



RESIDENTS ENERGY

ILLINOIS VARIABLE RATE ELECTRIC CONTRACT SUMMARY

This document summarizes the key terms of your contract with Residents Energy, LLC

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| Retail Electric Supplier Information | <p>Residents Energy, LLC, PO Box 400, Jamestown, NY 14702 1-888-828-7374 www.residentsenergy.com</p> <p>You have chosen Residents Energy as your electric supplier. Residents Energy is not affiliated with your electric utility. Residents Energy is responsible for the electricity supply charges on your bill. These charges will appear on your utility bill separate and apart from your electric utility's distribution charges for delivering your electricity.</p> |
| Price Structure | <p>Your rate for electricity will be a variable rate that will fluctuate at Residents Energy's discretion based on numerous factors including, but not limited to, current conditions on the PJM/MISO wholesale electricity markets, the cost of obtaining electricity from all sources, capacity costs, settlement costs, costs of ancillary services, hedging costs, balancing costs, line loss costs, costs to comply with any applicable Renewable Portfolio Standards, Residents Energy's expenses and margins, and all applicable taxes, fees, or assessments. The rate may be higher or lower than the electric utility's rate in any particular month. There is no cap on the variable rate.</p> |
| Electricity Supply Rate | <p>Your electricity supply rate for your first billing cycle with Residents Energy will be _____ per kWh. Thereafter, your rate will vary month-to-month based on the factors described above.</p> |
| Statement Regarding Savings | <p>Residents Energy's rate for electricity may be higher or lower than your electric utility's price in any particular month; there is no guarantee of savings.</p> |
| Deposit Requirements | <p>Residents Energy does not require any deposit.</p> |
| Promotional Offer | |
| Contract Start Date | <p>Your Residents Energy electricity supply service will begin on the date set by your electric utility.</p> |
| Contract Duration/Length | <p>Your Residents Energy electricity supply service will continue on a month-to-month basis until either you or Residents Energy cancels or terminates the service by providing 30 days' notice of termination to the other party. In the event such notice is given, the electric utility will complete the termination on the next available date in accordance with its rules.</p> |
| Cancellation/Early Termination Fees | <p>You may cancel your Residents Energy electricity supply service at any time, without a termination fee, by calling Residents Energy at 888-828-7374 or by email at https://Residentsenergy.com/contact/.</p> |
| End of Contract | <p>Your Residents Energy electricity supply service will continue until either party provides notice of its intent to cancel and until the electric utility completes the termination in accordance with its rules.</p> |

See the Terms and Conditions for full details.

RESIDENTS ENERGY, LLC – State of Illinois - Terms and Conditions - V.01012017

1. AGREEMENT TO SELL AND PURCHASE ENERGY (“Agreement”). Residents Energy, LLC (“Residents Energy”) agrees to provide and sell to you, and you (also referred to herein as “Customer”), agree to purchase and accept from Residents Energy, the quantity of electricity necessary to meet your requirements, as estimated by Residents Energy based upon consumption data obtained by Residents Energy and the delivery schedule of the electric utility, subject to the terms and conditions contained herein. Residents Energy is an independent seller of power and energy service certified by the Illinois Commerce Commission. Any Residents Energy agent that you may have interacted with is not representing or acting on behalf of an electric utility, governmental bodies or consumer groups. Your electric utility remains responsible for the delivery of power and energy to your premises and will continue to respond to any service calls and emergencies. Switching to Residents Energy will not impact your electric service reliability. You will receive written notification from the electric utility confirming your switch to Residents Energy.

2. INFORMATION RELEASE AUTHORIZATION. Customer hereby authorizes the electric utility to release to Residents Energy, and authorizes Residents Energy to obtain from the electric utility and review, detailed information regarding Customer’s account including, but not limited to: account number; meter number; consumption history; billing determinants; payment history; credit information; public assistance status; and participation in utility low income discount programs. This information may be used by Residents Energy to determine whether it will commence and/or continue to provide energy supply service to Customer. This authorization will remain in effect during the Initial Term of this Agreement and any renewal thereof. Customer may rescind this authorization at any time by providing written notice thereof to Residents Energy or calling Residents Energy at 1-888-828-7374. Residents Energy reserves the right to cancel this Agreement in the event Customer rescinds the authorization.

3. PRICE. For each monthly billing cycle, the price for the electricity supplied pursuant to this Agreement will be calculated by multiplying (i) the Variable Rate or Fixed Rate for the electricity, by (ii) the amount of electricity consumed, as determined by the electric utility’s actual or estimated meter reads. For the Variable Rate plan, the rate for the first month of your service with Residents Energy is set forth on your Contract Summary. Thereafter, the rate for the electricity supplied pursuant to this Agreement will fluctuate at Residents Energy’s discretion. When setting rates, Residents Energy will consider numerous factors including, but not limited to, current conditions on the PJM/MISO wholesale electricity markets, the cost of obtaining electricity from all sources, capacity costs, settlement costs, costs of ancillary services, hedging costs, balancing costs, line loss costs, costs to comply with any applicable Renewable Portfolio Standards, Residents Energy’s expenses and margins, and all applicable taxes, fees, or assessments. The rate may be higher or lower than the electric utility’s rate in any particular month. There is no cap on the Variable Rate. For the Fixed Rate “ResiSure” plan, the rate for the electricity supplied pursuant to this Agreement will be the fixed rate set forth on your Contract Summary, plus all applicable taxes, starting with your first date of service with Residents Energy and continuing for all bills issued within 12 months of that date (the “Initial Term”). Your rate for electricity, whether a Variable Rate or Fixed Rate, does not include the electric utility’s charges and fees.

Green/Renewable Energy Supply Option: If you have chosen the Green/Renewable Energy Supply option, Residents Energy will ensure that 100% of your electricity usage is matched with renewable energy certificates. [A renewable energy certificate is a tradable, non-tangible energy commodity that represents proof that 1 megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource and was fed into the shared system of power lines which transport energy]. Residents Energy may take up to 24 months after the end of each calendar year under which this Agreement is in effect to address any deficiency that may arise in the green renewable content of electricity sold under this Agreement in the previous calendar year. If you have chosen a Variable Rate product and the Green/Renewable Energy Supply option, your rate for the electricity supplied will be Residents Energy’s Variable Rate plus an “adder” of up to 3 cents per kWh. If you wish to cancel the Green/Renewable Energy Supply Option you may call Residents Energy at 1-888-828-7374. If you have chosen a Fixed Rate “ResiSure” product with the Green/Renewable Supply Option, it will no longer apply if the account renews on a variable rate pursuant to Section “7” below.

Rebates and Special Promotions: From time-to-time Residents Energy may offer a Rebate Program. If Customer participates in Residents Energy’s Rebate Program, Customer must continue to be an active Residents Energy customer in order to qualify for the rebate(s). If Customer cancels at any time prior to the issuance of the rebate(s), Customer shall forfeit all rights and claims to such rebate(s). All rebate amounts advertised and presented to customers are estimates based upon prior electric usage. Actual rebate amounts will be based on Customer’s actual usage which may vary from any estimate provided. Residents Energy will send any rebate or promotion payment to the customer address given to Residents Energy at the time of enrollment. It is the responsibility of Customer to notify Residents Energy of any changes to Customer’s billing address either by writing to Residents Energy at: PO Box 400, Jamestown, NY 14702, or by calling Residents Energy at 1-888-828-7374. Residents Energy will send all rebates and promotional payments and notices via the US Postal Service and is not responsible for invalid addresses or undelivered items.

4. BILLING AND PAYMENT. You will normally receive one bill each month issued by the electric utility, or by Residents Energy if directed by you or the electric utility. Unless otherwise provided herein, payment terms are governed by the terms of the electric utility’s tariff if the electric utility issues the bill. If Residents Energy issues the bill, payment of the full amount billed is due twenty-five (25) days after the date the bill is mailed. Late payments or partial payment balances will be subject to collection fees and/or reasonable attorneys’ fees and court costs, as allowed by law. All accounts, which are overdue, may be referred to a collection agency consistent with the laws of the State of Illinois. Your bill will be based on scheduled meter readings and/or estimates provided by the electric utility. The parties agree to accept, for purposes of accounting for electricity delivered under this Agreement, the quantity, quality, and measurement determined by the electric utility. A twenty-dollar (\$20) fee will be charged for all returned checks.

5. TITLE AND TAXES. Under this Agreement, title to the electricity shall pass from Residents Energy to you prior to delivery to the electric utility. Our price does not include sales taxes that may apply, and these taxes generally will appear as a separate item on your bill. You shall reimburse Residents Energy for sales or other taxes, however designated, imposed with respect to the sale or transportation of electricity unless, prior to execution of this Agreement, you have given us a valid tax exemption certificate(s).

6. RESCISSION RIGHTS. Customer may rescind this Agreement before Residents Energy submits the enrollment request to the electric utility by contacting Residents Energy at 1-888-828-7374. Customer may also rescind this Agreement and the pending enrollment, within 10 days after the electric utility processes the enrollment request by contacting Residents Energy at 1-888-828-7374 or the electric utility at 1-800-334-7661.

7. TERM; TERMINATION; RENEWAL. For the Variable Rate plan, this Agreement shall commence as of the date Customer’s enrollment with Residents Energy is deemed effective by the electric utility, and shall continue on a month-to-month basis until either Customer or Residents Energy cancels or terminates this Agreement by providing 30 days’ notice of termination to the other party. In the event such notice is given, the electric utility will complete the termination on the next available date in accordance with its rules.

For the Fixed Rate “ResiSure” plan, this Agreement shall commence as of the date Customer’s enrollment with Residents Energy is deemed effective by the electric utility, and it shall continue for 12 monthly billing cycles thereafter (“Initial Term”). Upon expiration of the Initial Term, this Agreement shall automatically renew for successive renewal terms (each, a “Renewal Term”) **without the need for Customer’s affirmative consent.** If Residents Energy does not wish to offer Customer another fixed rate plan following the Initial Term (or any subsequent Renewal Term), then this Agreement will automatically renew, without notice, on a month-to-month basis with a variable rate that will fluctuate as described in Section “3” above. If Residents Energy does wish to offer Customer another fixed rate plan, then Residents Energy will notify Customer in writing, at least 30, but not more than 60, days prior to the expiration of the Initial Term (or any subsequent Renewal Term), of the length of the next Term, the fixed rate that will apply during the next Term, and any other changes that will be made to the terms and conditions of the Agreement for the next Term. Such changes will apply during the next Term unless Customer affirmatively terminates the Agreement prior to expiration of the then-current Term.

8. ASSIGNMENT. Residents Energy may assign or transfer its rights or obligations under this Agreement after first informing you in writing of such transfer or assignment. You may not assign or transfer your rights or obligations under this Agreement.

9. CHOICE OF LAW. This Agreement shall be construed in accordance with and be governed by the laws of the State of Illinois without regard to the conflicts of law provisions thereof.

10. NO WARRANTIES. Customer acknowledges and agrees that no warranty, duty or remedy, whether expressed, implied or statutory, is given or intended to arise out of this Agreement except as otherwise expressly stated herein, and Residents Energy specifically disclaims all other warranties, expressed or implied including any warranty of merchantability or fitness for a particular purpose or use.

11. SEVERABILITY. Should any part of this Agreement be declared invalid for any reason, such decision shall not in any manner affect the validity of the remaining portion of this Agreement, which shall remain in full force and effect as if the part determined to be invalid had not been contained herein at the time of the execution of this Agreement. If at some future date there is a change in any law, rule, or regulation whereby Residents Energy is prevented, prohibited or frustrated from carrying out the terms of the Agreement, then, at the sole discretion of Residents Energy, this Agreement may be cancelled. If, at some future date, there is a change in a federal or state approved tariff affecting Residents Energy's costs to purchase electricity required to provide your service, then, at the sole discretion of Residents Energy, this Agreement may be modified to reflect those costs.

12. FORCE MAJEURE. Residents Energy will make commercially reasonable efforts to provide electricity hereunder but does not guarantee a continuous supply of electricity to Customer. Certain causes and events out Residents Energy's control ("Force Majeure Events") may result in interruptions in service. Residents Energy will not be liable for any interruptions caused by a Force Majeure Event, and Residents Energy is not, and shall not be, liable for damages caused by Force Majeure Events. Force Majeure Events shall include acts of God, fire, flood, storm, terrorism, war, civil disturbance, acts of any governmental authority, accidents, strikes, labor disputes or problems, required maintenance work, inability to access the local distribution utility system, non-performance by the electric utility (including, but not limited to, a facility outage on its electric facilities), or any other cause beyond Residents Energy's control.

13. LIMITATION OF LIABILITY. In no event shall Residents Energy or Customer be liable to the other or to any third party for any indirect, incidental, consequential, punitive, reliance or special damages, including without limitation, damages for lost profits, advantage, savings or revenues of any kind or increased cost of operations, whether or not Residents Energy or Customer has been advised of the possibility of such damages. Residents Energy's liability and Customer's exclusive remedy against Residents Energy, for any damages caused by any service outage, defect or failure, shall be the termination provisions set forth above in Section "7." Residents Energy's liability for other claims arising in connection with any service or this agreement, if not otherwise limited by another provision of this Agreement, shall be limited to proven direct damages not to exceed per claim (or in the aggregate during any 12-month period), the total net payments made by Customer for the applicable service during the 12 months preceding the month in which the damage occurred.

14. INDEMNIFICATION. Customer is responsible for and will indemnify Residents Energy against any and all liabilities resulting from Customer's failure to fully comply with this Agreement, and damage or injury caused by the electricity after its delivery to Customer's residence.

15. DISPUTE RESOLUTION, MANDATORY ARBITRATION and CLASS ACTION WAIVER. All disputes regarding transmission, distribution, power outages, and bills from the electric utility should be directed to the electric utility. In the event of a dispute relating to Residents Energy's services hereunder, Customer shall first contact Residents Energy and attempt to resolve the dispute directly. Customer and Residents Energy shall try in good faith to resolve the dispute. A residential customer who is dissatisfied with Residents Energy's proposed resolution may file a complaint with the Consumer Services Division of the Illinois Commerce Commission ("ICC") by calling the ICC at 1-800-524-0795, by writing to the ICC at: Illinois Commerce Commission, 527 E. Capitol Ave, Springfield Illinois, 62701, or through the ICC's website at: www.icc.illinois.gov. Customer must pay the bill in full, except for the specific disputed amount, during the pendency of the dispute. Any dispute, controversy or claim arising out of, or related to, Residents Energy's services under this Agreement that is not resolved directly between the parties or by the ICC (collectively, the "Claims"), shall be resolved by arbitration before the American Arbitration Association ("AAA") conducted under the AAA Commercial Rules and, if Customer is a residential customer, the Consumer-Related Disputes Supplementary Procedures.

BY ENTERING INTO THIS AGREEMENT, YOU ARE GIVING UP YOUR RIGHTS TO SEEK REMEDIES IN COURT, AND THE RIGHT TO A JURY TRIAL. THE ABILITY TO CONDUCT DISCOVERY IN ARBITRATION IS LIMITED AND THE ARBITRATOR'S DECISION IS SUBJECT TO VERY LIMITED REVIEW BY COURTS. ARBITRATORS CAN AWARD THE SAME DAMAGES AND RELIEF THAT A COURT CAN AWARD. THE AAA SHALL HAVE THE POWER TO RULE ON ANY CHALLENGE TO ITS OWN JURISDICTION OR TO THE VALIDITY OR ENFORCEABILITY OF ANY PORTION OF THIS ARBITRATION PROVISION.

THE PARTIES AGREE THAT ALL CLAIMS INCLUDING STATUTORY, STATE OR FEDERAL CLAIMS, MAY BE MADE SOLELY ON AN INDIVIDUAL BASIS, AND THAT THIS AGREEMENT DOES NOT PERMIT CLASS ACTIONS, EITHER IN ARBITRATION OR THROUGH A COURT PROCEEDING. FURTHER, CUSTOMER WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A REPRESENTATIVE CAPACITY OR AS A MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. AAA MAY NOT CONSOLIDATE MORE THAN ONE PERSON'S CLAIMS, AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF A REPRESENTATIVE OR CLASS PROCEEDING. IN THE EVENT THE PROHIBITION ON CLASS ARBITRATION IS DEEMED INVALID OR UNENFORCEABLE, THEN THE REMAINING PORTIONS OF THIS ARBITRATION PROVISION WILL REMAIN IN FORCE. JUDGMENT ON THE ARBITRATOR'S AWARD CAN BE ENTERED IN ANY COURT HAVING JURISDICTION. THIS AGREEMENT EVIDENCES A TRANSACTION IN INTERSTATE COMMERCE, AND THUS THE FEDERAL ARBITRATION ACT GOVERNS THE INTERPRETATION AND ENFORCEMENT OF THIS PROVISION. THIS ARBITRATION PROVISION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

16. ENTIRE AGREEMENT. This Agreement, including the Contract Summary, constitutes the entire agreement between you and Residents Energy. You acknowledge that you are not relying on any advice, statements, recommendations or representations of Residents Energy or its Sales personnel other than the written statements in this Agreement and that you have made your own decision to enter into this Agreement.

17. MODIFICATION. Residents Energy may modify the terms of this Agreement at any time and such amended Agreement will supersede any previous agreement between Customer and Residents Energy. Residents Energy will provide Customer thirty (30) days' prior written notice of any such modification. After receipt of such notice, Customer may cancel the Agreement, without penalty, by providing written notice to Residents Energy before the commencement of the next billing cycle.

18. PROTECTION OF CUSTOMER RIGHTS. Residents Energy hereby provides notice that its services are governed by the terms of this Agreement, the tariff of the electric utility, and the rules and regulations issued by the ICC. Your electric utility's transmission and distribution functions will continue to be regulated by the ICC. Electric service may be disconnected only by the electric utility and only in compliance with rules set by the ICC. In the event of your failure to pay for the electricity provided to you, Residents Energy may terminate the business relationship with you and your service may be disconnected by the electric utility. The ICC may be contacted at 1-800-524-0795; <http://www.icc.illinois.gov>; or at 527 E Capitol Ave, Springfield, Illinois, 62701.

19. RESIDENTS ENERGY'S CONTACT INFORMATION. Any questions regarding these terms and conditions or your service with Residents Energy should be directed to: PO Box 400, Jamestown, NY 14702. Residents Energy may also be contacted by telephone at 1-888-828-7374, by fax at 1-716-664-2297 or by e-mail at contactus@residentsenergy.com.