Direct Energy Services, LLC ~ Toll-Free Phone: 1-844-208-6573
www.directenergy.com ~ csdirectenergy@directenergy.com

RHODE ISLAND RESIDENTIAL & SMALL COMMERCIAL TERMS AND CONDITIONS

Electricity Generation Supply Service
Direct Energy Services, LLC

1. Terms of Service. These Terms and Conditions together with the Contract Summary (defined below), which is incorporated herein by reference, constitute the agreement ("Agreement") between you and Direct Energy Services, LLC ("Direct Energy"). "Contract Summary" means, as applicable, either the section of the enrollment consent form/letter of authorization entitled '*Contract Summary* or the Schedule A accompanying these Terms and Conditions entitled *'Contract Summary – Schedule A to Terms and Conditions'*.

2. Agreement to Purchase Electric Generation Service. This Agreement serves as the Agreement for electric generation service to be provided to you by Direct Energy, an electric power supplier licensed by the Rhode Island Department of Public Utilities and Carriers (the "DPUC"). Subject to Direct Energy's acceptance of this Agreement and enrollment by your electric distribution company (the "Electric Distribution Company," or "EDC"), you agree to become a Direct Energy customer and appoint Direct Energy as your limited agent to fulfill the terms of this Agreement and perform the necessary tasks associated with your electric generation service. Direct Energy agrees to sell and supply to you, and you agree to purchase and accept, all of your electric generation requirements supplied to you, as measured and/or estimated by your EDC, all in accordance with the terms and conditions set forth in this Agreement. Your electricity will be delivered to you by your EDC. Direct Energy's licensing docket number is D-96-6 (U2).

3. Term of Agreement. The term of this Agreement will begin with your first meter read by your local utility following your acceptance into the plan you selected and will continue for the number of months indicated in your Contract Summary.

4. Pricing, Billing and Payment Terms. During your Term, of Service you will pay Direct Energy for your electric generation service as set forth in the Contract Summary. The Term rate is for electric generation and excludes taxes and regulated charges from the utility, including but not limited to, delivery and distribution charges. Electric generation service prices of electric suppliers, such as Direct Energy, are set competitively and are not regulated by the DPUC or the Rhode Island Public Utilities Commission. There are no guaranteed savings unless expressly offered in writing by Direct Energy. Your Term rate may be higher or lower than the standard offer service rate charged by the EDC. Your EDC will send you a consolidated monthly bill, which will set forth your total electric service charges. The bill will contain, among other charges, Direct Energy's electric generation service rate multiplied by the amount of electricity you used during the billing cycle, as measured and/or estimated by your EDC.

To compare the price terms in the contract to your bill, please check the supply services section on your bill. **Depending on the date of the meter read date, your bill from the EDC may be prorated. The prorated billing is a technique for applying standard methods to nonstandard billing periods. A billing period that is shorter or longer than the EDC's designated billing period days will have prorated charges based on a 30-day average for the applicable rate.** Your payment will be due and payable to the EDC by the date specified in the bill. You agree to accept the measurements determined by your EDC for the purposes of providing you with electric generation service by Direct Energy. There is no charge for entering into this Agreement or for terminating this Agreement, unless provided for in the Contract Summary.

Direct Energy's supply of electric generation to you under this Agreement is subject to the EDC accepting enrollment of your account for consolidated billing. If you are not eligible for consolidated billing, you will be required to remedy that restriction with your EDC prior to Direct Energy serving you. If any time during your l Term (as defined in Section 3) or any period thereafter, your EDC no longer provides consolidated billing for your account, you will be billed by Direct Energy for any charges owed to Direct Energy. You will be billed separately by your EDC for any taxes, distribution charges, or other utility fees and charges.

5. Contract Expiration Notification. If you are a residential customer, your current price will continue at the same rate until termination by either party with at least 30-day notification, i.e., Expiration Notice. The Expiration Notification will also inform you of your right to terminate or renegotiate the Agreement. If you are a residential customer and choose to renegotiate the current Agreement to a new Fixed Rate plan or a plan with a specified Term length, you will be required to execute a new Agreement with Direct Energy as required by state law. With your new Agreement, Direct Energy is required to provide a notice between thirty (30) and sixty (60) days prior to the end of your Term. If you fail to execute a new Agreement with Direct Energy by the time specified in your notice, your service will return to the EDC following your Term expiration. If you are a small commercial customer, for any Fixed Rate plan you have selected, you may receive notice from Direct Energy between thirty (30) and sixty (60) days prior to the end of your Term that you will be automatically enrolled on either: (i) the Fixed Rate plan provided in the notice, or (ii) the Variable Rate plan available at such time. Your notice will state the time period during which you must contact the Direct Energy if you want to avoid extending your service for an additional Term.

As to your right, if you find the changes in the Expiration Notification unacceptable, you may choose another supplier or return to EDC service before the changes go into effect, without

penalty to you. It may take up to two (2) billing cycles to switch to EDC service or another electric supplier. To cancel your service, you must contact your EDC using the contact information found in the Contract Summary, as well as Direct Energy, using the contact information provided in Section 16. If you do not respond to the Expiration Notification, your electric generation service with Direct Energy will continue under the terms and conditions set forth in the Expiration Notification. You may request electronic termination of this Agreement and electric generation service from Direct Energy by providing notice at least seven (7) calendar days in advance of your next meter read date; otherwise, termination of this Agreement may take up to two (2) billing cycles, as set forth in Section 6.

6. Your Right to Rescind and Early Cancellation Policy. You will receive a confirmation notice from your EDC confirming your selection of Direct Energy as your electric power supplier. You will have three (3) business days from the date of receipt of these Terms and Conditions to rescind your enrollment with Direct Energy without penalty by contacting Direct Energy ("Rescission Period"). This Agreement is not binding until the three (3) business day Rescission Period has expired and you have not rescinded your selection of Direct Energy as your electric power supplier. If you do not rescind this Agreement within the three (3) business day Rescission Period, then this Agreement will be binding. And, thereafter, you may cancel service under this Agreement at any time during the Term, subject to paying Direct Energy an early cancellation fee as set forth in the Contract Summary, if applicable. You agree to pay any such fee to us immediately, but in any event, no later than ten (10) days after the date you receive an oral or written notice requesting payment. If you wish to electronically cancel your enrollment/services with Direct Energy, you may do so by logging into your Online Account Manager ("OAM") through directenergy.com/account or you may contact us, pursuant to Section 16. Any cancellation must be received within the Rescission Period or at least seven (7) calendar days in advance of your next meter read date; otherwise, cancellation of this Agreement may take up to two (2) billing cycles. If you cancel your services with Direct Energy, you will receive notice from Direct Energy confirming your cancellation, subject to early termination fees, if applicable. During any period after the Initial Term, there is no cancellation fee. If you are relocating, please refer to Section 7 below.

7. Relocation/Other Rights of Termination. In the event you become disabled and are unable to pay for electric generation service, you may cancel this Agreement without any penalty by providing forty-eight (48) hours prior notice to Direct Energy. In the event you relocate outside of your EDC's service territory, you may terminate this Agreement without penalty by providing thirty (30) days' prior written notice to Direct Energy or your EDC. If you change your residence/service location within your EDC's service territory, then you may have the option of entering into a new electricity supply contract with Direct Energy for your new residence/service location. Direct Energy's contact information is set forth in Section 16 below. If you cancel this Agreement, you will be responsible to pay for Direct Energy's service through the date that you are switched to another supplier or returned to your EDC.

8. Direct Energy's Right to Cancel Service. Direct Energy may cancel this Agreement for non-payment or any other breach of this Agreement with thirty (30) days' prior written notice to you of such termination. If you fail to cure the breach within the thirty (30) day notice period, Direct Energy may terminate this Agreement, whether or not you cure the breach after expiration of such notice period. Also, Direct Energy reserves the right to cancel this Agreement, for any reason and at any time, after giving you at least thirty (30) days' advance written notice. If Direct Energy cancels this Agreement, you must still pay all Direct Energy charges through the date you are switched to another supplier or returned to the EDC for service, but any outstanding early termination fee will be waived. Cancellation will not be effective until the next regularly scheduled meter read date following the date on which Direct Energy gives notice to the EDC of your cancellation request.

9. Electric Distribution Company's Right to Cancel Service. If you are having trouble paying your electric bills, contact your EDC to see if it has a payment plan or other solution available to you. If you do not pay the total electric service charges on your bill, your electric service may be disconnected by the EDC. Your EDC will give you notice in the time frame prescribed by the Commission before it disconnects your electric service. The EDC may also disconnect your electric service in certain emergency situations. This Agreement is automatically cancelled if the EDC disconnects you and returns you to service with your EDC.

10. Disputes. If you have any dispute related to this Agreement you should contact Direct Energy. Direct Energy will attempt to resolve the dispute in an efficient, fair and timely manner. Direct Energy will provide an acknowledgment to your dispute within a reasonable time after receipt. Direct Energy will then issue a report within forty-five (45) days after initiation of the dispute. If you are not satisfied after discussing your terms of service with Direct Energy, you may contact the Commission to request an alternate dispute resolution procedure or to file a formal complaint. The contact information for both Direct Energy and the Commission is set forth in Section 16 below.

11. Late Payments/Insufficient Payments. When you are issued a consolidated bill from your EDC, containing both Direct Energy's charges and your EDC's charges, you will be subject to your EDC's policies and procedures regarding late or insufficient payments. If Direct Energy invoices you directly for Direct Energy's charges, you will be required to pay Direct Energy and remit payment by the due date listed in the bill. If you fail to pay Direct Energy within said time period, Direct Energy reserves the right to charge you interest for any past due amounts, including unpaid interest fees, at a rate of 1.3% per month or such lesser amount as required by law. You agree that you will pay Direct Energy for any fees Direct Energy

incurs to collect amounts owed by you to Direct Energy, including reasonable attorneys' fees and returned check fees.

12. Title to Electricity. Title to and risk of loss with respect to the electricity will pass from Direct Energy to you when it is delivered at the EDC's meter to you.

13. Force Majeure. Direct Energy will make commercially reasonable efforts to provide your electric generation service, but does not guarantee a continuous supply of electricity. Certain causes and events are out of Direct Energy's reasonable control ("Force Majeure Event(s)") and may result in interruptions in service. Direct Energy is not responsible for transmitting or distributing electricity. Direct Energy is not liable for damages caused by Force Majeure Events, including but not limited to acts of God, changes in laws, rules, regulations, or other acts of any governmental authority (including the Commission or PJM Interconnection, LLC, the operator of the regional power grid), accidents, strikes, labor troubles, required maintenance work, inability to access the local distribution utility system, nonperformance by the EDC or any other cause beyond Direct Energy's reasonable control. In addition, upon thirty (30) days' written notice, you may be required to pay any additional or increased fees or charges that are generally beyond Direct Energy's reasonable control, including, but not limited to, fees for switching, disconnecting, reconnecting, maintaining electric service or equipment, or transmission charges, that are imposed by law, rule, regulation, tariff, or Commission rule or order. These charges or fees will be passed through to you and added to your price.

14. Limitations of Liabilities. Liabilities not excused by reason of Force Majeure or otherwise will be limited to direct, actual damages. Direct Energy will not be liable to you or any third party for consequential, incidental, punitive, exemplary or indirect damages, third party claims or other damages, whether based upon contract, warranty, tort, strict liability, or otherwise. Direct Energy is not liable for interruptions to, or shortages of, electricity supply, nor is it liable for any resulting associated loss or damage. These limitations apply without regard to the cause of any liability or damage. Direct Energy is not responsible for any failure to commence or terminate your electric generation service on the dates stated herein, due to any delay in enrolling you. Nothing in this Agreement shall constitute any waiver of any right you may have under Rhode Island or Federal Consumer Protection laws.

15. Direct Energy's Representations and Warranties; Limitation. The electricity provided under this Agreement will meet the quality standard of the EDC and will be supplied from a variety of electric generation sources, including the electricity provided pursuant to any renewable energy requirements. Direct Energy makes no representations or warranties other than those expressly set forth in this Agreement. DIRECT ENERGY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

16. Contact Information.

Direct Energy: You may contact Direct Energy in one of the following ways: (a) call 1-844-208-6573 or at 1-844-837-0060 (Residential Door-to-Door customers only), Monday through Friday 8:00 a.m. to 8:00 p.m. EST, and Saturday 8:00 a.m. to 5:00 p.m. EST (contact center hours subject to change without notice); or (b) write to Direct Energy at PO Box 180, Tulsa, OK 74101-0180 (be sure to include your account number(s)).

Direct Energy's internet domain address is: http://www.directenergy.com. Answers to frequently asked questions can be found on Direct Energy's website.

Your Electric Distribution Company: The contact number for your EDC is set forth in the Contract Summary.

The Rhode Island Division of Public Utilities and Carriers: You may contact the Rhode Island Division of Public Utilities and Carriers, 89 Jefferson Blvd., Warwick, Rhode Island 02888; Telephone: (401)-780-9700 or online at: http://www.ripuc.org/.

17. Your Authorization to Release Your Information for Use and Sharing. By entering into this contract, you authorize us to act on your behalf under your utility's tariffs in accordance with the rules and regulations of the state public utility commission ("PUC") where you take service. You further acknowledge that this contract provides authorization for your local utility to release all information regarding your energy supply account(s) to us so we can provide the services described herein. This information may include, but is not limited to, usage information, billing determinants, bill cycle, budget billing status, address, account type, tax exemption status, rate service class, load profile, demand data, meter number, special account exceptions, public assistance status, existence of medical emergencies or disability, tax status and eligibility for economic development or other incentives, standard service status, electronic interval data when available, credit information when applicable, and all other data and information permitted by law to be disclosed to us to provide our services.

We also obtain information about you as outlined in our privacy policy (posted on our website) such as when you voluntarily provide personal information to us, use our website or mobile applications, or when we add information about you to your account profile from publicly available sources.

We will maintain the confidentiality of your personal information including your name, address, telephone number, email, account numbers, electric usage and historic payment information as required by applicable PUC regulations as well as federal and state laws.

Our use and sharing of your information will be consistent with the purposes and uses disclosed in our privacy policy, as amended from time to time and posted on our website. Your information may be disclosed if required by law, such as pursuant to a lawfully issued subpoena or other legal process. Further, you understand

that your information may be disclosed to an affiliate or a third-party to provide services or products to you, and any disclosure of such information will be made under confidentiality obligations not to disclose such information and to use it solely for the purpose of providing services to you or improved products to us. This authorization also allows us to contact you about our other products and services and to share information about your account with any designated rewards partner or with any affiliate, third-party vendor or marketing partner we use to provide services and rewards to you. We reserve the right to share your information with our affiliates and marketing partners, to the extent permitted by law and/or as authorized when you provide your consent.

If you do not wish for us to use or share information about your account in the manner described above, you may cancel this contract by calling us at our contact information listed herein.

18. Choice of Law. This Agreement will be governed by Rhode Island law, without regard to its conflict of law principles.

19. Miscellaneous Provisions. This Agreement represents the entire Agreement between the parties with regard to the subject matter hereof, is subject to all valid and applicable laws and to all present and future orders, rules, and regulations of the Commission and any other authority having jurisdiction over the subject matter hereof, and supersedes any previous promises, understandings and agreements between the parties. If any provision of this Agreement is deemed invalid, illegal, or otherwise unenforceable, you agree that it shall be modified to the minimum extent necessary to render it valid, legal, and enforceable. If a provision cannot be modified in a manner that would make it valid, legal, and enforceable, the provision shall be severed from the Agreement, and all other provisions shall remain in full force and effect. Any failure on Direct Energy's part to enforce any of the terms of this Agreement or to exercise any right under such terms shall not be considered a waiver of Direct Energy's right to enforce each and every such term, exercise such right, or exercise any other right under this Agreement. You may not assign this Agreement without Direct Energy's prior written consent. Direct Energy may: (a) transfer or sell this Agreement or your account in connection with any financing; (b) assign this Agreement to any of its affiliates; (c) transfer or assign this Agreement to anyone succeeding to all or substantially all of Direct Energy's assets or business; or (d) transfer this Agreement to another supplier licensed by the Commission. After assignment, Direct Energy will have no further obligations under this Agreement. This Agreement is binding upon you and Direct Energy and will further bind each of your successors and permitted assigns. There are no third-party beneficiaries to this Agreement. This Agreement is a forward contract within the meaning of the United States Bankruptcy Code and Direct Energy is a forward contract merchant.

20. Cancellation of Existing Service. You are responsible for canceling any agreements with other electric suppliers from whom you are purchasing electricity as of the date of this Agreement.