

HORIZON POWER AND LIGHT, LLC - TERMS OF SERVICE
MARYLAND, DISTRICT OF COLUMBIA, DELAWARE, MASSACHUSETTS

Your TERMS OF SERVICE shall be set forth in the Welcome Letter which shall be made a part of the TERMS OF SERVICE unless otherwise agreed to in writing.

THE FOLLOWING ARE YOUR ELECTRICITY TERMS OF SERVICE (the "Agreement"), which is made a part of your Electricity Authorization by and between Horizon Power and Light, L.L.C. ("Horizon") or ("Horizon Power") and you ("Customer"), with the term of service commencing on the execution date of your contract and service to commence on Service Commencement Date which is the date of the first meter read by the Electric Distribution Company ("EDC").

1. **ENERGY CONSUMPTION INFORMATION.** Customer hereby authorizes Horizon Power to obtain Customer's current and historical electricity cost and usage data, payment and credit history, Dunn & Bradstreet number and other data reasonably necessary for Horizon Power to provide electric service pursuant to this Agreement. Customer agrees, upon request, to provide Horizon Power with facility descriptions, operating information, meter identification numbers and locations, and such other information available to Customer as Horizon Power may reasonably require providing electric service pursuant to this Agreement.

2. **BILLING FEES AND PENALTIES.** You will receive a single bill from your local utility for its charges, as well as Horizon Power's. Your local utility will set your payment due date and inform you of the payment billing address. Your bill is subject to adjustment for any computation errors, meter misreads or other errors. Horizon Power reserves the right to assume the billing function for our services. Our charges include the costs for the electricity component, which is sold in kilowatt hours (kWh), and a fixed monthly charge of \$4.75 for costs incurred in servicing your account as specified in your Authorization. Bills not paid in full by the due date will incur a late-payment fee at an interest rate of 1.5% per month on unpaid balances or otherwise in accordance with your local utility's policies and procedures. You will be charged a \$25 fee for each returned check. Horizon Power and your local utility are each responsible for collecting any past-due amount owed on their respective bills. If you fail to pay a past-due amount owed to Horizon Power, we may transfer your electric service back to the utility. We may perform a credit check prior to enrollment, and based on its results Horizon Power may elect not to enroll you as a customer and provide you notice of such action. If you do not pay your bill on time, we may cancel this agreement for non-payment with 30 days written notice. If we cancel your service for non-payment, you must pay the balance owed plus any collection fees (including all legal fees and costs) plus any applicable liquidated charges stated in the Authorization. If you cancel your service prior to the termination of your contract period you shall be charged a liquidated damages fee of \$150.00 for residential and (3) months of the highest average consumption billed by Horizon Power & Light in a six (6) month period for commercial service. In the event there is less than six (6) months billed usage by Horizon Power and Light, the three (3) months highest average consumption will be based on the previous six (6) months historical consumption provided by the EDC.

3. **CHANGE IN TERMS.** Horizon Power reserves the right, with 35 days written notice, to amend this agreement due to any regulatory, tariff or procedural change that may affect our ability to serve you under this agreement. If you do not wish to accept the material change in terms, you must notify Horizon Power in writing within 14 days of receiving that notice. This agreement will then terminate after your next billing cycle and any unpaid balances will immediately become due. If we are unable to resolve any dispute or you are unsatisfied with our service you may file a complaint with the Maryland Public Service Commission (MSPC) through their website www.psc.state.md.us or by telephone 1-800-492-0474. To file a complaint with the District of Columbia Public Service Commission through their website <http://www.dcpsc.org/> or by telephone 1-202-626-5100. To file a complaint in Delaware, contact the Delaware Public Service Commission www.state.de.us/delpsc or call Main Number 302-739-4247 or 800-282-8574. To Contact Rhode Island Public Utility Commission www.ripuc.org or call 401-941-4500, or in Massachusetts the Massachusetts Department of Telecommunications and Energy (DTE) through their website www.mass.gov/dte/ or by telephone 1-617-305-3500.

4. **DIRECT ACCESS AUTHORIZATION.** Customer shall execute all authorizations required by state or federal law to enable Horizon to provide services pursuant to this Agreement. If, for any reason, an enrollment form is not submitted or Customer's EDC fails to approve an enrollment form submitted by Horizon on Customer's behalf within three (3) months of the Effective Date, this Agreement may be terminated by either party, without penalty, by providing written notice of termination to either party.

5. **FORCE MAJEURE.** Horizon Power assumes no liability or responsibility for any items or services associated with your local utility including operations and maintenance of their system, interruption of service, termination of service, failure of electricity service or deterioration of their service.

Copy of General Terms of Service

6. **LIMITATION OF LIABILITY.** IN THE EVENT HORIZON FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT, CUSTOMER'S SOLE REMEDY SHALL BE TO CANCEL THIS AGREEMENT BY WRITTEN NOTICE SENT VIA CERTIFIED MAIL TO HORIZON. IN THE EVENT HORIZON IS RESPONSIBLE FOR DIRECT DAMAGES FOR ITS FAILURE TO COMPLY WITH THESE TERMS AND CONDITIONS, HORIZON POWER WILL BE RESPONSIBLE FOR DIRECT DAMAGES UP TO THE PRICE OF THE ELECTRICITY SERVICE PROVIDED LIMITED TO A THIRTY DAY PERIOD. FURTHER, HORIZON SHALL NOT BE LIABLE TO CUSTOMER FOR ANY INJURY, CONSEQUENTIAL OR SPECIAL DAMAGES, OR CLAIMS ARISING FROM OR RELATING TO THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT (INCLUDING BUT NOT LIMITED TO INTENTIONAL TORTS, NEGLIGENCE, AND STRICT LIABILITY), OR OTHERWISE, AND CUSTOMER HEREBY EXPRESSLY WAIVES ANY OTHER LEGAL OR EQUITABLE REMEDY OTHER THAN TERMINATION AS REFERENCED IN THE FIRST SENTENCE OF THIS SECTION.

7. **ENTIRE AGREEMENT.** This Agreement, including any Attachment, Welcome Letter, Exhibit or Schedule hereto, embodies the entire Agreement and understanding between the parties, and supersedes all prior agreements and understandings between the parties, whether written or oral, with respect to the subject matter hereof. If Horizon determines that it must modify this Agreement to comply with the Rules and/or applicable law or regulation, Horizon shall inform Customer by written notice. If there exist a material change to any term including the fees and or charges established by Horizon, then Horizon shall inform Customer by written notice. After notice of a material change, Customer may, within fourteen (14) days of receipt of such notice of a material change, cancel this Agreement by written notice to Horizon. In the event that Customer cancels this Agreement as provided for in this Section, Customer shall still be obligated to pay for the electricity and related services provided to Customer pursuant to this Agreement prior to the date that such cancellation becomes effective. Except as provided for in this Section, this Agreement may not be amended except by a written amendment signed by both Customer and Horizon.

8. **ASSIGNMENT.** Horizon may assign its rights and obligations under this Agreement to a third party that is approved by the Public Service Commission with customer notification. Customer does not have the right to assign its rights and obligations under this Agreement to a third party, and any attempt by Customer to assign its rights and obligations under this Agreement is void and without effect, unless the written permission of Horizon is obtained prior to the assignment.

9. **GOVERNING LAW.** The internal laws and not the law of conflicts for the state of Maryland govern the formation, interpretation and performance of this Agreement. Venue is proper in Maryland or the state in which you receive electric service.

10. **TERM OF AGREEMENT.** See **Welcome Letter and/or the customer authorization page for price and term.** This Agreement shall become effective and the term to begin when signed with electric service to begin upon the Service Commencement Date determined by the Local Utility. However, if Customer is delinquent in paying in full on its account with its prior provider, then Horizon shall have the right to cancel this Agreement without notice, at any time. Upon expiration of the Initial Contract Term this Agreement shall renew and continue by its terms and conditions on a month to month variable rate basis and the said variable rate for that month may be viewed on the Horizon Power & Light website at www.horizonpowerco.com on the first business day of the month. The price shall be reset at the then existing market price, and may be reset at each new month without prior written notice to Customer, until Customer mails a written notice to the other party at least 30 days prior to the intended cancellation date stating said intention in which event the termination will be effective at the end of the billing cycle following receipt of such notice or such date as Horizon may state in its notice. At all times during this Agreement, Horizon reserves the right to cancel service to the Customer if Customer fails to make payment of all amounts due Horizon. Should cancellation for non-payment occur, in the event of cancellation for non-payment, this Agreement will be cancelled immediately. This Agreement shall continue until either party cancels as set forth above; provided however that notice of cancellation shall not be given by Customer until 60 days prior to the expiration of the contract.

Contact Info: Horizon Power and Light, LLC
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Houston, Texas 77057
Toll Free: 1-866-727-5658
Toll Free Fax: 1-866-651-5534

Internet Address: <http://www.horizonpowerco.com>

Email Address: Sales@hplco.com

Hours of Operation: Monday-Friday 8:30 am to 5:00 pm CST

Delaware Residents Only--Termination for Relocation: *In the event that you relocate outside of your current Electric Distribution Utility service area in Delaware, you must provide Horizon Power and Light, LLC a 30 day written notice of such relocation and your contract obligation shall be terminated however you shall be liable for all fees and expenses that you owe prior to said termination or relocation.*