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Dear Valued Hillside Customer.

Thank you for being a valued customer of Hillside Oil Company, we greatly appreciate your patronage. Since our new budget season is starting we would like to take a minute to fully explain our budget program so our customers have a better understanding of how it works. With the volatility in the fuel market these days we feel the budget plan is a very practical way of paying for the cost of heating your home.

The budget plan is simply a way of spreading your heating cost over manageable monthly payments. We send out a monthly statement on the $1^{\rm st}$ of each month with the current budget amount at the top as well as a list of any of the monthly activity on the account on the bottom. You can choose to be on automatic delivery or call-in delivery, and if you have an insurance plan with us we factor that into the monthly budget amount.

Our budget plan is monthly with a payment due by the 15th of each month. Your payments made in the spring and summer allows you to build up credit that will be used when deliveries are made in the fall and winter. Your budget amount is based on the average number of gallons you use per year multiplied by an estimated average fuel price for the upcoming season. The budget amounts are evaluated throughout the season and adjusted according to the market price, as well as the severity of the weather. The budget amount may be adjusted up or down as many times as needed throughout the season. At one time we were able to set a budget amount and it would last for a 12-month period, but with today's volatility, that seems to be no longer possible.

As a budget customer you automatically receive our cash price, which is the lowest price we offer. If you are on automatic delivery, the budget needs to be paid up to date to avoid an interruption of service. A budget plan does not mean that you only make payments when you get an oil delivery or when you have an account balance, or that no payments are due when the account balance is zero. To gain the maximum benefit you must make a payment every month for all 12 months. Monthly payments can be made even easier for you by allowing Hillside to charge your checking account or credit card automatically on the 15th of each month. This way your payment is never overlooked. See insert for more information.

The plan is completely optional and is simply a payment tool we offer. Your participation is voluntary and you can cancel at any time. There are no extra fees to participate in our budget program. If you have any questions or would like further assistance, please feel free to call our office Monday thru Friday from 9:00am to 3:00pm and someone will be glad to assist you. Thanks again for being a valued customer of Hillside Oil.