



MD: IR-3079

Sperian Energy Maryland Service Area Sales Agreement and Terms of Service

The following is your Terms of Service Agreement ("Agreement") with Sperian Energy for the purchase of energy service.

Sperian Energy agrees to sell and Customer agrees to buy the quantity of electricity and/or natural gas delivered to you, as measured or estimated by your Local Distribution Utility (LDU). Sperian Energy is an Electricity Supplier (ES) and/or Gas Supplier (GS) and will supply energy for your residence or business address enrolled under this Agreement, as specified in the Disclosure Statement which is hereby made an integral part of the Agreement. By enrolling for service with Sperian Energy, you agree to be bound by this Agreement and pay for the energy service Sperian Energy provides to you under this Agreement. The words "we," "us," and "our" refer to Sperian Energy, and the words "you" and "your" refer to the Customer. Please retain this Agreement and Disclosure Statement for your records.

Sperian Energy is licensed as an Electricity Supplier by the Maryland Public Service Commission ("PSC") under license number IR-3079 and gas supplier under license number IR-XXXX

Service Term and Product Selection: Depending on which plan you have selected, your service under this Agreement is provided under either a fixed-rate ("term") product or a variable-rate ("month-to-month") product, as specified in the Disclosure Statement. Unless otherwise agreed to in writing or other form as authorized by PSC, your rate and minimum term will be disclosed to you in your Disclosure Statement, along with any applicable monthly recurring fees.

If you are a new customer, the product selected at time of enrollment will become effective on the day your service begins with Sperian Energy, which coincides with the date your meter is read by your LDU. Because this date is determined by your LDU, Sperian Energy is not able to commit to a specific date for the commencement of service. If you are currently a Sperian Energy customer and are switching to another product, your selected product will become effective on the next meter read date after the request to switch to the new plan.

Variable Rate Products shall commence for a one (1) month term ("Initial Term") and thereafter rates are subject to change at the discretion of Sperian Energy. This Agreement shall automatically renew for successive one (1) month periods ("Renewal Term") unless either party

notifies the other party of its desire not to renew, at least thirty (30) days prior to the next meter read date.

Fixed Rate Products shall commence for a term as specified in the Disclosure Statement. A contract-expiration notice will be sent to you at least forty-five (45) days prior to the end of your contract term. If you fail to take action to ensure the continued receipt of retail energy service upon the contract's expiration, you will automatically continue to be served by Sperian Energy pursuant to a default variable-rate product on a month-to-month basis unless you select another product or retail energy supplier. You always have the option to choose another plan should this occur.

Customer understands and acknowledges that Product selection at enrollment is subject to Sperian Energy approval, based on the premise type and/or service class that was previously assigned to Customer's account by Customer's LDU. If the information received from the LDU does not match the requested Sperian Energy product, Customer agrees that Sperian Energy may switch the product type to match information received from the LDU, if such a product is currently offered by Sperian Energy. Customer understands that if the product is changed to one which matches the correct premise/service class type, rates may vary. You will receive written notice of the product's terms and will have the ability to exercise your right of rescission as described below.

Rescission Period: You may rescind this agreement within 5 business days of receiving the written Terms of Service by calling Sperian Energy at (888) 682-8082 from 9:00 a.m. to 7:00 p.m. (ET), Monday -Friday or by in writing at 2605 Camino Del Rio S. San Diego, CA 92108. You may rescind in writing, orally or electronically, if available. Please provide your name, address, phone number and statement that you are rescinding your Agreement under the five (5) day Right of Rescission.

Cancellation and Switching Procedures: Customer or Sperian may cancel a variable rate Agreement, for reasons other than non-payment, at any time, by telephone at (888) 682-8082 or in writing at 2605 Camino Del Rio S. San Diego, CA 92108 to the other party at least (30) days prior to the intended date of termination. If Customer enrolled under a fixed-rate product, you agree to remain a Customer of Sperian Energy until the term expires or you may be subject to an early termination fee, if specified in the Disclosure Statement. When you cancel services, you agree to pay for the services provided by Sperian Energy through the date you are switched to another provider or returned to the LDU for service. Your cancellation will not be effective until the next regularly scheduled meter-reading date following the date on which Sperian Energy gives the LDU notice of your cancellation request.

Sperian Energy and/or your LDU reserves the right to cancel this Agreement (i) if your LDU is unable to read your meter for three (3) consecutive months; (ii) if at any time you request separate bills from your LDU and Sperian Energy; or (iii) if the LDU removes you from their consolidated billing program and requires that Sperian Energy bill you separately for your energy supply. If this



occurs, we will notify both you and your LDU of the cancellation of this agreement at least thirty (30) days prior to the effective date of cancellation. It may take up to sixty (60) days for Customer's account(s) to be returned to the LDU depending on the LDU cancellation procedures.

Customer may cancel the Agreement without penalty, if you move to another service location and provide evidence that you are moving, along with a forwarding address.

Billing and Payment: Your LDU will continue to issue you a monthly bill and the bill will include Sperian Energy supply charges, as well as applicable LDU charges, surcharges, state and local taxes, and any other charges incurred in accordance with this Agreement. Bills will continue to be based on actual or estimated meter readings. Customer will make payment directly to the LDU in accordance with the payment terms stated in the LDU's tariffs, unless otherwise provided herein. Customer will pay each monthly bill in full within twenty (20) days of the invoice date or be subject to a late payment charge of 1.5% per month, if applicable. In the event of failure to remit payment when due, Sperian will have the right to terminate commodity service and to seek suspension of distribution service. Customer may obtain additional information by contacting the PSC at (800) 492-0474, the Department's supplier hotline at (888) 697-7728, or by writing to the PSC at 6 St. Paul Street, 16th Floor, Baltimore, MD 21202.

Taxes and Laws: Except as otherwise provided in this Agreement or by law, all taxes of whatsoever kind, nature and description, due and payable with respect to Customer's performance of its obligations under this Agreement, shall be paid by Customer. The parties' obligations under this Agreement are subject to present and future legislation, orders, rules, or regulations of a duly constituted governmental authority having jurisdiction over this Agreement or the services to be provided herein.

Energy Assistance Programs: For Energy Assistance such as LIHEAP (Low Income Home Energy Assistance Program) call (800) 510-3102.

Dispute Resolution: In the event of a billing dispute or a disagreement involving any essential element of this Agreement, the parties will use their best efforts to resolve the dispute. Customer should contact Sperian in writing at 2605 Camino Del Rio S. San Diego, CA 92108, or by telephone at (888) 682-8082. A dispute or complaint relating to a customer account may be submitted by either party at any time to the PSC pursuant to its consumer complaint process. If after discussing your problem with Sperian Energy or the LDU and you remain dissatisfied, you may file an informal complaint with the Maryland Public Service Commission by phoning (800) 492-0474 or by writing to the following address: 6 St. Paul Street, 16th Floor, Baltimore, MD 21202.

Eligibility: Sperian Energy does not deny energy service or determine eligibility for pricing based on credit history, utility payment data or credit score. Sperian Energy does not deny service based on a Customer or applicant's race, creed, color, national origin, ancestry, sex, marital status,

lawful source of income, level of income, disability, familial status, location of a customer/applicant in an economically distressed geographic area, or qualification for low income or energy efficiency services.

Information Release Authorization: Customer acknowledges that customer billing and payment information may be provided to Sperian Energy from your LDU. This information includes, but is not limited to, Customer's account number, meter reading data, rate class and energy usage. This may include Customer's address(es) and telephone number, and Customer's budget billing plan or payment arrangement preference. Sperian will not give or sell customer information to any unaffiliated party without consent from the customer unless Sperian is required to do so by law or it is necessary to enforce this agreement.

Agency: Customer appoints Sperian as its agent to acquire the supplies necessary to meet its energy needs, contract for and administer transportation, transmission and related services over interstate facilities and those of the LDU needed to deliver energy to the Customer's premises. These services are provided on an arm's-length basis and market-based compensation is included in the price noted in your Disclosure Statement.

Severability: If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force without being invalidated in any way.

Delays or Failure to Exercise Rights: No partial performance, delay or failure on the part of Sperian in exercising any rights under this Agreement and no partial or single exercise thereof shall constitute a waiver of such rights or of any other rights hereunder.

Entire Agreement: This Agreement sets forth the entire agreement between the parties with respect to the terms and conditions of this transaction; any and all other agreements, understandings and representations by and between the parties with respect to the matters addressed herein are superseded by this Agreement.

Acceptance and Amendments: This Agreement shall not become effective until accepted by Sperian. Sperian reserves the right to cancel this Agreement upon failure of Customer to maintain satisfactory credit standing as determined by Sperian, or to meet minimum or maximum threshold consumption levels as determined by Sperian. Sperian may amend the terms of this Agreement at any time, consistent with any applicable law, rule or regulation, by providing notice to Customer of such amendment at least thirty (30) days prior to the effective date thereof. Upon receipt of written notice of a material change, customer may terminate this Agreement prior to the date such change becomes effective without penalty.

Force Majeure: The term "Force Majeure" shall mean any cause not reasonably within the control of the Party claiming suspension and which by the exercise of due



diligence, such Party is unable to prevent or overcome, including but not limited to, any act or cause which is deemed a Force Majeure by the LDU or any transportation or transmitting entity. If either party is unable, wholly or in part, by Force Majeure to perform or comply with any obligations or conditions of this Agreement, such party shall give immediate written notice, to the maximum extent practicable, to the other party. Such obligations or conditions, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused, and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during the period. The party claiming suspension of obligations must in good faith attempt to mitigate and/or terminate the Force Majeure.

Assignment: You may not assign this Agreement, in whole or in part, or any of its rights or obligations hereunder without the prior written consent of Sperian Energy. Sperian Energy may, without your consent, (a) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial agreement; (b) transfer or assign this Agreement to an affiliate of Sperian Energy; (c) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of Sperian Energy; and/or (d) transfer or assign this Agreement to a certified Energy Supplier. In the case of (b), (c) or (d), any such assignee shall agree in writing to be bound by the terms and conditions hereof. Upon any such assignment, Customer agrees that Sperian Energy shall have no further obligations hereunder.

Limitations of Liability: Liabilities not excused by reason of Force Majeure or otherwise shall be limited to direct actual damages. Neither party will be liable to the other for consequential, incidental, punitive, special, exemplary or indirect damages. Lost profits or penalties of any nature are hereby waived; these limitations apply without regard to the cause of any liability or damage, including the negligence of Sperian Energy. There are no third-party beneficiaries to this agreement.

Representations and Warranties: The energy service under this agreement will meet the applicable LDU's standards and may be supplied from a variety of sources. Sperian Energy makes no representations or warranties other than those expressly set forth in this agreement, and Sperian Energy expressly disclaims all other warranties, express or implied, including warranties of merchantability and fitness for a particular purpose.

Governing Law: Venue for any lawsuit brought to enforce any term or condition contained herein shall be exclusively in the State of California. This Agreement shall be governed by, enforced and performed in accordance with the rules of PSC. If at some future date there is a change in any law, rule, regulation or pricing structure, or there is a regulatory or judicial ruling or decision which shall have a detrimental economic impact upon Sperian's performance under this Agreement, or in the event that compliance with such change, ruling or decision shall result in a material

change in the way prices are calculated under this Agreement, or a material change in the level of components of pricing under this Agreement, Sperian shall have the right to change this Agreement with thirty (30) days' notice to the customer. Upon receipt of written notice of a material change, customer may terminate this agreement prior to the date such change becomes effective without penalty.

Contact Information:

For questions concerning your rate, service initiation, or service cancellation, please contact Sperian Energy using the contact information below:

Sperian Energy Corp

Internet Address: www.sperianenergy.com

2605 Camino Del Rio S.

San Diego, CA 92108

Customer Service: (888) 682-8082

Fax: (800) 256-6181

Operating Hours: M – F 9:00 a.m. – 7:00 p.m. ET

In the event of a power outage, please call your Local Delivery Utility (LDU):

BG&E

Power Outage (800) 778-2222

Gas Leak (800) 685-0123

Delmarva Power

Power Outage (800) 898-8042 - Cecil & Harford Counties

(800) 898-8045 - Eastern Shore Maryland

Pepco Power

Outage (877) 737-2662

Potomac Edison

Power Outage (888) 544-4877

Washington Gas

Power Outage (800) 752-7520

Maryland Public Service Commission (PSC)

6 St. Paul Street, 16th Floor

Baltimore, MD 21202

Phone Number (800) 492-0474

TTY (Hearing Impaired) (800) 201-7165

Website www.psc.state.md.us/