

CUSTOMER OWNED TANK  
LPG SALES AGREEMENT

THIS AGREEMENT is entered on \_\_\_\_\_, by and between WHOLESALE FUELS, INC. ("Wholesale"), and \_\_\_\_\_, (collectively "Buyer"), in Bakersfield, California, and who agrees as follows:

- I. **Sale of LPG.** Wholesale agrees to sell to Buyer LPG at the rate in effect per gallon, including taxes, into Buyer's own tank.
2. **Delivery of LPG to Buyer.** Commencing no sooner than the date of this Agreement and continuing until this Agreement is terminated. Wholesale shall deliver LPG to Buyer's tank located at \_\_\_\_\_ (the "Property").
3. **Security Interest.** Buyer hereby grants a security interest to Wholesale in all LPG delivered to Buyer (the "Collateral") to secure the performance by Buyer of its duties, obligations and responsibilities under this Agreement. The security interest may be evidenced by a UCC-1 Financing Statement against the Collateral or any other means of perfection as provided by law. The security interest shall attach upon delivery of the Collateral and shall secure performance by Buyer of its duties, obligations and responsibilities to Wholesale.
4. **Payment Terms.** On the day of delivery', If Buyer has established credit terms Wholesale shall invoice Buyer for LPG delivered. Buyer shall pay Wholesale within thirty (30) days after the date of invoice. Wholesale shall not make any delivery of LPG to Buyer under this Agreement unless and until Buyer's account with Wholesale is current. Invoices remaining unpaid after thirty (30) days will incur a 1 1/2% per month (equal to 18 00% Annual Percentage Rate) finance charge. If Buyer has not established credit Buyer will pay prior to or at the time of delivery for product.
5. **Termination.** This Agreement may be terminated by either party upon thirty (30) days' written notice. Wholesale may terminate this Agreement upon the occurrence of any of the following events: 1)the breach of this Agreement by Buyer; or 2)Buyer's failure to satisfy its obligations under Section 4, or the dishonoring of Buyer's check; 3)Buyer's making an assignment for the benefit of its creditors, insolvency, or filing any petition for relief in bankruptcy, or 4)if a receiver, trustee or liquidator is appointed for substantially all of the business of Buyer and is not discharged within thirty (30) days after appointment, or if there is an attachment, execution or other judicial seizure of substantially all of Buyer's assets where such seizure is not discharged within thirty (30) days.
6. **Wholesale's Remedies Upon Default.** After providing any notices required by law, upon Buyer's default of this Agreement in addition to the remedies provided by California Commercial Code Section 2701, et seq., Wholesale and Buyer hereby agree that Wholesale shall be entitled to enter the Property and enforce the following remedies: 1) the right to withdraw all remaining LPG from Buyer's tank; and 2) the right to place a device on Buyer's tank to prevent Buyer's from using the LPG until Buyer's account is paid in full. Wholesale shall not be responsible for any damages or injuries that arise out of Wholesale's exercise of any of the remedies set forth in this Section 6.
7. **Entire Agreement; Modification.** This Agreement contains the entire Agreement between the parties and constitutes an integration of the entire Agreement, contract and understanding of the parties. All prior Agreements, conditions, contracts, covenants, promises, representations, understandings or warranties, whether oral or written, concerning the subject matter of this Agreement are expressly superseded hereby and have no further force or effect. This Agreement may not be altered, amended, or modified in any respect, except by a writing duly executed by all the parties.
8. **Governing Law/Venue.** This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of California, excluding any laws that require the application of another jurisdiction's laws. This Agreement is entered into and is to be performed in Kern County, California, and accordingly the only appropriate venue for a dispute under this Agreement is in the Kern County Superior Court of California, Metropolitan Division.
9. **Waiver.** No waiver of any of the terms or conditions of this Agreement shall be deemed or constitute a waiver of any other terms or conditions of this Agreement, whether or not similar, nor shall any such waiver be deemed or constitute a continuing waiver. No waiver shall be binding unless in writing and duly executed by all of the parties.
10. **Effects of Illegality.** If any paragraph, sentence, clause or phrase hereof shall become illegal, null or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, or against public policy, the remaining paragraphs, sentences, clauses or phrases hereof shall not be affected thereby and the parties shall negotiate an equitable adjustment of the affected provision with a view toward effecting the purpose of this Agreement.
11. **Attorneys' Fees and Disbursements** If, after the effective date of this Agreement, a party or parties shall bring an arbitration or action to enforce or interpret it, the prevailing party or parties in said litigation shall be entitled to recover from the unsuccessful party or parties reasonable attorneys' fees and disbursements incurred in arbitrating or litigating said arbitration or litigation.
12. **Binding Effect.** This Agreement shall inure to and for the benefit of and be binding upon each party's respective parent, subsidiary or affiliated organizations, accountants, administrators, agents, assignees, attorneys, beneficiaries, conservators, directors, employees, executors, guardians, heirs, independent contractors, joint ventures, members, officers, partners, predecessors, representatives, servants, successors, and all others acting for, under, or in concert with it, past, present and future.
13. **Assignment.** Neither this Agreement or any rights, or duties, obligation or responsibilities thereunder may be assigned by either party' without the prior written consent of the other party.

"Wholesale"

"Buyer"

WHOLESALE FUELS, INC.

By: \_\_\_\_\_

\_\_\_\_\_

[Print]

Tank Size: \_\_\_\_\_

Co Name \_\_\_\_\_

Tank Serial # \_\_\_\_\_

Title \_\_\_\_\_