



# REESE-MARSHALL

since 1942

## Price Program FAQs

*Answers to frequently asked questions about our price program*

### What is a price program?

A price program is the term used for any agreement between a fuel dealer and their customer that sets the price in some fashion. The most common types of price programs available in our marketing area are:

**Ceiling Price Program:** This program guarantees your price *will not exceed* the price quoted. It may go down, but the price will not go above this price.

**Fixed Price Program:** This program guarantees your price *will always be* the price quoted. It will not go up OR down with the market.

Over the years we have offered both of these options, though the fixed price has all but disappeared due to minimal demand. A fixed price program feels a lot more like gambling – for who can predict the price of oil? When prices fell back, customers on a fixed price program were often unhappy. We now automatically renew program customers on the ceiling price program to allow for downside flexibility.

### What must a customer commit to when they sign up for your price program?

When a customer commits to our price program, they ...

- ✓ commit to being our customer over the coming heating season.
- ✓ sign up for a budget payment plan:
  - prepay in advance and qualify for discounts
  - go on a monthly payment plan, which spreads your fuel bill out into even monthly payments.
- ✓ go on automatic delivery.

### What does the customer get when they are on your price program?

Aside from our legendary great service, decades of experience in delivering fuels safely and efficiently, and a concerned partner in your home comfort - we pledge to bring you:

- ★ SECURITY and STABILITY by protecting the ceiling price quoted. Your price will not exceed the price quoted over the course of the heating season. Period.
- ★ Real VALUE over time. With over 25 years of experience in securing fuel for our price program and creating real value for our customers, our track record speaks for itself.
- ★ PEACE OF MIND by keeping your tank full. Being on automatic delivery means you don't have to worry about running out of fuel.
- ★ TOP CUSTOMER SERVICE whenever you need it. Real people with real answers who are ready to help you.

### How do you “protect” a price?

We buy your fuel in advance at the best price we can. By owning fuel contracts, we know the price can't go above that level. We also purchase 'price protection' (i.e. insurance) in case the market price goes below the ceiling price. With this protection, we can follow the market price down and make deliveries below the ceiling price previously set. Like insurance, price protection comes at a cost, and you may be charged as much as 25 cents more per gallon than the current market price (posted price before cash discounts). However, when market prices go above the ceiling price, *your price will never exceed the ceiling price.*

**Reese-Marshall Co.**  
Norwich, NY

**We make warm friends.**

**[www.reesemarshall.com](http://www.reesemarshall.com)**  
**(607) 334-3633**

Price Protection Programs bring

Stable fuel prices

Even monthly payments

Peace of Mind



### How is your price program different than others?

We differ from the competition in several meaningful ways:

We do not charge a non-refundable up-front fee. These fees can be significant- averaging \$250 (plus tax). We don't charge that. Instead, the program costs are built into the per gallon price for program fuel. By not charging an up-front fee, our customers never pay for protection on gallons they don't end up using.

We do not limit your protection should the winter be colder than normal. Some companies only cover pre-determined number of gallons with their price protection. We keep our ceiling price in effect regardless of much fuel you use. Why should you lose your protection at a time when demand is higher and prices are likely to increase?

With us, your ceiling price is in effect for more months out of the year. Our market research tells us that many companies limit their price protection to just a few months a year. Then, when the protection ends, some customers get a big delivery in the Spring and have no price protection. If you are on our price program, your gallons are price-protected from November 1st for as long as winter lasts. With a longer and colder heating season the last thing you need is a lapse in your protection. With us, your price protection is in place all the way to June, significantly longer than our competition.

### Why is the program price sometimes higher than the market price on the day of delivery?

The price program is like an insurance policy, protecting you from the worst kind of price volatility (the upward kind!) Please remember, the ceiling price program does not guarantee the lowest price always. Due to the timing of the fuel contracts, costs of administration, and volatility of daily cash pricing, it is not uncommon for the program price to be different than the current market price.

### What is your track record?

For over 25 years we have successfully protected customers from price spikes, creating meaningful savings to our customers over the years when compared to the market price. More than that, our program customers have had peace of mind knowing the ceiling price is the most they will have to pay for fuel over the entire heating season. Like insurance, the savings kick in when bad scenarios play out. Save yourself the worry - and sign up!

### Can I get off the price program if I change my mind?

With your commitment, we are able to go out and secure your fuel and accompanying price protection. If you choose to withdraw from the program mid-year, you will not be able to "re-join" the program later in the winter. Further, you may be subject to a fee if you wish to sign up for our price program in the future. Our advice: *insurance only works when it stays in place*, and we recommend our customers keep their price protection in place for the same reason.

### When and how can I sign up?

We typically sign up people for price programs between June and September. Price Program customers must be on a budget plan and be on automatic delivery. If you are interested in our price program, please give us a call. Don't delay, for our supply is limited and we offer this program on a first come - first served basis. (*Late sign-ups are possible, though ceiling price and payment plan may vary.*)

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