



BIG SKY

CHS INC.
PROPANE SALES CONTRACT[☐ HOME HEATING Propane; ☐ AG Propane; ☒ COM Propane; ☐ Corn Drying Propane]

1. **Purchase and Sale.** CHS Inc. d/b/a CHS BIG SKY ("Seller") has agreed to sell and deliver, and Rocky Boy School District 87 J+L ("Customer") has agreed to purchase and receive, the product(s) identified below ("Product") in the quantity and at the terms and priced specified below during the period Nov 1 2018 through April 30 2019 (the "Delivery Period").

QUANTITY

35,000 GALLONS PROPANE

CONTRACT TERMS

1.50 COST PER GALLON (BOBTAIL DEL.); _____ COST PER GALLON (TRANSPORT DEL.)OTHER PAYMENT TERMS: 110¢ per gallon Deposit

2. **Taxes.** Customer agrees that any and all taxes, duties, fees, surcharges and/or other similar charges, now or hereafter imposed by any federal, state and/or local governmental unit upon, measured by, or incident to, the sale and/or transfer of the Product that is sold by Seller to Customer hereunder ("Taxes"), shall be the sole liability and responsibility of Customer, and in the event that Seller is ever obligated to pay any such Taxes, Customer shall promptly reimburse Seller for all such Taxes paid by Seller.

3. **Payment.** In its sole discretion, Seller may decide to extend a line of credit to Customer on such terms as Seller may specify, from time to time. Seller specifically reserves the right to modify or withdraw such line of credit, at any time, for any or no reason, upon notice to Customer. Unless Seller has extended a credit line to Customer, Customer shall pay, at Seller's sole option, cash in advance or cash at time of delivery. Seller shall deliver to Customer invoices for the Product sold and delivered pursuant to this Agreement, and provided that Seller has extended a line of credit to Customer, such invoices shall be due for payment according to terms established for Customer as indicated on each invoice, and as provided in Seller's credit policy (as revised or amended during the term of this Agreement). Any amounts on such invoices that are not paid in accordance with such remittance terms will be considered overdue, and finance charges will be assessed on such overdue amounts at the lesser of: (i) one and one-half percent (1 1/2 %) per month; the percentage rate set forth in the finance charge policies of Seller in effect on the date of delivery; or the maximum amount that is allowed by applicable law.

4. **Financial Responsibility; Right of Offset.** Customer agrees that Seller shall have the right to request Customer to provide current financial information that Seller, based on its reasonable judgment, believes is necessary for Seller to assess Customer's ability to perform all its financial obligations set forth in this Agreement. Customer agrees that it shall promptly provide such financial information as requested by Seller. If Customer's payment of any amount that is due to Seller is in arrears, or if the financial responsibility of Customer has become impaired or unsatisfactory in Seller's reasonable judgment, then advance cash payment or satisfactory security shall be given by Customer to Seller upon Seller's demand, and deliveries of the Product may be withheld by Seller until such payment or other security is received. Seller may also exercise a right of offset with respect to any payment or obligation that is due to Seller from Customer under this Agreement, or any agreement between Seller and Customer, against any payment, delivery or other obligation owed by Seller to Customer under this Agreement, or any agreement between Seller and Customer. The exercise by Seller of any rights reserved under this subsection shall be without prejudice to any claim for damages or any other right under this Agreement and/or applicable law.

5. **Warranties and Disclaimer.** Seller warrants that it will convey good title to the Product sold and delivered hereunder, and that all such Product shall be in compliance with the specifications, if any, referred to in Section 1. The foregoing warranties are exclusive of all other warranties, whether written, oral or implied, and except for the foregoing, SELLER MAKES NO WARRANTIES OF ANY KIND AS TO THE PRODUCT DELIVERED TO CUSTOMER UNDER TERMS OF THIS AGREEMENT, EXPRESS AND/OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE.

SEE ADDITIONAL TERMS ON PAGE 2 OF THIS AGREEMENT

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first above written.

CHS Inc. d/b/a CHS Big Sky

Customer: [Signature]By: [Signature]

By: _____

Its: _____

Date: 10/1/18

ACCT #: _____

METHOD OF PAYMENT _____ CHECK # _____ OTHER \$ _____ AMT _____

6. **Limitation of Liability.** Customer specifically agrees that, except as specifically provided for in applicable law, Customer's exclusive remedy for any and all losses or damages that are, in any way, caused by, or arise or result from, Seller's sale and delivery of the Product, and/or activities associated with such sale and delivery of the Product including, but not limited to, any claim of breach of warranty, breach of contract, negligence and/or strict liability, shall be limited to the replacement value of the specific Product for which such a claim for losses and/or damages is proved. UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE TO CUSTOMER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE AND/OR EXEMPLARY DAMAGES.

7. **Customer Performance.** Customer shall take delivery of the specified Quantity of Product within the Delivery Period. If, as of the end of the Delivery Period, Customer has taken delivery of less than 100% of the Quantity of Product specified above, and if Seller's posted price/gallon for the Product as of the end of the Delivery Period is less than the price/gallon specified above, then Seller shall have the right to collect from Customer liquidated damages in an amount equal to the price differential multiplied by the total quantity of undelivered gallons (the "Liquidated Damages"). To the extent that Customer takes delivery of more than the Quantity of Product specified above (the "Excess Quantity"), the Unit Price for the Excess Quantity shall be Seller's posted price at the time the Excess Quantity is delivered to Customer. The Liquidated Damages, if applicable, shall be due within ten (10) days after Seller invoices Customer for such Liquidated Damages. **In the event of shortages of Product: (i) Seller may, in its sole discretion, allocate the availability of such Product among its existing customers as Seller deems appropriate without any liability to Customer; and (ii) Seller shall have the right to obtain Product to be delivered to Customer from an alternative delivery terminal other than "Seller's Normal Delivery Terminal(s)" (as such term is defined below). Seller shall use commercially reasonable efforts to obtain Product to be delivered to Customer from an alternative delivery terminal that shall be the most economical alternative for Customer but, in any event, all additional expenses incurred by Seller relative to obtaining Product from an alternative delivery terminal including, but not limited to, additional freight/transportation costs, shall be Customer's responsibility. For purposes of this Agreement, the term "Seller's Normal Delivery Terminal(s)" means the delivery terminal(s) at:** CHS Big Sky Home Mt.

Customer Initials: QSP

8. **Force Majeure.** Neither party to this Agreement shall be liable to the other party hereto for any loss or damage resulting from any delay or failure to make or accept deliveries caused by or arising out of acts of God or the elements, storms, wars, acts of terrorism, governmental proration or regulation, when raw materials or supplies are interrupted, unavailable, or in short supply, and/or any other cause beyond such party's commercially reasonable control. Customer specifically agrees that nothing contained in this Section 8. shall ever be construed to relieve Customer of its obligations to promptly pay Seller in full for Product delivered to it, or to pay any other monetary obligations of Customer herein.

9. **Modification and Waiver.** Any of the terms of this Agreement may be waived in writing by the party which is entitled to the benefit thereof; provided, however, that the failure of a party to exercise any right given it hereunder, or to insist on strict compliance with all the terms herein, shall not constitute a waiver of any term, condition, or right under this Agreement, unless and until that party shall have confirmed any such action or inaction to be a waiver in writing.

10. **Assignment.** This Agreement may not be assigned or transferred by Customer. The Product to be sold pursuant to this Agreement is for use only in Customer's operations.

11. **Entire Agreement.** This Agreement contains the entire understanding between the parties hereto relating to the subject matter hereof, and shall supersede all prior negotiations, representations, agreements and understandings, whether oral or written, between these parties with respect to the subject matter herein, and neither party shall be liable or bound to the other in any manner by any warranties or representations (whether oral, implied or otherwise) not set forth herein.

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original, and all of which shall constitute one and the same Agreement.

CUSTOMER CERTIFICATION

I, the Customer, acknowledge that I have received copies of the following warning brochures: (i) "Important Propane Safety Information For You and Your Family"; (ii) "Propane Safety"; and (iii) "Carbon Monoxide Safety Information". I have agreed to read and follow the safety rules in those brochures and to share the information with my family and/or employees to help keep everyone safe and to reduce the risk of serious and potentially fatal injury, fire and explosion:

I HAVE READ AND FULLY UNDERSTAND THIS CERTIFICATION.

NOTICE TO CUSTOMER: (a) You are entitled to an exact copy of the Agreement you sign; (b) Do not sign this Agreement before you read it completely, even if otherwise advised; (c) Do not sign this Agreement if it contains any blank spaces; (d) Do not sign this Agreement unless a representative of Seller has (i) explained the properties of propane gas, and (ii) warned you of the dangers of propane gas; (e) Do not sign this Agreement unless you have determined that you can smell the presence of propane gas by a sniff test given by a representative of Seller. BY SIGNING THIS AGREEMENT, CUSTOMER REPRESENTS THAT HE/SHE HAS READ AND UNDERSTANDS THIS "NOTICE TO CUSTOMER", AND THAT HE/SHE HAS COMPLIED WITH THE PROVISIONS OF THIS "NOTICE TO CUSTOMER".

Customer Initials: QSP

Voyd St. Pierre

From: CO-Havre, David Normandy <David.Normandy@chsinc.com>
Sent: Friday, July 12, 2019 11:02 AM
To: Voyd St. Pierre
Subject: FW: Propane contract

From: CO-Havre, David Normandy
Sent: Friday, July 12, 2019 10:03 AM
To:
Subject: Propane contract

Rocky Boy Schools propane proposal 2019 -2020 school year.

I am trying to get a contract between 1.20 to 1.30 per gallon.