to apportion fairly among Company's customers the amount of LP Gas it is able to supply or 2. Terminate this agreement upon written notice to Customer.

TAXES

11. Customer shall pay all license, permit or inspection fees or taxes imposed upon or in respect to the sale, installation, storage or use of LP Gas sold or LP Gas equipment loaned hereunder.

GENERAL

12. No delay on the party in exercising any of its rights hereunder shall prevent the exercise of such rights at a later date, and any waiver of breach of this agreement by either party shall not be deemed a waiver of any other subsequent breach thereof.
13. Company shall not be liable for any loss sustained by Customer as a result of the exhaustion of Customer's supply of LP Gas, and Customer shall hold harmless to Company from any and all claims arising out of storage or use of LP Gas or the use, operation, maintenance or repair of LP Gas equipment resulting from negligence of Customer.
14. This agreement supersedes all prior agreements between the parties hereto relating to the delivery point described herein and may not be assigned by Customer without written consent of Company.

MINIMAL BILLING

15. The customer agrees to purchase a minimum of the tank storage provided in gallons. If the minimum is not purchased the customer agrees to pay the minimum billing charge per tank as follows: Storage up to 60 gallons will be billed \$75 annually; 120 gallons will be billed \$125 annually; 500 gallon will be billed \$400 annually; 1000 gallon will be billed \$750 annually.

By signing this form, I acknowledge that I have read this agreement and agree to the terms and Conditions of this Propane Equipment Lease and Gas Supply Agreement with First Fuel & Heating, Inc.

Customer Signature Robert E Schunk
Customer Print ROBERT E SCHUNK
Date 2/12/08

Technician Signature [Signature]
Technician Signature [Signature]
Date 2/12/08

11/12/10

Here is the contract I told you I would send you. I tried to fax it but it wouldn't go. Also there is another beautiful letter they sent me along with the contract. I am sick over this whole thing. My wife is 69 yrs. old and I am 64. I am disabled and have many problems. This guy doesn't care as long as he gets his bucks.

I think he is the one who broke the contract by doing the following, In the paragraph MINIMAL BILLING it states that 120 gallons will be billed \$125 annually: first of all the tank only holds 96 gallons because you can only fill it 80 percent full. Even so, \$125 times 2 is \$250 not the \$471.08 he charged me. Second, he advertises that he has the cheapest propane in the area. It was on channel 6 (cbs albany) last night. Now \$4.9990 or \$5a gallon is certainly not the cheapest but the most expensive.

I am on Social Security and can't afford these high prices and the tricks he uses to get money out of people is something else! Before I signed this contract I told him that I mainly heated the house with wood and he said it was no problem. My wife was right there when I told him, Now it's a problem. One of his statements to me is that it costs him a lot of money to get to Clifton Park from Hudson to make the delivery. Well if thats the case let me go. I just wonder how many other people he is screwing over like this.

My next step is to the Attorney General to see what they have to say.

My phone # is 518 - 847 - 4277 in case you need it. Please help if you can, please.

Thank you for your time,
Robert Schunk