

# Biodiesel Users Group Membership Agreement – Revised 01/2010

Simple Fuels Biodiesel, P.O. Box 322, Chilcoot, CA, 96105 (530) 993-6000 www.simplefuels.com

This agreement represents a contract between Simple Fuels Biodiesel, Inc. (“Simple Fuels”, “we”) and:

NAME: \_\_\_\_\_ (“you, “user””) ADDRESS: \_\_\_\_\_ PHONE: \_\_\_\_\_  
(REQUIRED) (REQUIRED)

In accordance with current California Department of Food and Agriculture, Division of Measurement Standards regulations, we are required to collect the following data from our customers for EVERY vehicle using our fuel (Please use page four to list any additional vehicles and if so, check here  )

Please check this box if you only plan on using the fuel EXCLUSIVELY in off-road applications. (If so, leave the following vehicle info section blank)

VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_  
(If you don't know, leave blank)

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

This contract (and all terms mentioned herein) applies only to the above-mentioned parties, and supersedes any previous versions. It is the responsibility of the customer to read all of the following information prior to purchasing fuel from Simple Fuels. **Keep your copy of this document as it contains important information pertaining to your use of biodiesel.**

**I. Organization:** The Simple Fuels Biodiesel Users Group (BUG) is a member organization created to meet the California Division of Measurement Standards requirements for biodiesel use as a ‘developmental fuel’. More information on these requirements are available on the web at <http://www.cdffa.ca.gov/dms/programs/petroleum/developmentalfuels/developmentalfuels.html>. Members have the right to purchase ASTM-quality biodiesel from Simple Fuels and affiliated Biodiesel User Groups. The member’s sole obligation shall be to provide information to Simple Fuels about general performance and any issues experienced when using biodiesel. Apart from vehicle information provided here, generally reporting is only required in the event of performance issues or if you wish to add a vehicle to your list. From time to time, we may amend this agreement and require acceptance of the most current agreement in order to continue the benefits of membership.

**II. Privacy:** We will only use the information gathered here for the purposes of compliance with developmental fuel standards as stated in Section I. Information will not be shared with any other marketing or other organizations for any other purpose, except in the case of other California Biodiesel User Groups for the purpose of facilitating fuel access at their facilities. User has the right to grant permission to share this information with other Biodiesel User Groups, in name or anonymously, in the signature portion of this agreement.

### III. Fuel Quality and Labeling:

The following definitions are commonly used in the California biodiesel industry:

- ‘Biodiesel’, ‘B100’, and ‘B99.9’ are pure biodiesel, with a concentration of 99.9-100% biodiesel
- ‘Diesel’, ‘#2 Diesel’ and ‘Ultra Low Sulfur Diesel (ULSD)’ are petroleum diesel meeting current California diesel fuel standards and ASTM D975, and may contain up to 5% biodiesel as an additive
- ‘Biodiesel blend’ is a mix of biodiesel and ULSD to create a mixture where ‘Bxx’ indicates the percentage by volume of biodiesel. Thus ‘B20’ is a mixture of 20% biodiesel and 80% diesel

We are committed to selling only biodiesel that meets the current ASTM standard D6751. In most cases, ‘pure’ biodiesel sold by us will be blended as ‘B99.9’, which contains 0.1% of petroleum diesel meeting ASTM standard D975.

### IV. Limited Warranty and Notice to Purchaser: You accept responsibility to use our product in conformance with your equipment manufacturer’s recommendations.

The use of higher blends of biodiesel has not been approved by all engine manufacturers, and may affect your warranty. It is the users responsibility to consult the engine manufacturer or owner’s manual and exercise judgment as to the suitability in your application. Simple Fuels provides no warranty of any kind with respect to the product whether express or implied including without limitation, the implied warranty of merchantability or fitness for any intended use or purpose. Simple Fuels shall not be liable under any circumstances for any loss, damage, liability, injury or expense directly or indirectly resulting from, arising or related to the use or application of product and will not be liable for consequential or incidental damages or loss of profits. **If our biodiesel is found defective by failing to meet the ASTM D6751 specification, our liability shall be limited to the refund of the purchase price, less taxes and delivery fees.** (for information on why this is our policy, see page 4 of this agreement)

**V. Redistribution:** Member agrees that fuel purchased under the rules of this agreement are for the member’s own use and is not to be redistributed, resold, or otherwise transferred to the general public (i.e. any person or organization not belonging to Simple Fuels BUG)

**VI. Specific Precautions and Disclaimers:** The following are the basic facts concerning biodiesel and its usage. More information is available at our website and at the websites provided at the end of this document. We encourage you to read them and learn as much as you can about proper use of biodiesel. **Simple Fuels will not warranty against, cannot prevent, and will not indemnify you for any problems listed below, should they occur. You as a user must be aware of and responsible for these qualities of biodiesel fuel:**

#### 1) Solvent Properties:

Biodiesel, in addition to being fuel, is an effective solvent, and will act accordingly. This means that:

- a) Biodiesel will dissolve existing solid deposits created through usage of petroleum (“petro-”) diesel in your vehicle’s fuel system. These solids will clog your vehicle’s fuel filter. When this happens depends on many factors, but can be recognized by the following symptoms: power loss, engine sputtering, difficulty starting, and poor fuel mileage. **When you notice these symptoms, you will have to replace your vehicle’s fuel filter** (possibly more than once, depending on the amount of petro-solids in the fuel system). **Engine manufacturers do not recommend driving with a**

**clogged filter for extended periods of time. For this reason, some biodiesel users believe in “preventative filter changing,” before any symptoms are noticed. We recommend keeping at least one spare fuel filter on hand at all times.**

b) Biodiesel will, over time, dissolve most types of paint. For this reason, we recommend keeping a clean, soft, dry rag on hand when fueling, to gently wipe off any spillage. When the rag becomes soaked with biodiesel, put it in a dark, closed storage container to await proper disposal. **Do not leave fuel-soaked rags crumpled up in the sun.** Under such conditions, the rags are prone to spontaneous combustion due to oxidation and the heat generated during that process.

c) Biodiesel will degrade rubber components in older vehicles' fuel systems faster than petro-diesel. These components include some hoses, seals, and o-rings. Most diesel vehicles made after 1993 use synthetic components, eliminating this problem. Should your rubber components need replacement, we recommend viton substitutes, which we carry in many cases. Call us for more information and pricing if needed.

## 2) Cold Weather Properties:

a) Depending on its feedstock, biodiesel can gel at temperatures as high as 40 degrees Fahrenheit or higher without added anti-gel. While our fuel may contain anti-gel agents during the cold season, it does not constitute a guarantee against fuel gelling. **In cold weather, the only way to be 100% certain your fuel will not gel is to maintain a percentage of petro-diesel in your fuel supply (exact quantity varies with climate, but 30% petro-diesel (B70) will work in most of Northern California. Higher altitudes such as the Truckee/Tahoe Region may require 50% petro-diesel for safe winter operation (B50).**

b) Biodiesel taxes glow plugs more than petroleum diesel. Although this is more likely to be encountered in the cold season, it is possible for your glow plugs to wear out during any time of the year. Poor glow plugs are easy to recognize by their characteristic symptom: the first start of the day is very difficult, with lots of white smoke.

## 3) Engine Performance:

Biodiesel has a slightly lower BTU per gallon than conventional #2 petro-diesel. A small loss of power and fuel economy may be noticed in some applications.

## 4) Compatibility with Newer 'Clean Diesel' Engines:

Engines in certain 2009 and newer models with diesel particulate filters (Volkswagen and others) use a strategy of 'late post injection' to create an elevated temperature in the exhaust stream by injecting fuel late in the compression cycle. These injection events are very precisely engineered to work with #2 petro-diesel. Due to the slight surface tension and viscosity differences in biodiesel, late post injection tends to wet the cylinder walls with biodiesel, causing biodiesel to accumulate in the crankcase oil. This causes dilution of the engine oil and can cause deviation of the engine oil from the manufacturers specification. The newer clean diesel engines also use extremely high-pressure fuel delivery systems that may not operate properly with higher concentrations of biodiesel. **For these reasons we do not advise use of blends over B5 in newer 'clean diesel' engines.**

## 5) Proper Storage of Biodiesel:

Biodiesel by nature is biodegradable, and has a tendency to break down, particularly with exposure to excess air, water, and light. The majority of existing storage tanks used for #2 petro-diesel have some accumulated water in the bottom due to condensation of water from repeated filling and emptying. While this is not typically a problem for petro-diesel, this water can cause rapid degradation of biodiesel. Even under ideal conditions, biodiesel can break down and become out-of-spec in as little as six months. **We recommend storing biodiesel in a clean, dry, opaque container for a maximum of six months without additives.** For storage longer than six months, antioxidant additives are available to extend the duration of acceptable storage. Please contact us for more information on storage additives. Member assumes all responsibility for proper storage of biodiesel as per federal, state, and local environmental and fire protection regulations.

## 6) Non-Compression Uses of Biodiesel Fuel:

Biodiesel does not behave in heaters, smudge pots, kilns, lanterns, etc., the way that it does in high-compression diesel engines. While biodiesel can generally be used in any application that uses Diesel #2, non-compression applications have less experience with biodiesel. Users of 100% biodiesel in these applications have experienced more soot, incomplete combustion, and more maintenance than users of petro-diesel, among other things.

**Heater users, take special note: biodiesel is not compatible with copper fuel lines.** Due to these concerns, it may be wise to consider blending your biodiesel with a suitable amount of petro-diesel in these types of applications. **Biodiesel is not a substitute for kerosene.**

## 7) Compatibility with ULSD (Ultra Low sulfur Diesel)

Since the introduction of ULSD, some users have reported that excessive cycling between higher blends of biodiesel, and blends with little to no biodiesel content, may lead to leaking of seals, particularly fuel injection pumps, due to repeated swelling and shrinking of these seals. This phenomenon was not apparent prior to the introduction of ULSD. We recommend that users who are using higher blends of biodiesel avoid excessive switching back-and-forth from pure ULSD, when practical. It is possible that even using a B5 blend can prevent this phenomenon.

For more information on Biodiesel Use and Handling, the following resources are highly recommended:

NREL Handling and Use Guidelines: <http://www.nrel.gov/vehiclesandfuels/pdfs/43672.pdf>

NBB Fuel Fact Sheets: <http://biodiesel.org/resources/fuelfactsheets/default.shtm>

NBB Engine Manufacturer Recommendations: [http://biodiesel.org/pdf\\_files/OEM%20Statements/OEM\\_Statements\\_Summary.pdf](http://biodiesel.org/pdf_files/OEM%20Statements/OEM_Statements_Summary.pdf)

Most updated biodiesel information and links <http://www.simplefuels.com>

All information contained in this Membership Agreement is believed to be accurate at the time of printing. If the application of any provision of this contract should be held invalid, the remaining provisions thereof shall not be affected thereby, but shall continue to be given full force and effect.

**I have read, understand and agree to the terms of this Membership Agreement.**

Signed \_\_\_\_\_ Date \_\_\_\_\_

Copyright © 2010 by Simple Fuels Biodiesel, Inc. and Yokayo Biofuels. All rights reserved. Inquiries regarding requests to reprint all or part of this Customer Agreement should be addressed to Simple Fuels Biodiesel at PO Box 322, Chilcoot CA or via the web at simplefuels.com. We wish to offer sincere thanks to Yokayo Biofuels for allowing us to use their agreement for the creation of this document

**LIST ADDITIONAL VEHICLES HERE, IF REQUIRED**

2) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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3) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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4) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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5) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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6) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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7) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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8) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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9) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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10) VEHICLE MANUFACTURER: \_\_\_\_\_ ENGINE MAKE & MODEL: \_\_\_\_\_  
(If you don't know, leave blank)

MODEL: \_\_\_\_\_ YEAR: \_\_\_\_\_ ODOMETER READING: \_\_\_\_\_

HAVE YOU USED BIODIESEL IN THIS VEHICLE BEFORE?: \_\_\_\_\_ IF YES, FOR HOW LONG: \_\_\_\_\_

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## REGARDING OUR “LIMITED WARRANTY AND NOTICE TO PURCHASER”

You may be wondering why we say, “we are committed to selling only biodiesel that meets ASTM standard D6751” and then include a statement that says “if our biodiesel is found defective by failing to meet the ASTM D6751 specification, our liability shall be limited to a refund of the purchase price”. There’s a number of very important reasons why we have made this our policy:

- Unfortunately, different ASTM testing laboratories give different results. Even long-established facilities often do not generate the same results on identical samples.
- Once biodiesel leaves our pump into the customer’s property, it enters a set of conditions that we cannot control, i.e. storage tank conditions, mixture with other fuels, length of storage, etc.
- The ASTM method is not perfect, and we use a broad number of additional tests to ensure our fuel is high quality.
- The most obvious reason a person would want to make a claim is for repairs, and our experience is that many mechanics are not well informed about biodiesel, with little or no experience with vehicles using it as fuel. Misdiagnoses are common, and many unnecessary repairs have been foisted onto unwitting customers.

We have no interest in leaving our customers “high and dry”, and if you have any problems using our fuel, we will do everything we can to help. We are a small company, and we rely on the loyalty and respect of our customers. Fundamentally, this is a relationship built on trust, and we take it very seriously.

## TROUBLESHOOTING TIPS

### IF YOU WANT TO SAVE MONEY, FOLLOW THESE DIRECTIONS BEFORE CALLING A MECHANIC

If you believe you are experiencing a fuel system problem in a vehicle running our fuel, please check it against the list of “Specific Precautions,” in Section III on the other side of this page. **Please read that section carefully- it covers the great majority of problems people will encounter.**

**Why not go directly to your regular mechanic?** That question makes a lot of sense. Unfortunately, the reality is that biodiesel problems get misdiagnosed with incredible frequency. Mechanics, even the best ones, apply diesel instinct inappropriately without realizing it. Additionally, directions from higher-ups, especially at dealerships, will often steer the mechanic toward replacing expensive parts rather than fully analyzing what’s wrong. The logic is, if you replace everything that could possibly cause the problem, then the car will be working again. Maybe, but that way of doing things is not very efficient, and extremely expensive.

If the problem you are encountering is not listed, then you have a couple of options:

- 1) Call us. We will do what we can to help.
- 2) Go to the internet, where there are some extremely useful discussion forums full of thousands of biodiesel users with varying degrees of experience and knowledge:

Biodiesel “Infopop” Discussion Forum (includes section on vehicles):

<http://biodiesel.infopop.cc/6/ubb.x?a=cfrm&s=447609751>

BiodieselNow Vehicles Forum:

<http://biodiesel.infopop.cc/eve/forums/a/cfrm/f/214106403>

TDI Club Biodiesel Forum (For VW TDI drivers):

<http://forums.tdiclub.com/postlist.php?Cat=&Board=UBB44>

An updated list of resources is always available on our website at [www.simplefuels.com](http://www.simplefuels.com)

While Simple Fuels already has tested and filtered the fuel before it gets to you, we can offer fuel quality testing on samples that have been stored, if you have any doubt as to whether your biodiesel is within spec.

In the long term, with newer vehicles, it’s a good idea to find out whether you can purchase diagnostics equipment for your vehicle and diagnose error codes yourself. While this may sound difficult and annoying, it can actually be quite simple. **With VW TDIs, for instance, you can purchase a VAG-COM cable (find out more by going to a link at the TDI Club page, listed above) that hooks into a port below your steering wheel, and connects to a PC laptop.** No special software is needed. Many people save themselves time and money with this type of equipment. In the meantime, we’ll work on getting the word out so more mechanics know the facts about biodiesel!