

To: SFE Energy Ohio, Inc. ("SFE") and the local Natural Gas Company and Electric Distribution Utility ("NGC/EDU") for the Service Address on the Natural Gas and/or Electricity Agreements ("Agreement(s)"). For purposes of the Agreement(s) You will be deemed a residential customer if You are a customer for residential purposes. You will be deemed a small commercial customer if You are a commercial customer that consumes less than 700,000 kilowatt hours per year or consumes less than 500,000 cubic feet of natural gas per year.

## TERMS AND CONDITIONS

**1. Agency.** You hereby appoint SFE as agent for the purposes of acquiring the supplies and services necessary to meet Your Natural Gas and/or Electricity supply needs to Your Service Address.

**2. Purchase and Sale.** The Agreement(s) is/are for the sale and purchase of Natural Gas and/or Electricity and are between SFE and the customer ("You/Your") under which You shall initiate Natural Gas and/or Electricity supply and begin enrollment with SFE (the "Agreement(s)"). Subject to the Terms and Conditions of the Agreement(s), SFE agrees to sell and deliver, and You agree to purchase and accept the quantity of Natural Gas and/or Electricity supply, as estimated by SFE and subject to change, necessary to meet the requirements based upon consumption data obtained by SFE or the delivery schedule of Your NGC/EDU. You acknowledge that You are the account holder, or spouse of the account holder, over the age of 18 and authorized to make account decisions. You will receive a letter from Your NGC/EDU, informing You that You have chosen SFE as Your supplier for Natural Gas and/or Electricity. SFE reserves the right to cancel this Agreement if it is determined that you are currently under a Natural Gas and/or Electricity agreement with another retail natural gas supplier and/or certified electric services company ("Supplier").

**3. Length of Agreement(s).** You acknowledge that the commencement of the Agreement(s) begins on the date on which You have signed the Agreement(s) ("Start Date") SFE Energy has determined that your credit standing is satisfactory (see Section 14). You acknowledge that the service under the Agreement(s) depends upon the date on which Your NGC/EDU completes all applicable switching and enrollment processes ("Supply Date") and shall begin with the next available meter reading after processing of the request by the NGC/EDU and SFE. You further acknowledge that the timing for the NGC/EDU's completion of the switching and enrollment processes is beyond SFE's control, and SFE makes no warranties as to Your Supply Date. The end date of the Agreement(s) is/are the meter reading date after the entire Term of the Agreement(s) ("End Date") (as selected by You on the first page of the Agreement(s)) from the Supply Date, plus any time required to obtain a final meter read.

**4. Renewal and Notice of Change.** When Your Agreement(s) with SFE reaches the expiration date of the initial Term, the Agreement(s) will continue on a month to month basis at a monthly variable price per ccf/kWh. Should You wish to terminate the Agreement(s) at any time after the initial Term, You can do so without penalty by providing SFE with at least forty-five (45) days' written notice of cancellation. If SFE proposes to change Your terms of service, You will receive advance notice. The notice will be sent at least forty-five (45) but not more than ninety (90) days prior the effective date of any changes to the terms of Your Agreement(s). SFE will require Your affirmative consent for any material change to the terms or duration of any Agreement(s), with the exception of a price decrease. If You do not respond to the notice, SFE may terminate the Agreement(s).

**5. Pricing.** The Price You will pay to SFE for Natural Gas and/or Electricity is based upon the product selected on the first page of the Agreement(s). You may be subject to a monthly customer charge (as stated on the first page of Your Agreement(s)), which includes commodity related charges to provide You

with the service as outlined in Your Agreement(s). The monthly customer charge may be prorated based on Your NGC/EDU billing cycle.

• **Fixed Price:** If You have selected the Fixed Price option, the Price You will pay to SFE for Natural Gas and/or Electricity is as selected on the first page of the Agreement(s) and includes the cost of SFE Energy's Earth Save program if selected on the first page of the Agreement(s) (see Section 8).

• **Variable Price for Electricity:** If You have selected the Variable Price option, the Price per kWh will be established and vary each month based upon factors, including but not limited to, the costs incurred by SFE to provide the service through procurement in RTO-administered and/or other short term markets, as well as the cost for supply and associated products that SFE requires to meet your electric generation supply. These associated products include, without being limited to, energy, imbalance energy, losses, capacity, transmission, ancillary services, alternate and renewable energy requirements, other RTO charges, a profit margin and applicable taxes. The Variable Price will be set in SFE's discretion and may vary month to month based upon SFE's assessment of history and projected supply and hedging costs. Savings under the Variable Price are not guaranteed. You may contact SFE at the provided contact information to obtain previous month's Variable Price. The Variable Price option also includes the cost of SFE Energy's Earth Save program if selected on the first page of the Agreement (see Section 8).

• **Variable Price for Natural Gas:** If You have selected the Variable Price option, the Price per ccf will be established and vary each month based upon factors, including but not limited to, natural gas market pricing, transportation or transmission costs, storage costs, utility charges, balancing costs, line loss costs, pooling charges, credit costs, a profit margin, other market price related factors and applicable taxes. The Variable Price will be set in SFE's discretion and may vary month to month based upon SFE's assessment of history and projected supply and hedging costs. Savings under the Variable Price are not guaranteed. You may contact SFE at the provided contact information to obtain previous month's Variable Price. The Variable Price option also includes the cost of SFE Energy's Earth Save program if selected on the first page of the Agreement (see Section 8).

• **Introductory Rate:** If you have selected a Fixed Price or Variable Price program with an Introductory offer, the price and duration for the Introductory period will be as selected on the first page of the Agreement(s). The Natural Gas and/or Electricity charges do not include NGC/EDU distribution, delivery, service and other NGC/EDU related charges, which are separate amounts that You must pay to the NGC/EDU.

**6. Cash-Back.** If the total supply cost You pay on the Initial Term, over the entire Initial Term of the Agreement(s), is greater than Your NGC/EDU's Natural Gas and/or Electricity supply charge over the same Term, as determined at the end of the Agreement(s), then You may be entitled to Cash-Back. The Cash-Back calculation will be the difference between Your supply payments over the Term of the Agreement(s), and Your NGC/EDU's Natural Gas and/or Electricity supply charge, up to a maximum of \$75 for the Initial Term of three (3) years. These calculations exclude any customer charge that may apply. In order to be eligible for Cash-Back, You must complete the entire Initial Term of the Agreement(s) without interruption and contact SFE, in writing, within ninety (90) days after the completion of the Initial Term of the Agreement(s) at the contact information provided below in Section 19. All Cash-Back payments may be made at the End Date of the Agreement(s) after You have completed Your Term. Cash-Back applies only to the Initial Term of the Agreement(s), not the renewal Term. The calculation(s) excludes any customer charge that may apply and the costs associated with SFE's Green Electricity (1.98 cents/kWh) and Eco Gas (15 cents/ccf) Programs (see Section 8).

**7. Billing.** The Price, along with any NGC/EDU charges, will appear in a single bill prepared by Your NGC/EDU. If Your NGC/EDU does not bill You for SFE's charges, then SFE may choose to bill You, or may return You to Your NGC/EDU supply service. You acknowledge that at some point during the Term of the Agreement(s), should SFE choose to bill You directly, You will be billed for all costs associated with the supply and delivery of Natural Gas and/or Electricity. You further acknowledge that in the event that SFE bills You directly, SFE's billing terms are as follows: SFE shall invoice You monthly for all amounts due to SFE pursuant to the Agreement(s) for the applicable billing period; You shall pay to SFE in full all amounts owing by no later than the due date indicated on the invoice; failure to pay Your bill on time may result in a 1% interest charge per month (12% per annum) on the unpaid amount(s), from the due date of invoice until payment is received in full. Past due balances or Your failure to make and meet payment arrangements will result in Your account being put into a collection process, which may include transfer to a third-party collection agency and a termination of Your Agreement(s) with a minimum of 14 days written notice. SFE or Your NGC/EDU is entitled to revise any bill if necessary to account for any reassessment by Your NGC/EDU. You have the right to request from SFE twice within a twelve month period, up to twenty-four (24) months of Your payment history without charge. If, due to a change in market conditions, SFE wishes to lower the price per ccf/kWh charged to You under an existing Agreement(s), it may do so without consent provided there are no other changes to the terms and conditions to the Agreement(s). SFE does not offer budget billing or require deposits.

**8. SFE Energy's Earth Save Programs.** For the purposes of the Agreement(s), Green means carbon emission reduction offsets or credits measured in metric tonnes of carbon dioxide gas or (in the case of methane or other greenhouse gases) carbon dioxide equivalent ("CO<sub>2</sub>e") tonnes resulting from specific and identifiable actions. **Green Electricity:** SFE will purchase and retire, on Your behalf, an amount of verified carbon emissions reductions, instruments or allowances ("Emissions Credits") to offset 100% (as selected on the first page of the Agreement(s)) of CO<sub>2</sub> or CO<sub>2</sub>e produced based on Your Electricity usage. **Eco Gas:** SFE will purchase and retire, on Your behalf, an amount of verified carbon emissions reductions, instruments or allowances ("Emissions Credits") to offset 1.5 tonnes per 1000 ccf (as selected on the first page of the Agreement(s)) of CO<sub>2</sub> or CO<sub>2</sub>e produced based on Your gas usage. SFE will ensure that all Emissions Credits associated with Your gas and/or electricity usage will be retired on Your behalf and will not be used to offset any additional emissions or pollution. The Emissions Credits associated with the energy offsets purchased to offset Your gas and/or electricity will remain the legal property of SFE. At the end of the Term of the Green Electricity Program and/or Eco Gas Program, SFE or one of its affiliates, will plant a complimentary tree on Your behalf as part of a reforestation project. The location of the tree planting is determined by SFE's affiliate and will not be on the customer's property. SFE may suspend the purchase of energy offsets at any time for any reason, at which time You will no longer be charged for energy offsets, but the rest of the Agreement(s) will remain in effect. SFE reserves the right, in its sole discretion, to change this program and the environmental initiatives it supports. You acknowledge that the price for energy offsets is not regulated. The price for energy offsets includes Commercial Activity Tax ("CAT") but does not include federal, state and municipal taxes.

**9. Material Change.** SFE may pass through/allocate, as the case may be, any increase or decrease in its costs, or cost components related to the natural gas and/or electricity, related products and services that result from the implementation of new and/or changes to existing, cost components, including but not limited to changes to rate calculations, changes to any law, rule, regulation, statute, judicial decision, administrative order, ISO practice or protocol, NGC/EDU/ISO tariff, rule of the regulatory commission or other agencies with

jurisdiction in the State. SFE will require Your affirmative consent for any material change to the terms or duration of any Agreement(s), with the exception of a price decrease. If You do not respond to the notice, SFE may terminate the Agreement(s).

**10. Title.** All Natural Gas and/or Electricity sold under the Agreement(s) shall be delivered to a location considered the "Point of Delivery", which shall be at the NGC City Gate (located outside of the municipality where You reside) or EDU load bus, and shall constitute the point at which title transfers and the sale occurs. SFE will indemnify and hold You harmless from all taxes and royalties incurred before title passes with respect to the Natural Gas and/or Electricity provided in these Agreement(s).

**11. Cancellation Provision.** Regardless of the Price You selected, You are liable for all SFE charges until You return to the NGC/EDU default service or You switch to another supplier. You may be responsible for a switching fee. You may cancel the Agreement(s), at no cost, at any time before midnight of seven (7) business days following the postmark date on the NGC confirmation notice and/or seven (7) calendar days following the postmark date on the EDU's confirmation notice by contacting the NGC/EDC orally, electronically or in writing. Subject to an early termination fee, You may cancel this Agreement any time after the seventh business day and/or calendar day cancellation period by contacting SFE and providing forty-five (45) days' notice to SFE (see Section 19). If You plan to move to another location and you notify SFE by providing Your new Service Address at least forty-five (45) days in advance (or if Your NGC/EDU provides SFE with a notification of change of address within the NGC/EDU service territory), SFE will use reasonable commercial efforts to transfer and continue the program contemplated by the Agreement(s) at the new Service address for the remaining Term of the Agreement(s). In the event that You move, Your Natural Gas Agreement(s) will automatically terminate without penalty if any of the following occurs: the requested service locations is not served by either the incumbent NGC or SFE, or the NGC does not permit portability of Agreement(s). You may terminate your Electricity Agreement without penalty if the requested service locations are not served by SFE, where SFE charges a different price. You may also terminate Your Agreement(s) without penalty if the Agreement(s) allow SFE to terminate for any reason other than Your failure to pay or the occurrence of a force majeure event. If Your move results in the termination/cancellation of the Agreement(s), a final bill will be rendered after the final scheduled meter reading; however, if a final meter reading is unavailable, an estimate of consumption will be used in the final bill, which will be true-up subsequent to the final meter reading. Any cancellation will become effective on a date determined by Your NGC/EDU. If a new provider is not selected, cancellation of the Agreement(s) shall return You to Your NGC/EDU utility supply service. If You switch back to Your EDU service, there is no guarantee that You may or may not be served under the same rates, terms, and conditions that apply to other customers served by the EDU. You also agree to notify SFE in writing of any other change of information (including a change of account number, contact information or mailing address) at least sixty (60) days prior to such change taking effect or immediately if the change is to take effect in less than sixty (60) days. If Your NGC/EDU bills you directly and You fail to meet any payments for Your Natural Gas and/or Electricity service(s), Your service may be terminated in accordance with the NGC/EDU tariffs. If SFE chooses to bill you directly (as per Section 7) and You fail to pay or meet any payments for Your Natural Gas and/or Electricity, SFE may terminate this Agreement with at least fourteen (14) days' written notice. If SFE seeks to cancel the Agreement(s) for any reason other than non-payment and/or being on with another Supplier, SFE will send You advance written notice prior to cancellation.

**12. Early Termination Fee.** If the Agreement(s) end(s) early due to Your breach, You must pay SFE an early termination fee. If You are a residential customer, an early termination fee of \$5.00, plus applicable taxes, for each

month or partial month remaining on the Term or \$7.50, plus applicable taxes, for each month or partial month remaining on the Eco Gas and/or Green Electricity Program Term will apply if the Agreement(s) is/are terminated prior to the end of the Term selected on the front page of the Agreement(s). If You are a small commercial customer, an early termination fee of \$0.18 per ccf and \$0.015 per kWh for the estimated usage of the Natural Gas and/or Electricity, plus applicable taxes, for the remainder of each Agreement shall apply. This early termination fee shall apply if You cancel the Agreement(s) at any time after seven (7) business days following the postmark date on the NGC confirmation notice and/or seven (7) calendar days following the postmark date on the EDU's confirmation notice.

**13. Assignment.** You may not assign Your interests in, and/or delegate Your obligations under the Agreement(s) without the express written consent of SFE. SFE may sell, transfer, pledge, or assign the accounts receivable, revenues, or proceeds hereof, in connection with any financing Agreement, purchase of accounts receivables program or billing services agreement, and may assign the Agreement(s) and the rights and obligations thereunder, to another energy supplier, energy services company or other entity as authorized by the PUCO, by providing You with at least forty-five (45) days' notice.

**14. Information Release Authorization.** You acknowledge and authorize SFE to obtain and review information regarding Your credit history from credit reporting agencies and the following information from the NGC/EDU: consumption history; billing determinants; NGC/EDU account number; credit information; and public assistance status. This information will not be disclosed to a third party unless required by law. Your social security number and/or account number(s) shall not be released without Your affirmative written consent except where such release is required by court order or by PUCO order or rule. Your execution of the Agreement(s) shall constitute authorization for the release of this information to SFE. You consent to provide SFE with a copy of Your NGC/EDU bill(s) in order to process the Agreement(s) with the NGC/EDU. SFE does not guarantee to provide or return the bill or a copy of the bill to You. This authorization will remain in effect during the initial Term and any renewal term of the Agreement(s). You may rescind this authorization at any time by providing written notice to SFE or by calling SFE at 1-866-255-3844. SFE reserves the right to cancel the Agreement(s) in the event You rescind the authorization.

**15. Warranty.** The Agreement(s) for Natural Gas and/or Electricity, including applicable attachments, constitutes the entire Agreement(s) for the supply of Natural Gas and/or Electricity between You and SFE. SFE makes no representations or warranties other than those expressly set forth in the Agreement(s), and SFE expressly disclaims all other warranties, express or implied, including merchantability and fitness for a particular use.

**16. Email Bonus Program.** If You provide a valid email address, SFE will enter You into a minimum of one (1) draw per year for prizes to be awarded at the sole discretion of SFE. You are only eligible to win one prize per entry. No purchase necessary. For Draw details and to view Draw Rules and Regulations visit: <http://www.sfeenergy.com/rulesandregs>.

**17. Force Majeure.** SFE will make commercially reasonable efforts to provide Natural Gas and/or Electricity hereunder but SFE does not guarantee a continuous supply of Natural Gas and/or Electricity to You. Certain causes and events out of the control of SFE ("Force Majeure Events") may result in interruptions in service. SFE will not be liable for any such interruptions caused by a Force Majeure Event, and SFE is not and shall not be liable for damages caused by Force Majeure Events. Force Majeure Events shall include but are not limited to 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 necessary distribution or

transmission system, non-performance by the NGC/EDU (including, but not limited to, a facility outage on its natural gas and/or electricity supply distribution lines), changes in laws, rules, or regulations of any governmental authority or any other cause beyond SFE's control.

**18. Liability.** The remedy in any claim or suit by You will be solely limited to direct actual damages. By entering into the Agreement(s), You waive any right to any other remedy in law or equity. In no event will either SFE or You be liable for consequential, incidental, indirect, special or punitive damages. These limitations apply without regard to the cause of any liability or damages. There are no third-party beneficiaries to the Agreement(s).

**19. Contact Information.** You may contact SFE's Customer Care at 1-866-255-3844 Monday through Friday 9:00 a.m. - 9:00 p.m. and Saturday 12:00 p.m. - 6:00 p.m. EST (Customer Care hours subject to change). You may write to SFE at: P.O. Box 967, Buffalo, NY, 14240-0967 or via email at [cs@sfeenergy.com](mailto:cs@sfeenergy.com). SFE's fax number is 1-877-425-7010. You may contact Your NGC/EDU at: American Electric Power (AEP)-[Columbus Southern Power at Ohio Power] at 1-800-672-2231 or at [www.aepohio.com](http://www.aepohio.com); Columbia Gas at 1-800-344-4077 or at [www.columbiagasohio.com](http://www.columbiagasohio.com); Dayton Power & Light at 1-800-433-8500 or at [www.dpandl.com](http://www.dpandl.com); Dominion Energy Ohio at 1-800-362-7557 or at [www.dominionenergy.com](http://www.dominionenergy.com); Duke Energy at 1-800-544-6900 or at [www.duke-energy.com](http://www.duke-energy.com); Ohio Edison at 1-800-633-4766; The Illuminating Company at 1-800-589-3101; Toledo Edison at 1-800-447-3333; Vectren at 1-800-227-1376 or at [www.vectren.com](http://www.vectren.com).

**20. Dispute Resolution.** In the event of a question or concern, please contact SFE. You should contact SFE by telephone or in writing at the contact information provided above in Section 19. The parties agree to use their best efforts to resolve any dispute. If Your complaint is not resolved after You have called SFE, or for general utility information, residential and business customers may contact the public utilities commission of Ohio (PUCO) for assistance at 1-800-686-7826 (toll free) from 8 a.m. to 5 p.m. weekdays, or at [www.puco.ohio.gov](http://www.puco.ohio.gov). Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). The Ohio Consumers' Counsel (OCC) represents residential utility customers in matters before the PUCO. The OCC can be contacted at 1-877-742-5622 (toll free) from 8 a.m. to 5 p.m. weekdays, or at [www.pickocc.org](http://www.pickocc.org).

**21. Taxes and Laws.** Except as otherwise provided in the Agreement(s) or provided by law, all taxes of whatsoever kind, nature, and description due and payable with respect to service provided under the Agreement(s), shall be paid by You, and You agree to indemnify SFE and hold SFE harmless from and against any and all such taxes. The Agreement(s) are subject to present and future legislation, orders, rules, regulations, or decisions of a duly constituted governmental authority having jurisdiction over the Agreement(s) or the services to be provided hereunder. If You are exempt of any taxes, it is Your responsibility to contact SFE's Customer Care (see Section 19) to provide such written notification, including written notification of renewed tax exemption. Otherwise, until You provide such proof, SFE is not required to recognize any exemption or refund/credit previously paid taxes. Tax exemption will only occur on the next meter read bill after such notice is received and acknowledged. The Agreement(s) shall be construed under and shall be governed by the laws of Ohio without regard to the application of its conflicts of law principles.

**22. Delay or Failure to Exercise Rights.** No partial performance, delay, or failure on the part of SFE in exercising any rights under the Agreement(s), and no partial or single exercise thereof, shall constitute a waiver of such rights or of any other rights hereunder.

**23. Parties Bound.** The Agreement(s) is/are binding upon the parties hereto and their respective successors and legal assigns.