**PALO CNG LLC CREDIT AGREEMENT TERMS AND CONDITIONS**

All references to “Customer” shall refer to both the account holder and any personal guarantors of such account. References to a “party” or “parties” shall refer to the Customer, personal guarantors, and/or Palo CNG LLC. Your current Credit Agreement (“Agreement”) extended by Palo CNG LLC is subject to the following terms and conditions:

1. The billing cycle for all customers will end at the end of each month. All customers will be billed the next business day following the 1st of each month. The payment term for all customers is Net 10 meaning the full amount due must be paid 10 days from the billing date. All bills will be sent via email to the address provided on the application. All amounts past due will be assessed a 24% finance charge;
2. Palo CNG LLC shall have the right to rely upon all reasonable representations of person claiming themselves to be agents of the Customer as to authority to make purchases on the Customer’s account;
3. Palo CNG LLC has the right to close the Customer’s account at any time, with or without cause, or sell, assign or transfer the Customer’s account upon written notice to the Customer from the Palo CNG AR Department. The Customer agrees to notify the Palo CNG AR Department in writing of the Customer’s desire to close the account, change address, ownership, company name or legal business status;
4. Palo CNG LLC may change the terms and conditions of this account. Palo CNG LLC will give the customer notice of such change in the terms and conditions as required by applicable law, by sending notice to the customer’s last known address as shown on Palo CNG LLC’s records. Changed terms and conditions will apply to any outstanding balance of the account as well as to any transactions after the date of the change. In any event, the customer’s failure to object to any change in the terms and conditions, by written notice to Palo CNG LLC at the address set forth in paragraph 9 within thirty (30) days of receipt of the change, will confirm that the customer agrees to any such change;
5. If this account is placed for collection and/or Palo CNG LLC seeks legal recourse of any kind for the customer’s failure to satisfy an outstanding balance, the customer agrees to pay Palo CNG LLC reasonable attorney’s fees and costs;
6. The Customer hereby authorizes any and all banks, credit reporting agencies, principal trade references, or any other credit source available to furnish credit information to Palo CNG LLC;
7. The Customer agrees that any credit extended hereunder is strictly commercial credit and does not arise out of a consumer transaction and is therefore not governed by applicable federal or state consumer credit regulations;
8. The entire agreement of the parties is set forth in this written document and there are no oral or written understandings, promises, representations or agreements. This Agreement cannot be modified or amended except that Palo CNG LLC may change the terms and conditions of this Agreement as set forth in Paragraph 4, above; and this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between the parties hereto;
9. All written notices to Palo CNG LLC by the Customer required under this Agreement shall be sent to: Palo CNG LLC, Credit Department, PO Box 368, Clarion, Pennsylvania 16214. All written notices to the Customer by Palo CNG LLC required under this Agreement shall be sent to the Customer’s last known address as shown on Palo CNG LLC’s records or to such other address as the Customer may provide to Palo CNG LLC in writing as set forth herein. This includes email addresses;
10. The Customer agrees not to withhold, setoff, deduct or retain payment against amounts due Palo CNG LLC on this Account for any alleged claims or charges;
11. Fuel cards issued remain the property of Palo CNG LLC and will be surrendered if requested;
12. Fuel prices are subject to change without notice and current fuel pricing displayed on the dispenser at the time of sale will apply. The discount rate of five cents will be applied to the invoice prior to mailing;
13. Because of the unstable properties of motor fuel in general, whether gaseous or liquid, the use of CNG and the associated operations performed in conjunction with the production and use of CNG present unique challenges in dealing with the potential hazards involved in gas collection, drying, compression, storage, dispensing and use, examples including but not limited to, fire, explosion, blast, asphyxiation, property damage/loss and injury or loss of life. The use, misuse, operation, improper operation, maintenance or lack thereof, extreme weather conditions, acts of nature, introduction of moisture, freezing, poor natural gas quality, non-compliant on site conditions, events foreseen or unforeseen, negligence either intentional or un-intentional can have disastrous results. The Customer hereby acknowledges the potential risks associated, accepts the equipment as operational and assumes responsibility for use thereof, and further holds Innovative Entrepreneurs Inc., O Ring CNG Fuels Systems LP, Robert H Beatty Jr., its’ affiliates, employees, officers, and principals, collectively referred to as Palo CNG LLC, harmless from any action or liability arising directly or indirectly in conjunction with this fuel, equipment or related operations including the end use of the produced fuel by third parties;
14. CNG measurement for sales purposes is subject to numerous variables caused by but not limited to: temperature, gas composition, moisture, pressure, volume, calibration and equipment performance. Palo CNG LLC maintains an ongoing maintenance and calibration effort to ensure accuracy. The Customer hereby accepts Palo CNG LLC’s determination of “GGE of CNG” as accurate and holds Palo CNG LLC harmless for any discrepancy of accuracy regardless of nature;
15. The Customer further acknowledges that the use of alternative fuels may incur financial, licensing and tax liabilities to third parties and government entities of which the Customer assumes any and all obligation to comply with independent of any transactions with Palo CNG LLC, except as defined herein. Fuel (CNG) is sold as “a motor fuel for highway use” and is subject to Pennsylvania and Federal fuel taxes as such, Palo CNG LLC’s dispenser price includes current applicable PA Alternative Fuel Tax and Federal Excise Tax. The Customer hereby waives any claims/reimbursements for any aforementioned taxes and any existing or subsequent applicable alternative fuel tax credits that may be available in conjunction with the purchase of fuel from Palo CNG LLC as related to the purchase/sale of CNG. Any such credits remain with Palo CNG LLC to elect to use at its direction. The above referenced product is sold as is/where is and no implied warranty is given for the use, suitability, application, effectiveness or compatibility with the gas products being introduced into the equipment. Furthermore the Customer agrees to be responsible both individually and as a company for the purchase of fuel;
16. The Customer acknowledges that he/she has been instructed on proper fueling procedures and safety recommendations by Palo CNG LLC, including but not limited to dispenser use, safety, vehicle connection, personal safety considerations, hazards, emergency procedures, applicable State and Federal Regulations, posted instructions, and personal protection when using re-fueling equipment and agrees to abide by these considerations.

By signing below, it is the Customer’s intent for this Agreement to become legally binding.

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_