

518-882-5445

**Propane4Less.com**  
Galway Co-op

September 8, 2009

**G.A. Bove** was incorrect in their written statement to propane customers when they stated that the **Galway Co-op** does not offer a pre-buy. **Galway Co-op** has always offered a pre-buy. We don't push the pre-buy because time has proved it only benefits the Propane Distributors. Also, for those who don't understand the wholesale history of propane (<http://tonto.eia.doe.gov/oog/info/hopu/hopu.asp>), there is nothing volatile about it. The only volatile variable in the propane industry is the propane distributors' profit margin. But, for the sake of those who find comfort in a pre-buy, here is a simple comparison.

**G.A. Bove** pre-buy with customer owned tank = \$1.599 per gallon. Good until 9/18/09  
**Co-op** pre-buy with customer owned tank = \$1.499 per gallon. Good until 9/20/09

**G.A. Bove** pre-buy with company owned tank = \$1.899 per gallon. Good until 9/18/09  
**Co-op** pre-buy with company owned tank = \$1.799 per gallon. Good until 9/20/09

As with both companies there is a 400 gallon minimum.

Now you have the facts.  
You be the judge.  
Read contracts carefully.

PO Box 600  
Galway, New York 12074  
518 882-5445  
[www.Propane4Less.com](http://www.Propane4Less.com)

# G.A. BOVE & SONS, INC.

882-9493

Schuyler Point Development  
Residents/Members  
Ashleigh Lane/Corinne Court  
Saratoga Springs, NY 12866

September 2009

Dear Residents,

RE: Development Propane Pricing for the 2009-2010 Heating Season.

G. A. Bove & Sons Inc. will offer several pricing program options for your propane needs this heating season. Along with these options we are capable of helping you with any scheduled or emergency service work you may need with any/all of your propane appliances. Our full line Service Department is unmatched in helping you 24/7 no matter what your emergency may be, whether it's as easy as getting the cook stove to light or getting heat back on in your house at 2am on a Sunday morning, we'll be there for you.

If you have already signed up for one of our regular programs, don't worry, we will move you into any of the 3 options you prefer. This special offer expires September 18, 2009. The three options are:

1) The Pre-Pay:

If you (The Customer) owns your own tank, you can Pre-Buy all your gallons at a price per gallon of \$1.599/gallon.

If the tank at your home is owned by G.A. Bove & Sons, you can Pre-Buy all your gallons at a price per gallon of \$1.899/gallon.

2) The Budget System:

Customer owned tank, you can budget your total gallon needs by multiplying by \$1.699/gallon, dividing by 10 months (Budget payments starting in August). Spread of \$1.699 to \$1.899/gallon.

Company owned tank, you can budget your total gallon needs by multiplying by \$1.999/gallon, dividing by 10 months (Budget payments starting in August). Spread of \$1.999 to \$2.199/gallon.

76 Railroad Street, Mechanicville, NY 12118 \* (518) 664-5111 \* Fax:(518) 664-6463  
Fuel Oil \* Kerosene \* Diesel Fuel \* Gasoline \* Propane \* Complete Sales & Services

# G.A. BOVE & SONS, INC.

### 3) Price scale program comparable to the Co-Op Scale.

Your cost is based on the current wholesale price per gallon plus. It is our understanding after reviewing the Co-Op program that they do not offer pre-pay or budget programs. When these programs are not used the consumer is subject to the volatility of the market.

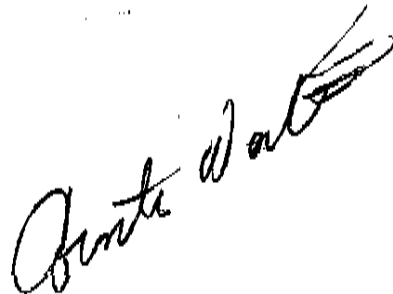
Customer Owned Tank Yearly usage in Gallons:		Company Owned Tank Yearly usage in Gallons:
1-200 gals	+ 2.57 per gallon	+ 2.87 per gallon
201-400 gals	+ 1.27 per gallon	+ 1.57 per gallon
401-700 gals	+ 0.72 per gallon	+ 1.02 per gallon
701-1500 gals	+ 0.62 per gallon	+ 0.92 per gallon
1501-2999 gals	+ 0.39 per gallon	+ 0.72 per gallon
3000 + gallons	+ 0.39 per gallon	+ 0.45 per gallon

Because G. A. Bove & Sons Inc DOES NOT charge additional fees such as membership, delivery, or any other type of fee to the price per gallon, we have added an additional seven cents (0.07) per gallon to our scale vs. the Co-Op scale. In most cases, we believe this still saves the customer additional cents per gallon on their deliveries.

Take a look, compare, and we believe you will find G. A. Bove & Sons to be the best value for your hard earned dollar. Please call if you have any questions or concerns, we are here to help.

Sincerely,

The G. A. Bove Family



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Fuel Oil \* Kerosene \* Diesel Fuel \* Gasoline \* Propane \* Complete Sales & Services

# G.A. BOVE FUELS

## 2009-2010 SEASON

### PRE-PAY PURCHASE OPTION CUSTOMER OWNS TANK

**\*PLEASE REVIEW THIS AGREEMENT CAREFULLY\***

\_\_\_\_\_ Propane

Yes I do want to sign up for the prepayment plan and agree to be bound by the terms contained in this Agreement:

These following options allow you to purchase your gallons at a fixed or discounted price for the 2009-2010 heating season. The pre-paid pricing for the season is as follows:

Option #1 \_\_\_\_\_ Fixed Pricing. This pricing structure will be \$1.599 and will be a fixed price with no fluctuation.

Option #2 \_\_\_\_\_ Discount off Retail pricing. This pricing structure will give you a .15-cent discount off all deliveries for the duration of the contract in addition to the discount for owning your tank (.30cents). Ex: If you receive a delivery today and G.A. Bove Fuels retail pricing is \$2.099 per gallon you will be charged a rate of \$1.649 per gallon. This pricing structure has no cap but you also enjoy the lower prices that will come with a down market.

\*If you have been a PRE-PAY CUSTOMER in the past, below you will find the number of gallons of fuel that you consumed during prior seasons. This should be a good indicator of the amount of gallons that you are agreeing to purchase for the season and should consider pre-paying for this up coming heating season. You can only sign up if you intend to purchase a minimum of 400 gallons of propane.

2007-2008 \_\_\_\_\_ gallons used 2008-2009 \_\_\_\_\_ gallons used.

I agree to purchase \_\_\_\_\_ gallons of propane to be purchased at a cost of \$ \_\_\_\_\_ per gallon for a total cost of \$ \_\_\_\_\_. I agree that this sum paid to G.A. Bove Fuels is non-refundable.

**\*\* THE HEATING SEASON RUNS FROM MAY 1, 2009 TO APRIL 30, 2010 \*\***

**If additional gallons are needed they will be priced at market value. There will be NO REFUNDS for propane not used or delivered; no exceptions. You are agreeing to purchase the above number of gallons in advance at a discounted rate from our supplier and are therefore obligated to purchase said gallons. By signing below, you agree and understand that no refunds will be issued.**

**ALL PREPAY GALLONS MUST BE DELIVERED BY APRIL 30, 2010. ALL DELIVERIES MADE AFTER APRIL 30, 2010 WILL BE PRICED AT NORMAL RETAIL PRICE FOR DAY OF DELIVERY.**

**SEE REVERSE SIDE OF THIS CONTRACT →**

# G.A. BOVE FUELS

## 2009-2010 HEATING SEASON

### Capped Budget, Price Protection Budget Plan & Discount Off Retail Plan Customer Owns Tank

**\*PLEASE REVIEW THIS AGREEMENT CAREFULLY\***

\_\_\_\_\_ Propane Heat

#### OPTION #1 \_\_\_\_\_ CAPPED BUDGET PLAN

The pricing for the season will be as follows. Propane Heat pricing will be \$1.699 per gallon capped at a maximum price of \$1.899 per gallon. Pricing for this program will not go lower than the initial rate of \$1.699 per gallon and there is no fee for this program.

#### OPTION #2 \_\_\_\_\_ PRICE-PROTECTION BUDGET PLAN *\*this is your insurance policy!*

The pricing for the price protection budget will be as follows Propane Heat pricing will be \$1.699 per gallon, capped at a maximum of \$1.899 per gallon. This *will be* a floating price and will be adjusted down to G.A. Bove Fuels retail price if market adjusts. There will be a fee of .25 cents per budgeted gallon, paid with your first budget payment to sign up for this program. Please call our office to ask how many gallons you used last year if you are interested in this option.

Ex: If you were budgeted for 800 gallons your fee to sign up for this program would be \$200.00

#### OPTION #3 \_\_\_\_\_ DISCOUNT OFF RETAIL

The pricing for the Discount Off Retail will be as follows, .10 cents per gallon discount off G.A. Bove Fuels retail pricing for the day of delivery in addition to the discount for owning your tank (.30 cents). Example; If Bove Fuels Retail price for today is \$2.099 per gallon of propane you would be charged \$1.699 per gallon. This price will fluctuate depending on Market Volatility and has no cap, but you also get the advantage of lower pricing in a downward market.

I do agree to the following conditions while participating in this plan.

- I will be on a 10-month budget with payments of \_\_\_\_\_ for \_\_\_\_\_ budgeted gallons:  
Starting June, July or August  
\* Circle one \*
- Payments will be due on the tenth (10<sup>th</sup>) of each month.
- I will be on automatic delivery and exclusive customer of G.A. Bove Fuels during the duration of the payment plan. I agree I will not cancel deliveries and will use G.A. Bove Fuels as my sole and exclusive supplier. I agree that based upon my prior usage history and projected estimated deliveries, I will use a minimum of \_\_\_\_\_ gallons of propane and I understand the pricing is based upon my minimum usage. If I do not use the minimum gallons as contained herein, I understand and agree that G.A. Bove Fuels may charge me a minimum usage fee not to exceed one dollar (\$1) per unused gallon of propane.
- I do understand that if budget payments are not made every month I will forfeit the pricing structure and will be charged an early termination fee if the account remains unpaid past 30 days.
- G.A. Bove Fuels has the right to raise your budget payment if it is determined that the amount of product being delivered will not be covered under original budget amount.
- All routine service calls must be paid for separately from the budget.  
\* Service plans are available and may be included in your annual budget. For more information please call our office.
- All balances from the previous heating season must be paid in full before your new budget can be activated.
- I agree that, should my account have a remaining balance of credit there will be no refunds, credit will remain on account. Or should my account have a balance due after the budget season ends, I will make payment in full on the entire balance within 30 days. I agree to pay any and all collection costs and reasonable attorneys' fees if I do not pay my balance in full and my account balance is referred to an attorney's office for collection.
- The heating season for 2009-2010 pricing is in effect until April 30<sup>th</sup>, 2010. All deliveries after April 30, 2010 will be charged at regular Retail Pricing for day of delivery.

See reverse side of this contract →

\*Customer may terminate at any time. Any agreements terminated by the customer at any time during the season before April 30<sup>th</sup>, 2010 will incur a termination fee of \$1.00 (One Dollar) for every unused budgeted gallon. (For Example: If you are budgeted for 900 gallons and you cancel your contract with 700 gallons remaining to use fee will be \$700 dollars to terminate.) By signing below, you agree to pay this termination fee.

**ANY CREDIT BALANCE LEFT ON YOUR ACCOUNT AFTER APRIL 30<sup>TH</sup>, 2010 WILL BE USED TOWARD FUTURE DELIVERIES. THE CUSTOMER AGREES THAT, AT NO TIME SHALL ANY CASH REFUNDS BE ISSUED TO THE CUSTOMER. ALL CREDIT BALANCES WILL REVERT TO DOLLARS NOT GALLONS AFTER APRIL 30<sup>TH</sup>, 2010.**

**Your signed Budget Agreement and payment must be received in our office by JULY 31<sup>ST</sup> 2009 . Budgets accepted after this date may be at a higher rate and applicable fees may apply. This is a limited time offer and G.A. Bove Fuels reserves the right to end this offer at any time, without exception or limitation.**

Be sure to check which budget plan you would like to sign up for. Also, please sign and return it to G.A. Bove Fuels 76 Railroad St., Mechanicville, NY 12118 with a check for your outstanding balance if applicable, and the amount for 1<sup>st</sup> Budget payment. This contract is not valid unless G.A. Bove Fuels receives your first payment along with signed budget agreement.

I have carefully read each and every word, sentence, paragraph, and provision of this Agreement and agree to be bound by its terms, without limitation or exception. I understand this contract is binding on all of the parties and the agreement is fair and reasonable in all respects.

\_\_\_\_\_  
Customer Name (Please Print)

\_\_\_\_\_  
Your Acct#

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Today's Date

Agreed to and accepted by:

\_\_\_\_\_  
Authorized Official, G.A. Bove & Sons, Inc.