

WINTERGUARD®

— Guaranteed not to change —

WinterGuard® from SourceGas Energy Services Company provides a pre-set total monthly natural gas bill amount that includes all your gas-related charges. WinterGuard is the only pricing option available that ensures you know your bill amount each month for the whole year.

WinterGuard “levels” your natural gas bill making budgeting and bill paying easier:

- Your monthly natural gas bill will be the same predictable amount each month for the period of either one or two years, whichever you select.
- Your WinterGuard monthly natural gas bill is pre-set, includes all your natural gas-related charges and is quoted in advance.
- You won't pay a penny more than what SourceGas Energy Services quoted you. There are no monthly or periodic true-ups, or balloon payments at the end of the term.

General Terms

Pursuant to these WinterGuard Terms and Conditions (Please see the back of this flyer), your monthly bill will be the amount confirmed to you at the time you subscribe to the WinterGuard service, and will not increase or decrease based on variations in weather conditions, changes in natural gas market prices, or changes in the rates charged by your local gas distribution company.

Your monthly payment may change, however, based on any material changes in your natural gas usage beyond the weather, such as but not limited to, increased heating load due to facility additions, equipment additions or discontinuing supplemental sources of heat. SourceGas Energy Services reserves the right to alter the monthly payment amount or request additional payment in the event of material changes, or if the utility subsequently adds or adjusts any surcharges.

Payment Terms

You will receive a WinterGuard bill each month, and you agree to pay the amount shown on or before the due date. You understand and agree the total bill includes

all gas-related charges including commodity and customer charges, as well as distribution fees, taxes and franchise fees.

Errors and Questions

You should notify us in writing as soon as possible, but no later than sixty (60) days after we issue you your bill, in case of errors or questions about your WinterGuard bill.

Cancellation

You may cancel this Agreement for any reason and at any time. If you terminate this Agreement you may be subject to an exit fee.

Specifically, if you subscribed to the WinterGuard pricing option and you do not remain with SourceGas Energy Services on the WinterGuard option through the end of the contract term (one or two years, whichever you selected), you will owe all outstanding billed WinterGuard amounts and you also may be billed an exit fee of \$120.

Limitations and Disclaimers

SourceGas Energy Services limits its liability and disclaims certain warranties with respect to your WinterGuard Bill. Please see the Terms and Conditions on the back of this flyer.

Transfer

You may not transfer or assign this Agreement to any other person.

Change of Address

You agree to advise us promptly if you change your mailing address. Please note that the WinterGuard service is non-transferable and if you change your physical address, the WinterGuard agreement is nullified.

Amendments

This Agreement may change at any time, and you receive advance written notice as required by law.

FOR MORE INFORMATION, PLEASE READ THE COMPLETE TERMS AND CONDITIONS ON THE REVERSE SIDE.



WINTERGUARD® BILL TERMS AND CONDITIONS

In the following Terms and Conditions, you are referred to as “you” and “your” and SourceGas Energy Services Company is referred to as “we,” “us,” and “our.” This Agreement sets forth all the applicable terms and conditions with respect to your WinterGuard® bill. You acknowledge that this document is a binding and enforceable contract and that it will become effective when you receive your first WinterGuard bill.

General Terms. Pursuant to the WinterGuard bill, your monthly payment for all of your residential natural gas usage will be the amount confirmed to you at the time you subscribed to WinterGuard service. The amount you will be required to pay for natural gas for WinterGuard service will not increase or decrease based on variations in weather conditions, changes in natural gas market prices, or changes in the rates charged by your local gas distribution company. We reserve the right to alter your WinterGuard monthly payment based on any material change in your usage of natural gas, such as increased heating load due to additions or extensions, new equipment, discontinuing supplemental heat sources (such as wood stoves) and other additional heating demands, or if the utility subsequently adds or adjusts any surcharges. You agree to provide us with advance written notice of any such anticipated changes. We will provide written notice of the alteration and reason for the change.

Term of Agreement and Payment Terms. You will receive a bill for WinterGuard service each month beginning with the month in which your gas meter is initially read until the last month of your WinterGuard contract. The WinterGuard contract period shall either be for a twelve (12) or twenty-four (24) month period starting with your first billing month. You agree to pay us the amount shown on each WinterGuard bill on or before the due date and in the manner shown in each bill, plus any fees if any, on your balance in United States dollars, according to the Terms and Conditions of this Agreement.

Errors and Questions Regarding Your WinterGuard service. You should notify us in case of errors or questions about your WinterGuard service. If you think your WinterGuard bill, or any adjustment thereto, is wrong, or if you need more information about your WinterGuard bill, please write to us at SourceGas Energy Services Company, 610 Central Ave., Kearney, NE 68847 as soon as possible. You may also contact the customer service location at the telephone or address stated on your bill. However, no action may be taken by SourceGas Energy Services Company until it receives a written notice. We must hear from you no later than 60 days after we sent you the WinterGuard bill on which the error or problem appeared. In your letter, please provide this information: (1) your full name and account number; (2) the dollar amount of the suspected error; (3) a description of the error; (4) an explanation, if possible, of why you believe there is an error; and (5) if you need more information, describe the item you are not sure about. We will acknowledge your letter within thirty (30) days, unless we have corrected the error by then. Within ninety (90) days, we must either correct the error or explain why we believe the

WinterGuard bill was correct. After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question and we can apply any unpaid amount against your WinterGuard bills. You do not have to pay any questioned amount while we are investigating, but you are obligated to pay the parts of your outstanding balance that are not in question. If we find that we did not make a mistake on your monthly statement, you agree to make up any missed payments on the questioned amount. In either case, we will send you a WinterGuard bill of the amount you owe and the date that it is due. If you do not pay the amount that we believe is due, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten (10) days telling us that you still refuse to pay, we must tell anyone to whom you are reported as delinquent, that you have a pending question about your WinterGuard bill, and, we must tell you the name of anyone to whom we reported you as delinquent. When the matter is finally settled, we must tell anyone to whom we previously reported you as delinquent, that the matter has been settled.

Events of Default. You will be in default under this Agreement if any of the following events occur: (a) if you do not comply with the payment terms or any other Terms or Conditions of this Agreement or any Terms or Conditions of any other obligation you have or will have with us or any of our affiliates; (b) if a petition should be filed or other proceedings should be started under the Federal Bankruptcy Code or any state insolvency statute by or against you; (c) if a receiver should be appointed or a writ or order of attachment, levy, or garnishment should be issued against you or any of your property, assets, or income; (d) if we should consider any debts due under this Agreement unsafe or not completely secure, or if we should believe, in good faith, that the chances of your paying or performing all of your obligations under this Agreement have been impaired; (e) you fail to inform us on material changes in your natural gas use. SourceGas Energy Services Company has the right to terminate this agreement in the event of default, other than for non-payment as described in the errors and questions paragraph.

Cancellation. You may cancel this Agreement for any reason and at any time by sending a letter to us requesting that we discontinue providing you with WinterGuard service. However, you may be subject to an exit fee, and your obligations under this Agreement and any changes made under it prior to cancellation will continue to apply until you have paid us all amounts due hereunder. If you cancel this Agreement for any reason or if we cancel this Agreement because you are in default, you will be responsible for the following amounts: (a) for customer requests for cancellation and non-paying customers, all outstanding billed WinterGuard amounts plus an exit fee, and the customer will be put on the default Fixed Rate per Therm and billed for actual use starting with the last meter read date; (b) for customers who move out, all outstanding billed WinterGuard amounts plus an exit fee, and the final WinterGuard bill will be prorated based on the number of days since the

last meter reading; and (c) for customers who do not inform us on material changes in their natural gas use, to the extent the cost of your actual consumption of gas exceeds the aggregate amount you were charged on your WinterGuard bills from inception through cancellation of this Agreement, we reserve the right to bill you for the difference plus the applicable termination fee. The exit fee shall be \$120.00 and it shall be billed for all types of WinterGuard terminations after the first October of the contract term. If we demand full payment of the outstanding balance and you fail to immediately make payment, you agree to pay all collection costs, including attorney’s fees, as allowed by law. We may accept late payments or partial payments or check, drafts, or money orders marked “Payment in Full” without losing any rights under this Agreement. SourceGas Energy Services Company reserves the right to bill for and collect any exit fees or penalties not collected by SourceGas Distribution LLC.

LIMITATION OF LIABILITY; DISCLAIMER OF WARRANTIES. WE ARE NOT LIABLE FOR, AND YOU EXPRESSLY WAIVE, ANY DAMAGES RESULTING FROM THE PROVISION OR FAILURE TO PROVIDE NATURAL GAS, INCLUDING WITHOUT LIMITATION ECONOMIC LOSS, PERSONAL INJURIES, PROPERTY DAMAGE, OR INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO ANY SERVICE, EQUIPMENT, OR COMMODITIES WHATSOEVER, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. This Agreement does not deprive you of any rights you may have against any party other than us.

Transfer. You may not transfer or assign this Agreement to any other person, and any such transfer or assignment shall be void.

Change of Address. You agree to advise us promptly if you change your mailing address. All written notices and statements from us to you will be considered given when placed in the United States mail, postage prepaid, and addressed to you at your current address as it appears in our records.

Amendments. We may change any part of this Agreement at any time, as long as we give you advance written notice as required by law.

Other provisions. Your WinterGuard service has been applied for, considered and issued in the states of Nebraska and Wyoming. You agree that this Agreement shall be governed by and interpreted under state or federal law where the service is provided. If any part of this Agreement is not valid, all other parts will remain enforceable.

