

RESIDENTS ENERGY

PO Box 400, Jamestown, NY 14702
1-888-828-7374



Delaware – Fixed Price (ResiSure) Residential and Small Commercial Contract Summary

This notification is for illustrative purposes only, you will receive your personalized Contract Summary with your welcome packet upon the acceptance of your enrollment.

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| Electricity Supplier Information | Residents Energy, LLC, PO Box 400, Jamestown, NJ 14702 License Number: 15-1739 1-888-828-7374, www.ResidentsEnergy.com |
| Plan Description | You have chosen a Fixed Price plan. The price will be fixed for the first _____ monthly billing cycles (the “Initial Term”). You have also chosen the Green/Renewable Energy Supply Option. |
| Supply Price | The price for the electricity supplied during the Initial Term will be _____ per kWh. |
| Contract Start Date | Your electricity supply service with Residents Energy will begin when your utility processes your enrollment. |
| Contract Term/Length | The Initial Term of the Agreement will be _____ monthly billing cycles. The Agreement may renew thereafter as described below. |
| Cancellation/Early Termination Fees | If you terminate the Agreement during the Initial Term, or if Residents Energy terminates the Agreement due to your breach, you shall pay Residents Energy, in addition to any other applicable charges, an early termination fee equal to: \$10.00 for each billing cycle, or portion thereof, remaining until the end of the Initial Term (or the then current Fixed Price Renewal Term). |
| Renewal Terms | Residents Energy will provide Customer with written notice of the pending renewal of the Agreement (“Renewal Notice”) at least 45 days prior to the end of the Initial Term. The Renewal Notice will set forth whether the Agreement will renew for another fixed term (“Renewal Term”) with a new Fixed Price, or will instead continue on a month-to-month basis with a Variable Price. The Renewal Notice will also set forth any changes that will apply to the material terms and conditions of the Agreement after the Initial Term. The Agreement will then automatically renew as described in the Renewal Notice unless Customer terminates the Agreement prior to such renewal. If the Agreement is renewed for a Fixed Price Renewal Term, the renewal process described in this paragraph may be used to implement subsequent renewals of the Agreement. |
| Rescission Period | Three business days from the start of the rescission period. The rescission period will begin on one of the following dates, as applicable: (i) when you sign the Agreement; (ii) when you transmit electronic acceptance of the Agreement to Residents Energy electronically; or (iii) when you receive the Agreement and Contract Summary, if received by mail. |

For additional information, please refer to your Terms and Conditions. Please retain this document for your records.

V.04012018

RESIDENTS ENERGY, LLC - State of Delaware – Terms and Conditions - V.04012018

Delaware PSC License Number: 15-1739

1. **AGREEMENT TO SELL AND PURCHASE ENERGY.** These Terms and Conditions, together with the Contract Summary, and Enrollment Form where applicable, constitute your contract with Residents Energy, LLC (“Residents Energy”) for electricity supply (this “Agreement”). Under this Agreement, Residents Energy agrees to sell, and you (also referred to herein as “Customer”) agree to purchase and accept, the quantity of electricity necessary to meet your requirements, as estimated by Residents Energy based upon consumption data obtained by Residents Energy or the delivery schedule of the electric distribution company (the “EDC”), subject to the terms and conditions contained herein. Residents Energy is not affiliated with, and does not represent, the EDC.

2. **INFORMATION RELEASE AUTHORIZATION.** Customer designates Residents Energy as its agent for receiving Customer’s historic and current billing and electricity usage information from the EDC, and for procuring and scheduling the transmission, transportation and ancillary services necessary to deliver electricity purchased by Customer to the EDC. The information obtained from the EDC may include: account name; billing address; service address; account number or other number necessary to process an enrollment; bill cycle; voltage level; EDC rate class or code; load profile; meter number; meter type; multiple meter indicator; peak load contribution; metered demand; billed demand; monthly historical demand for the previous 12 months; monthly historical consumption for the previous 12 months; monthly time-of-use data for the previous 12 months; interval meter data for the previous 12 months; and dynamic pricing election, if any. This information may be used by Residents Energy to determine whether it will commence and/or continue to provide energy supply service to Customer and will not be disclosed to a third-party unless required by law. Customer’s execution of this Agreement shall constitute authorization for the release of this information to Residents Energy. This authorization will remain in effect for the duration of this Agreement. 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 this authorization.

3. **PRICE.** For each billing cycle, Residents Energy’s charges for the electricity supplied pursuant to this Agreement will be calculated by multiplying (i) the Variable Price or Fixed Price for the electricity, by (ii) the amount of electricity consumed, as determined by the EDC’s actual or estimated meter reads. Residents Energy’s price for the electricity does not include any tax, EDC distribution charge, or other EDC fee or charge. The prices quoted in this Agreement are for the specified commodity provided by Residents Energy, and the Delaware Public Service Commission does not regulate Residents Energy’s electricity prices.

Variable Price Plan: If your Contract Summary indicates that you have chosen a Variable Price electric plan, the price for the electricity supplied pursuant to this Agreement may change monthly at Residents Energy’s discretion. When setting prices, Residents Energy will consider numerous factors including, but not limited to, current conditions on the PJM wholesale electricity market, 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 Variable Price may be higher or lower than the EDC’s price in any particular month or over the duration of this Agreement, and Residents Energy cannot guarantee savings

as compared to the EDC's prices. There is no limit on how much the Variable Price may change from one billing cycle to the next. You may obtain Residents Energy's previous average monthly variable prices by visiting www.ResidentsEnergy.com or by telephone at 1.888.828.7374. Historical pricing is not indicative of present or future pricing.

If you have chosen a Variable Price electric plan, the price for the first billing cycle will be set forth on your Contract Summary. The price for each subsequent billing cycle will be made available at least 12 days prior to the close of your then-current billing cycle. You can obtain the price for the upcoming billing cycle by contacting Residents Energy at 1.888.828.7374. Residents Energy may provide an estimated price for Customer's next billing cycle and, if it does so, Residents Energy shall not use a price for billing purposes that is higher than the estimate provided.

Fixed Price (ResiSure) Plan: If your Contract Summary indicates that you have chosen a Fixed Price (ResiSure) electric product, the price for the electricity supplied pursuant to this Agreement for the Initial Term will be the fixed price set forth on the Contract Summary.

Rebate Programs: From time-to-time Residents Energy may offer a rebate program for new customers who enroll with Residents Energy and maintain active accounts with Residents Energy for a specified period of time. To be eligible to earn a rebate under any such rebate program, Customer will have 60 days to complete a validation process in accordance with the instructions that will be provided to Customer. Customer will also have to be an active customer of Residents Energy, in good standing, at the time the rebate is to be issued in order to qualify for the rebate. Rebate amounts appearing in Residents Energy's advertising materials or presented orally to potential customers are merely examples of rebate amounts that customers might be eligible to receive. The actual amount of any rebate will be computed by reference to Customer's actual usage over the term of this Agreement, which may vary substantially from any estimate provided. Any rebate earned by Customer will be sent to Customer at the address provided by Customer during the validation process. Rebates can be issued in a variety of forms including, but not limited to, checks, stored-value cards, or electronic gift cards. Stored-value cards and electronic gift cards will be issued by an issuing bank, pursuant to a direct relationship between Customer and the issuing bank, and will be subject to the terms and conditions of a Cardholder Agreement. Stored-value cards and electronic gift cards will expire 6 months after issuance.

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. If you have chosen a Variable Price product and the Green/Renewable Energy Supply Option, your price for the electricity supplied will be Residents Energy's Variable Price 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 Price (ResiSure) electric product with the Green/Renewable Energy Option, the Option will not apply when the Agreement renews with a Variable Price unless you contact Residents Energy and request it.

4. **BILLING AND PAYMENT.** You will usually receive one bill each month, issued by your EDC, and you will remit your payments to the EDC. Payment terms are governed by the terms of the EDC's tariff and billing procedures. Your bill will be based on scheduled meter readings and/or estimates provided by the EDC. The parties agree to accept, for purposes of accounting for electricity delivered under this Agreement, the quantity, quality, and measurement determined by the EDC. Should the EDC cease billing you and/or commence billing Residents Energy for any charges relating to you, Residents Energy will bill you and you will pay for all such charges, and you will be liable for all costs, including legal fees, associated with the collection of outstanding balances. Your obligations under this Agreement will end when your account balance is paid in full.

5. **TITLE AND TAXES.** Under this Agreement, title to the electricity shall pass from Residents Energy to you prior to delivery to the EDC. Residents Energy's 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 and/or natural gas unless, prior to execution of this Agreement, you have given us a valid tax exemption certificate(s).

6. **TERM, RENEWAL, TERMINATION AND EARLY TERMINATION FEES.** For the Variable Price plan, this Agreement shall commence as of the date Customer's enrollment with Residents Energy is deemed effective by the EDC, and it shall continue on a month-to-month basis until either Customer or Residents Energy terminates it. Residents Energy will provide notice 30 days prior to termination. Customer may terminate this Agreement at any time by providing written notice to Residents Energy. There is no early termination fee for termination of a Variable Price plan. In the event of termination, Residents Energy will notify the EDC and the EDC will complete the termination on the next available date in accordance with its rules. If this Agreement is terminated and Customer does not enroll with a new supplier, Customer will return to EDC default service.

For the Fixed Price (ResiSure) plan, this Agreement shall commence as of the date Customer's enrollment with Residents Energy is deemed effective by the EDC, and it shall continue for 12 monthly billing cycles thereafter ("Initial Term"). Residents Energy will provide Customer with written notice of the pending renewal of the Agreement ("Renewal Notice") at least 45 days prior to the end of the Initial Term. The Renewal Notice will set forth whether the Agreement will renew for another fixed term ("Renewal Term") with a new Fixed Price, or will instead continue on a month-to-month basis with a Variable Price. The Renewal Notice will also set forth any changes that will apply to the material terms and conditions of the Agreement after the Initial Term. The Agreement will then automatically renew as described in the Renewal Notice unless Customer terminates the Agreement prior to such renewal. If the Agreement is renewed for a Fixed Price Renewal Term, the renewal process described in this paragraph may be used to implement subsequent renewals of the Agreement.

For the Fixed Price (ResiSure) plan, unless your Contract Summary indicates that this provision is waived, if Customer terminates this Agreement during the Initial Term (or any Fixed Price Renewal Term), or if Residents Energy terminates this Agreement due to Customer's breach, Customer shall pay Residents Energy, in addition to any other applicable charges, an early termination fee equal to: \$10.00 for each billing cycle, or portion thereof, remaining until the end of the Initial Term (or the Fixed Price Renewal Term). The parties acknowledge and agree that the actual damages that Residents Energy will suffer as a result of Customer's early termination or breach are difficult to assess, the early termination fee described herein is a reasonable estimate of such damages, and such early termination fee constitutes liquidated damages rather than a penalty.

For both the Variable Price plan and the Fixed Price (ResiSure) plan, if you breach this Agreement, including but not limited to, by failing to pay your bill, Residents Energy may terminate this Agreement upon 30 days' written notice.

7. **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.
8. **CHOICE OF LAW.** This Agreement shall be construed in accordance with and be governed by the laws of the State of Delaware without regard to the conflicts of law provisions thereof.
9. **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.
10. **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.
11. **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 of the control of Residents Energy ("Force Majeure Events") may result in interruptions in service. In the event that Residents Energy is rendered unable, wholly or in part, to perform its obligations under this Agreement due to events not reasonably anticipated or within either party's control, 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 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 EDC (including, but not limited to, a facility outage on its electric facilities), or any other cause beyond Residents Energy's control.

12. **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 remedies against Residents Energy, for any damages caused by any service outage, defect or failure shall be the termination provisions set forth above in section 6. 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 month's preceding the month in which the damage occurred.
13. **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 the Customer's residence or place of business, as applicable.
14. **DISPUTE RESOLUTION, MANDATORY ARBITRATION AND CLASS ACTION WAIVER.** Customer agrees to first contact Residents Energy in writing and attempt to resolve all billing disputes or service problems directly. All disputes regarding transmission, distribution, power outages, and bills from the EDC should be directed to the EDC. Customer and Residents Energy shall try in good faith to resolve any dispute. Residents Energy must adhere to the provision in 26 De Admin Code §3002-3.2.2 regarding good faith disputes. If no satisfactory resolution is reached, you may contact the Delaware Public Service Commission ("PSC") by calling 1.800.282.8574, by writing to 861 Silver Lake Boulevard, Cannon Building, Suite 100, Dover, DE 19904 or by visiting its website at: www.depsc.delaware.gov. The Delaware Public Advocate's ("DPA") address is 29 South State Street, Dover, DE 19904. DPA's website address is <https://publicadvocate.delaware.gov> and the telephone number is 1.888.607.2427.

Any dispute, controversy or claim not resolved by the dispute resolution procedures described, or any other dispute, controversy, or claim arising out of, or related to, the provision of Residents Energy's services or this Agreement (collectively, the "Claims"), shall be resolved by arbitration before the American Arbitration Association ("AAA") conducted under the AAA Commercial Rules and the Consumer-Related Disputes Supplementary Procedures.

BY ENTERING INTO THIS CONTRACT, 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 CONTRACT 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.

15. **MODIFICATION.**Residents Energy may supplement, modify, or amend the terms of this Agreement upon at least 30 days', but no more than 60 days', prior written notice to Customer. Such amended Agreement will supersede any previous agreement between Customer and Residents Energy. Upon receipt of written notice pursuant to this Section, Customer may cancel the Agreement at any time prior to effective date of the modification as stated in the notice by providing written notice to Residents Energy.

16. **PROTECTION OF CUSTOMER RIGHTS.**Residents Energy hereby provides notice that its services are governed by the terms of this Agreement, the rules and regulations issued by the EDC and the Delaware PSC. Your EDC's transmission and distribution functions will continue to be regulated by the Delaware PSC. Electric service may be disconnected only by the EDC and only in compliance with rules set by the PSC.

17. **CONTACT INFORMATION.** Any questions regarding these terms and conditions or your service with Residents Energy should be directed to us in writing at Residents Energy, LLC, PO Box 400, Jamestown, NY 14702. Residents Energy may also be contacted by telephone at 1.888.828.7374, or by e-mail at contactus@residentsenergy.com. Residents Energy's website is www.ResidentsEnergy.com.Customer shall be responsible for providing Residents Energy with up-to-date contact information, including telephone number and email address. Customer agrees to receive all notices, including those referenced in this Agreement, by email.

18. **RIGHT OF RESCISSION.**A residential or small commercial Customer may rescind this Agreement without penalty by calling Residents Energy at 1.888.828.7374 or by writing to Residents Energy at PO Box 400, Jamestown, NY 14702 within three (3) Business Days from the start of the Rescission Period. The Rescission Period begins on one of the following dates, as applicable: (i) when the Customer signs the Agreement; (ii) when the Customer

transmits the electronic acceptance of the Agreement to Residents Energy electronically; or (iii) when the Customer receives the Agreement and Contract Summary, if received by mail. There shall be a rebuttable presumption that an Agreement and Contract Summary correctly addressed to a Customer with sufficient first class postage attached shall be received three (3) days after it has been properly deposited in the United States mail.

19. **RELOCATION.** If Customer relocates outside of his/her current EDC's service territory, he/she may terminate this Agreement without penalty.
20. **CHANGE IN LAW.** If at some future date there is a change in any law, order, rule, regulation, or state-approved tariff 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 terminated. If, at some future date there is a change in any law, order, rule, regulation, or state-approved tariff affecting Residents Energy's costs to purchase electricity and/or natural gas required to provide your service, then, at the sole discretion of Residents Energy, this Agreement may be modified to reflect those costs.

21. **ENTIRE AGREEMENT.** This Agreement, together with any enrollment forms and attachments, sets forth the entire agreement between the parties and any other understandings or representations by and between the parties with respect to the matters addressed herein are superseded by this Agreement.