

**ILLINOIS RESIDENTIAL & SMALL COMMERCIAL
TERMS AND CONDITIONS**Natural Gas and Electricity Generation Services
Direct Energy Services, LLC

1. Terms of Service. Direct Energy will supply your natural gas and/or electric generation service as delivered by your Natural Gas Utility ("NGU") and/or Electric Utility ("EU"). These Terms and Conditions together with the Rate Plan Summary (defined below), which is incorporated herein by reference, constitute the agreement ("Agreement") between you and Direct Energy Services, LLC ("Direct Energy"). "Rate Plan Summary" means, as applicable, either the section of the enrollment consent form/letter of authorization entitled '*Rate Plan Summary*' or the Schedule A accompanying these Terms and Conditions entitled '*Rate Plan Summary – Schedule A to Terms and Conditions*'. Direct Energy is an independent seller of electric power and energy service certified by the Illinois Commerce Commission, and that the Direct Energy is not representing, endorsed by, or acting on behalf of a utility or a utility program, a consumer group or consumer group program, or a governmental body or program of a governmental body (unless Direct Energy has entered into a contractual agreement with the governmental body and has been authorized by the government body to make statements).

2. Agreement to Purchase Natural Gas and/or Electric Generation Service. This Agreement serves as the agreement for natural gas and/or electric generation service to be provided to you by Direct Energy. Subject to Direct Energy's acceptance of this Agreement and acceptance and enrollment by your NGU and/or EU, you agree to become a Direct Energy customer and appoint Direct Energy as your limited agent to perform the necessary tasks associated with your natural gas and/or electric generation service and fulfill the terms of this Agreement. You authorize Direct Energy to obtain information from your NGU and/or EU that includes your billing history, payment history, historical and future natural gas and/or electricity usage, meter readings, and characteristics of natural gas and/or electricity service. Direct Energy agrees to sell, and you agree to purchase and accept, the quantity of natural gas and/or electricity delivered to you, as measured and/or estimated by your NGU and/or EU, all

in accordance with the terms and conditions set forth in this Agreement. Your natural gas and/or electricity will be delivered to you by your NGU and/or EU. Please note: If your account is classified by your EU as a Space Heating account, you may be receiving a subsidy which results in a lower rate than what Direct Energy has offered. If you enroll with Direct Energy, you will not be eligible to receive this subsidy. Further, if you enroll with Direct Energy and are a Space Heating customer, you will be dropped by Direct Energy as soon as practicable and returned to the EU in order to preserve your subsidy. Direct Energy shall not be responsible for any rate differences, costs or otherwise due to your enrollment and later return to the NGU and/or EU or in the event of a loss of said subsidy. Direct Energy is licensed by the Illinois Commerce Commission (the "Commission") as an "alternative gas supplier" and an "alternative retail electric supplier" to sell natural gas and electric generation service in Illinois.

3. Term of Agreement. After you sign this Agreement, the term of this Agreement will begin on the next available meter read date that your natural gas and/or electric generation supplier is changed to Direct Energy by your NGU and/or EU. The "Initial Term" of your service will begin on the start date of the next monthly billing cycle as determined by your NGU and/or EU tariff and will continue for the number of monthly billing cycles set forth in the Rate Plan Summary. When the Initial Term expires, this Agreement will automatically renew on a month-to-month basis, as described in the Rate Plan Summary and in Section 8. If you have provided an e-mail address, notices sent via e-mail shall constitute written notice under these terms and conditions, unless you opt-out of receiving electronic communications by contacting Direct Energy using one of the contact methods set forth in Section 18, in which case such notices will be provided via postal mail service.

4. Renewable Energy Plan. If you are purchasing our Renewable Energy Plan pursuant to this Agreement, you are agreeing to purchase from Direct Energy a product that is supported 100% by renewable energy credits ("RECs"), in an amount sufficient to match your annual consumption from your EDC. RECs are a tradeable, non-tangible energy commodity in the United States that represents proof that 1 megawatt-hour (MWh) of electricity was generated from an eligible

renewable energy resource like biomass, hydro, solar or wind. Direct Energy will purchase and retire renewable energy certificates in either the state where you are located, the North American Electric Reliability Corporation (NERC) region, Independent System Operator (ISO), Regional Transmission Organization (RTO) or Balancing Authority Area of the customer being served, at any time and from time to time throughout the year. The electricity supply actually distributed to your service location will not contain electricity supply generated from any specific electric generation facility. The availability of electric generation facilities varies hour to hour, and from season to season, as does electricity use by customers. Direct Energy may take up to three (3) months following the close of a calendar year to make up any deficiency in the volume of renewable energy certificates needed from particular generation facilities associated with your Renewable Energy Plan.

5. Time of Use Product. To be eligible to enroll in a Time of Use Product, you must have a smart meter. If you are not certain if you have a smart meter, please contact your Utility Company or Direct Energy at the information provided in the attached terms and conditions. By enrolling in a Time of Use Product, you authorize your Utility Company to provide Direct Energy access to your thirty (30) minute interval smart meter usage data on a daily and/or monthly basis as may be requested by Direct Energy ("Interval Data Authorization"). In addition, you also authorize Direct Energy to share your usage data with our third-party vendor(s) pursuant to Direct Energy's privacy policy located at <https://www.directenergy.com/privacy-policy> for load forecasting purposes and to separate data based on your usage throughout your household, or for purposes as outlined in our privacy policy. If you rescind your Interval Data Authorization while you receive electric generation service from Direct Energy under a Time of Use Product, then Direct Energy will have the right to cancel this Agreement and charge you an early cancellation fee in the amount set forth in the Rate Plan Summary. If you enroll (or attempt to enroll) in a Time of Use Product, and Direct Energy determines that you do not have a smart meter, then Direct Energy will have the right to cancel this Agreement (or cancel your enrollment with Direct Energy). Based upon the assumption that, i) 31% of your total electricity

consumption occurs during the Designated Free Weekend Period(s) and ii) 21% of your total electricity consumption occurs during the Designated Free Night Period(s), the average rate for a "Free Night/Weekend" time of use product is calculated as (Non-Free Period Usage X \$Rate/kwh + Free Period Usage X \$0.00)/Total Usage. Your actual average price per kwh may vary depending on actual consumption.

6. Power on Command Plan. If you are purchasing a Power on Command Plan, you are agreeing to purchase from Direct Energy a product that includes electric and/or natural gas service and an Amazon product. To utilize the full features of an Amazon Echo Dot, you must have high speed, 'always on' Wi-Fi internet service (dial up and mobile internet access is not compatible). You cannot return your Amazon Echo Dot to avoid the early cancellation fee and/or device cost recovery fee. Please allow 4-6 weeks for delivery of your Amazon Echo Dot upon start of your service with Direct Energy.

7. Pricing, Billing and Payment Terms. During the Initial Term, you will pay Direct Energy for your natural gas and/or electric generation service at the price set for the Initial Term as set forth in the Rate Plan Summary. The price is for natural gas and/or electric generation service, a monthly administrative fee ("Admin Fee"), if applicable, the amount of which is disclosed in your Rate Plan Summary, but excludes taxes, and regulated charges from the utility, including, but not limited to, delivery and distribution charges. The Admin Fee covers administrative costs for the procurement and management of your natural gas and/or electric generation service. The prices for natural gas and electric suppliers, such as Direct Energy, are set competitively and are not regulated by the Commission. As to your billing and payment terms, your NGU and/or EU will send you a monthly bill that will include your NGU's and/or EUs charges and Direct Energy's charges. That bill will contain, among other charges, Direct Energy's natural gas and/or electric generation service price multiplied by the amount of natural gas and/or electricity you used during the billing cycle, as measured and/or estimated by your NGU and/or EU, and any other charges incurred in accordance with this Agreement. **Depending upon the date of the meter read, your bill from the NGU and/or EU 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 NGU's and/or EU's designated billing period days will have prorated charges based on a 30-day average for the applicable rate. You will pay your bill in accordance with the NGU's and/or EU's billing and payment policies. In the event that you fail to pay your bill or fail to meet any agreed upon payment arrangement, Direct Energy may terminate this Agreement after providing you with fifteen (15) days written notice. Such termination will not relieve you of your payment obligations to Direct Energy for service to the date of such termination.

8. Renewal; Notice of Change to Agreement. Upon completion of the Initial Term, this Agreement will automatically renew on a month-to-month basis ("Renewal Period") at a variable price per kWh for electricity and/or per Therm for natural gas with no early cancellation fee or device cost recovery fee. **To the extent you purchased our Renewable Energy Plan at the time of enrollment, during the Renewal Period, the product you purchase from Direct Energy will not be a Renewable Energy product.** While taking service on a month-to-month basis, the rate for electricity or natural gas will be a variable rate that may be higher or lower each month and will be set in Direct Energy's sole discretion. Direct Energy typically considers the following factors when setting variable rates:

- publically available competitor pricing;
- strategic business objectives;
- customer retention or attrition;
- market volatility or uncertainty;
- anticipated customer usage;
- the cost of procuring power and/or gas including wholesale prices, ancillary service costs, capacity auctions, utility fees, transmission and distribution losses and storage costs;
- weather, supply congestion and infrastructure issues;
- legal or regulatory issues; and
- profit margin.

This list of factors is not exhaustive and no single factor will determine the rate. Some factors must be estimated or projected and the factors Direct Energy considers may be weighed differently each month. Direct Energy may amortize sudden cost increases over

multiple billing cycles so that its customers do not bear the burden of such increases in a single month. In addition, Direct Energy seeks to acquire the majority of its anticipated electricity and/or natural gas supply in advance rather than from the spot market. **For all of these reasons, the variable rate may not correlate with changes in wholesale market prices or your local utility's rates.** In addition, the variable rate may be higher than your local utility rate or other suppliers' rates.

You may obtain next month's variable price by calling Direct Energy using the contact information set forth in Section 18 below. Direct Energy will send you a notice of renewal at least thirty (30) days but not more than sixty (60) days prior to the renewal date apprising you of any proposed changes in the terms and conditions of this Agreement and your right to renew, terminate or renegotiate this Agreement. While taking service during the Renewal period, you may cancel or terminate this Agreement without penalty as long as you provide Direct Energy with thirty (30) days' notice. If you do cancel, but do not choose an alternate supplier, your generation service will revert back to your utility, which could take up to forty-five (45) days, and you will not be charged an early cancellation fee from Direct Energy.

9. Your Right to Rescind and Early Cancellation Policy. Your NGU and/or EU will send you a written notice confirming your decision to enroll with Direct Energy. You have the right to rescind this Agreement, without paying an early cancellation fee or device cost recovery fee, within ten (10) calendar days after your EU and/or ten (10) business days after your NGU accepts your enrollment request ("Rescission Period") by contacting Direct Energy at 1-866-266-2084 or in writing using the contact information set forth in Section 18 below or by contacting your NGU and/or EU at the number set forth in the Rate Plan Summary. After the ten (10) day rescission period you may cancel service under this Agreement at any time during the Initial Term, subject to paying Direct Energy an early cancellation fee and/or device cost recovery fee as set forth in the Rate Plan Summary. Such termination will not relieve you of your payment obligations to Direct Energy for service to the date of termination. You understand that the termination will be effective with your next meter read date of not less than 30 days after such request is received by Direct Energy. If you are relocating, please

refer to Section 10. If you are subject to an early cancellation fee, you have the right to cancel this Agreement, without penalty, within ten (10) business days after the date of the first bill issued to you by contacting Direct Energy at 1-866-266-2084 or in writing using the contact information set forth in Section 18, or by contacting your NGU and/or EU using the contact information in the Rate Plan Summary provided.

10. Relocation/Other Rights of Termination. You should notify both your NGU and/or EU and Direct Energy of a change in your residence/service location at least 30 days before such change. A final meter read will be made at your old address and your account will be finalized with your NGU and/or EU and Direct Energy. Your Agreement will terminate if: (a) you move outside the state of Illinois; (b) you move to an area not served by Direct Energy, (c) applicable to natural gas customers, if you move to a location where you do not require natural gas service. If you change your residence/service location within your NGU's and/or EU's service territory, then you may have the option of entering into a new natural gas and/or electricity supply contract for your new residence/service location. Direct Energy's contact information is set forth in Section 18 below. When you cancel, you will be responsible to pay for Direct Energy's service through the date that you are switched to another supplier or returned to service from your NGU and/or EU. When you terminate pursuant to this Section 10, you will not be charged an early cancellation fee.

11. Direct Energy's Right to Cancel Service. You are affirming to Direct Energy that you have provided Direct Energy with your correct and complete name, address and contact information. If there is any evidence that any of these statements are or become untrue, or you otherwise provide fraudulent or misrepresented information, Direct Energy can cancel this Agreement immediately. Also, if for any reason performance of this Agreement becomes materially uneconomical to Direct Energy, or if Direct Energy is otherwise unable to continue this Agreement, Direct Energy can cancel this Agreement after giving you at least fifteen (15) 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 your NGU and/or EU for service. Your cancellation will not be effective until the next regularly

scheduled meter read date following the date on which Direct Energy gives notice to the NGU and/or EU of your cancellation request.

12. Natural Gas and Electric Utility's Right to Cancel Service. If you are having trouble paying, contact your NGU and/or EU to see if it has a payment plan or other solution available to you. If you do not pay the total natural gas and/or electric service charges on your bill, your Natural Gas and/or Electric Service may be disconnected by the NGU and/or EU. You could also incur late fees. Your NGU and/or EU will give you notice in the time frame prescribed by the Commission before it disconnects your Natural Gas and/or Electric Service. The NGU and/or EU may also disconnect your natural gas and/or electric service in certain urgent situations such as: (a) the existence of a known dangerous condition; (b) where service is connected without authority by a person who has not made an application for service; (c) where service is reconnected without authority after disconnection for nonpayment; (d) where there has been tampering with equipment (after investigation); or (e) where there is evidence of theft of service (after investigation). This Agreement is automatically cancelled if the NGU and/or EU disconnects you and returns you to service from your NGU and/or EU.

13. Disputes. You should contact Direct Energy regarding any dispute related to this Agreement. 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 thirty (30) days after initiation of the dispute. Direct Energy will report to you the results of its investigation of the dispute, and that report will be available to you upon request. If you are not satisfied after discussing your terms of service with Direct Energy, you may contact the Commission. The contact information for both Direct Energy and the Commission is set forth in Section 18 below.

14. Uncontrollable Forces. Direct Energy will make commercially reasonable efforts to provide your natural gas and/or electric service, but does not guarantee a continuous supply of natural gas and/or electricity. Certain causes and events are out of Direct Energy's reasonable control and may result in interruptions in service. Direct Energy is not responsible for transmitting

or distributing natural gas and/or electricity. Direct Energy is not liable for damages caused by acts of God, changes in laws, rules, or regulations or other acts of any governmental authority (including the Commission, PJM or MISO 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 NGU and/or EU or any other cause beyond Direct Energy's reasonable control. In addition, 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 or maintaining natural gas and/or electric service or equipment, or transmission charges, that are imposed by law, rule, regulation or tariff, or Commission rule or order. These charges or fees will be passed through to you and added to your price.

15. Limitations of Liabilities. LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE WILL BE LIMITED TO DIRECT ACTUAL DAMAGES. IN NO EVENT WILL DIRECT ENERGY OR ANY OF ITS AFFILIATES BE LIABLE TO YOU OR ANY THIRD PARTY FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES. DIRECT ENERGY IS NOT LIABLE FOR ANY LOSS OR DAMAGE RESULTING FROM: (A) INTERRUPTIONS TO, OR SHORTAGES OF, NATURAL GAS AND/OR ELECTRICITY SUPPLY; OR (B) ERRORS IN THE QUANTITY, QUALITY AND MEASUREMENT OF NATURAL GAS AND/OR ELECTRICITY. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OF ANY LIABILITY OR DAMAGE.

16. Communication Preference.

You will be provided by U.S mail for the mandated regulatory notices and an additional communication method that you specified during your enrollment (i.e. email, postcard or text message).

For email communications, a valid email address is required at all times during the term of the Agreement. For text message communications, a valid mobile number is required at all times during the term of this Agreement. Communications will be solely informational in nature and provide opt-out information and disclosures (if applicable). For text message notifications, standard messaging rates apply. After you

have selected your preferred communication method, Direct Energy will not change such communication method unless or until you instruct us to do so, or the communication method becomes invalid (see above). You should contact Direct Energy at the information in Section 18 if you would like to make changes to your communication method at any time during your Contract Term, or to update your email or mobile phone number to keep them valid.

17. Direct Energy's Representations and Warranties; Limitation. The electricity and/or natural gas provided under this Agreement will meet the quality standard of the NGU and/or EU and will be supplied from a variety of natural gas and/or electric generation sources, including 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.

18. Contact Information.

You may contact Direct Energy in one of the following ways: (a) call 1-866-266-2084 or at 1-844-814-9397 (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)). The electric utility remains responsible for the delivery of electric power and energy to the customer's premises and will continue to respond to any service calls and emergencies. The customer will receive written notification from the electric confirming a switch of the customer's power and energy supplier.

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 Gas and/or Electric Utility: For utility contact information, please see the Rate Plan Summary.

The Commission: You may contact the Illinois Commerce Commission, with an Informal Complaint or otherwise, as follows: (a) call 1-800-



524-0795; or (b) write to 527 East Capitol Ave., Springfield, Illinois 62701.

19. Privacy of Customer Information. Direct Energy will not release your social security number and/or account number(s) without your affirmative written consent except where such release is (a) required by court order or by commission order or rule; (b) for Direct Energy's own collections and credit reporting, or (c) when assigning this Agreement to another retail energy service provider licensed to market natural gas and/or electricity service in the state of Illinois.

20. Credit Check. You understand that as part of Direct Energy's process of qualifying you for this Agreement and continuing service under this Agreement, Direct Energy may investigate at any time and from time-to-time your credit history and choose to obtain a consumer credit report on you from a consumer-reporting agency. If Direct Energy learns that your credit, payment history, or account status is not satisfactory, Direct Energy may decline to provide electric generation service or any other service or product.

21. Miscellaneous Provisions. This Agreement is subject to the laws of Illinois and supersedes any previous promises, understandings and agreements. 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 our 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; and (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.

NOTICE ABOUT YOUR ENVIRONMENTAL DISCLOSURE LABEL

You may access Direct Energy's Environmental Disclosure label associated with your account via the link shown below: <http://www.directenergy.com/illinois/customer-support>
This information is updated periodically following the requirements of the Illinois Commerce Commission.