



Thank you for choosing Penstar Power Retail Company LLC ("Penstar Power") as your retail electric provider ("REP"). We recognize you have a choice, and we appreciate your trusting us to meet your needs. This Terms of Service Agreement ("TOSA") explains the terms and conditions that govern your electric service with Penstar Power. This TOSA, together with your enrollment documentation, your Electricity Facts Label ("EFL"), your Prepaid Disclosure Statement ("PDS"), and the Your Rights as a Customer ("YRAC") document compose your Contract for electric service with Penstar Power. At Penstar Power, we work hard to provide straightforward terms of service that clearly define our commitment to you. That's why we have organized this TOSA in a question and answer format to make it easier for you to find the answers to your questions. If you ever have any additional questions regarding your electricity service, please do not hesitate to contact us.

By accepting service from Penstar Power, you have agreed to be bound by the terms of your Contract. For details of the particular electric product you have purchased, please see your EFL and PDS, and for your general rights as an electric customer, please consult your YRAC.

PLEASE PRINT OR SAVE A COPY OF THIS TOSA FOR YOUR RECORDS.

Contact Information:

Name of Provider:	Penstar Power
Certificate Number:	10087
Mailing Address	3000 Altamesa Blvd Ste 300 Fort Worth, Texas 76133
Customer Assistance:	1-800-427-4663 (toll free) (M-T 8:00am-5:00pm) F 8:00am to 4:00pm
Fax:	1-866-343-3445 (toll free)
Website Internet Address:	www.penstarpower.com
E-mail:	customercare@penstarpower.com

Service Outage Reporting: Please call the appropriate number that corresponds to the Transmission and Distribution Utility ("TDU") service area in which you live:

Oncor	1-888-313-4747
CenterPoint Energy	1-800-332-7143 or 713-207-2222
AEP	1-866-223-8508
TNMP	1-888-866-7456
Sharyland	1-800-545-4513

THE BASICS

Who are we and what do we do?

Penstar Power is a retail electric provider, or "REP." We provide electric service to your home by purchasing wholesale power and arranging delivery on transmission and distribution lines.

What is an ESI ID?

This is the number we use to identify the location where electricity is being delivered. Because your Contract is for service to a specific point of delivery, we identify that point using an individual Electric Service Identifier ("ESI ID").

What is a TDU?

A Transmission and Distribution Utility ("TDU") is a company that owns and maintains transmission and distribution lines, as well as your electric meter. When you buy electricity from Penstar Power, we have to arrange for electricity to be delivered to your home through a TDU. The TDU is responsible for reading your meter and restores power if there is an outage.

Where can I find the rules and statutes that are mentioned in this Terms of Service Agreement?

Whenever you see a reference to the Public Utility Commission of Texas ("PUC") Substantive Rules, you can view a copy at:

<http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/Electric.aspx>

What are my rights as a prepaid electric customer?

Your rights as a prepaid electric customer are summarized in your YRAC. In addition, you should know that we will not deny service or require a prepayment or deposit for service based on a customer's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of a customer in an economically distressed geographic area, or qualification for low income or energy efficiency services. Also, we will not use your credit history, credit score, or utility payment data to set a price for any contract that is 12 months or less.

What if I need a copy of my Contract in Spanish?

¿Qué hago si necesito una copia de mi Contrato en español?

Your TOSA, EFL, PDS and YRAC are available in Spanish by contacting us. Usted puede obtener los documentos de su Contrato (TOSA, EFL, PDS y YRAC) en español comunicándose con nosotros.

What if I have a dispute or a complaint?

If you have specific comments, questions, complaints or billing inquiries, please contact us. If for any reason you are unsatisfied with our response, you may contact the PUCT.

PRODUCT DESCRIPTION

Am I eligible for prepaid service from Penstar Power?

You are eligible if your service location has a provisioned Advanced Metering Systems meter installed. Additionally, you must establish and maintain an active communications method, which can include an email address or a text-message capable phone number, in order to receive important communications from Penstar Power regarding your prepaid account. Critical care or chronic condition customers are not eligible for prepaid service from Penstar Power.

If, after enrollment, Penstar Power receives notification from your TDU that you do not have a provisioned Advanced Metering Systems meter installed, Penstar Power will notify you that you are ineligible to continue receiving prepaid service. If you fail to contact Penstar Power after receiving this notice to select another post-pay product or to let us know that you have enrolled with another REP, then Penstar Power will transition you to a Penstar Power competitively offered, month-to-month postpaid product. Transferring you to this month-to-month postpaid product does not relieve you of your obligation to pay us or the TDU for services rendered. We will provide you with notice of the transfer to the postpaid product and deliver to you the new product's Terms of Service and Electricity Facts Label.

What type of electricity plan do I have?

The PUCT requires classification of your electricity plan into one of three categories — fixed rate, indexed, and variable price. Penstar Power may offer prepaid service as a month-to-month indexed product, a term indexed product, or a term fixed rate product.

What is a Month-to-Month Indexed Product?

Month-to-month indexed products have a contract term of 31 days or less and a price that changes according to a pre-defined pricing formula that is based on publicly available indices or information. The price for month-to-month indexed products may also change without advance notice to reflect actual changes in TDU charges; changes to the Electric Reliability Council of Texas or Texas Regional Entity administrative fees charged to loads; or changes resulting from federal, state or local laws or regulatory actions that impose new or modified fees or costs on Penstar Power that are beyond our control.

We can change non-price related provisions of your Contract and the pricing formula by providing you with advance notice, with the exception that we cannot change the length of your contract term. We will notify you at least 14 days before the change is applied to your account or otherwise takes effect. If you do not cancel your Contract before the effective date of the change, the change will become effective on the date stated in your notice. Notice is not required for a change that benefits you.

What is a Term Indexed Product?

Term indexed products are the same as month-to-month indexed products, except that the contract term is three months or more and we cannot make changes to the pricing formula during the term of your contract.

What is a Term Fixed Rate Product?

Term fixed rate products have a contract term of at least three months. The price of a term fixed rate product may only change during the contract term to reflect actual changes in TDU charges; changes to the Electric Reliability Council of Texas or Texas Regional Entity administrative fees charged to loads; or changes resulting from federal, state or local laws or regulatory actions that impose new or modified fees or costs on Penstar Power that are beyond our control. Price changes resulting from these limited circumstances do not require us to provide you with advance notice.

We can change non-price related provisions of your Contract by providing you with advance notice, with the exception that we cannot change the length of your contract term. We will notify you at least 14 days before the change is applied to your account or otherwise takes effect. If you do not cancel your Contract before the effective date of the change, the change will become effective on the date stated in your notice. Notice is not required for a change that benefits you.

CONTRACT EXPIRATION NOTICE

If you are on a product that has a contract term of at least three months, we will send you a written notice at least 30 days but no more than 60 days in advance of contract expiration. You do not need to take any action in response to the contract expiration notice in order to continue to receive service, which will be provided under a Penstar Power default month-to-month renewal product. The contract expiration notice will let you know what you need to do if you want to renew your service to another term or change your service plan. The EFL for your month-to-month default renewal product, which will describe its price and other terms, will be included in your contract expiration notice.

PRICING AND FEES

How I do I find out what my price is?

Your EFL will provide examples of the average prices per kWh for your product based on different usage levels. The average prices disclosed on your EFL include the Energy Charge and any Daily Charge or other recurring charges which we expect to charge you on a regular basis. These prices do not include taxes, reimbursement for gross receipts taxes, municipal administrative fees, TDU non-recurring fees, and other non-recurring fees that Penstar Power may charge, if applicable, or separate fees for products or services other than electric service that may appear on your account if you purchase them. You agree to pay the price as defined in the Contract and all amounts shown on your account that are charged by Penstar Power consistent with this Contract.

What are TDU non-recurring fees?

These are fees that you must pay that originate from your local TDU and are passed on to you. These fees usually result when you ask that a certain service be performed, such as a meter reading outside your normal read cycle, or a meter test fee. Other examples include: a new service initiation fee, connection fee, disconnection fee and reconnection fee. -These fees are not included in the average price per kWh shown on your EFL. The specific price for each TDU fee will vary depending on the TDU that serves your particular ESIID.

What non-recurring fees, other than TDU fees, can I be charged?

You may also be charged fees for services that Penstar Power provides. To find out what fees apply to your electric service plan, please refer to your EFL. These fees may include:

- **Agent Assist Fee** — We may charge a \$5.00 fee when you use a Penstar Power customer care representative to initiate a courtesy extension to avoid disconnection of service, or, to help you make a payment by credit or debit card.

- **Insufficient Funds Fee** – We may charge a \$25 fee for each payment that is not processed due to insufficient funds or other type of bank return or payment rejection.
- **Document Processing Fee** – We may charge a \$2.95 fee for each request for a paper copy of your Summary of Usage and Payment Document or other account documentation. To avoid this fee, you may access your usage and billing history on our website. We will not charge a document fee for providing your Summary of Usage and Payment Document to an energy assistance agency.
- **Disconnect Recovery Fee** – If your service is disconnected we may charge you a Disconnect Recovery Fee up to \$25 in order to reconnect your service. This charge would be in addition to any TDU charges related to disconnections/reconnections.
- **Early Cancellation Fee** – We will not charge you an early cancellation fee.
- **Credit Card Processing Fee** – We may charge up to \$5 to process a credit or debit card payment.
- **Refund Check Fee** – We may charge a refund check fee of \$3.95.
- **Other Fees** – If additional electric service fees apply to your product, they will be described in your EFL and PDS.

Will my account include fees for other products or services?

If you are separately purchasing other products or services from us or third parties in addition to retail electric service (such as, for example, energy-efficiency products), you agree that charges or fees for those products or services, which may be recurring or nonrecurring, may appear on your Penstar Power account, where they will be listed separately from your electric service fees. The terms, conditions and pricing applicable to such products or services can be found in the separate agreement you receive when you sign up for them.

DEPOSITS

Do I need to pay a deposit?

If you are a customer applying for prepaid service with Penstar Power you will not be required to pay a deposit.

Will I be required to pay a deposit if I transition from prepaid service to postpaid service?

If you are an existing Penstar Power customer with prepaid service and you want to transition to a postpaid service plan you may be required to pay an initial deposit with Penstar Power if your prepaid service has been terminated or disconnected for nonpayment during the last 12 months of service or you are otherwise unable to demonstrate satisfactory credit. The deposit will be due within ten days following issuance of proper notice that it is due.

What if I still owe Penstar Power money from a prior Contract?

If you are a returning customer who owes Penstar Power any past due amounts, you will be required to pay these past due amounts before we will be able to accept you for prepaid service.

COMMUNICATIONS

How will you communicate with me if I won't be receiving a bill?

To sign up for prepaid service with Penstar Power you will first need to establish an active communication method, which can include an email address or a text-message capable phone, in order to receive important communications ("Preferred Communication Method"). We will then use this Preferred Communication Method to provide you with any required or important information such as low balance alerts, payment confirmations and other important account activities or required contract notices. If you ask us to send you standard text messages as your Preferred Communication Method you may be required to take additional actions to affirmatively opt-in to receiving these text messages by your wireless carrier and you may also be subject to standard text message charges from your wireless carrier.

What happens if I don't receive your email or text message?

Prepaid service requires that you establish and maintain an active Preferred Communication Method so that we may send you important or required communications regarding your prepaid service. Penstar Power has no obligation to resend any account communication to you, whether required or optional, if your message could not be delivered to you as a result of your failure to establish, maintain or update your Preferred Communication Method. We may attempt to contact you via any alternative communication methods; however, we have no obligation to do so. Your failure to establish, maintain or update your Preferred Communication Method could result in the disconnection of your electric service.

CONNECTION BALANCE, CHARGES AND PAYMENTS, AND CURRENT BALANCE

What is a Connection Balance?

A connection balance is the minimum balance that is needed to establish prepaid service with Penstar Power or to reconnect prepaid service with Penstar Power following a disconnection ("Connection Balance"). Please note that, in addition to your Connection Balance, you may be required to pay TDU fees and any past due amounts owed to Penstar Power to initiate prepaid service. For more details regarding your Connection Balance, please consult your PDS.

How will I be billed?

Prepaid service requires you to prepay for your electric service, so you will not receive a monthly bill or invoice. Your initial payment must cover the Connection Balance, any previous debt owed to Penstar Power, and any applicable TDU fees (such as move-in fees) to start service. In order to keep your electricity service flowing, you must maintain a current balance of more than the disconnection balance described in your PDS. If your current balance falls below the disconnection balance, your service may be disconnected or interrupted. Your current balance will be reduced on a daily basis according to your usage. Additionally, any non-recurring fees from your TDU and/or Penstar Power may reduce your prepaid account balance as well as all billed taxes, including sales tax, and reimbursement for the state miscellaneous gross receipts tax as applicable.

How will my current balance be calculated?

Your current balance will be updated on a regular basis to reflect charges and payments to your account. Charges will post to your account as they are received throughout the day. These will typically include charges for electricity usage, sales tax, gross receipts tax, TDU charges, and other fees. If we receive a usage correction from

your TDU, the corrected electricity usage charges will be applied to your account. As these charges are received and posted, they will reduce your current balance. Payments will post to your account as they are received throughout the day. Payments made at authorized locations will be posted immediately. Any payments made through non-authorized locations or channels may not post to your account until they are verified. As payments are received and posted, they will increase your current balance. Normally, your current balance will reflect the date of the meter read used for billing from the TDU along with your current balance, and estimated time or days of paid electricity remaining. However, if the TDU is unable to provide actual or estimated meter readings on a timely basis, we may have to base your current balance on an estimate of your usage. Once the actual or corrected meter readings are received from the TDU, we will make adjustments to your account.

Will I receive a confirmation of payment?

Yes, we will send you a confirmation of payment to your Preferred Method of Communication or will send you a confirmation code that permits you to access such information.

What if I owe Penstar Power money from a different account?

If we determine that you are responsible for an outstanding balance or credit from a previous Penstar Power residential account, that balance or credit will be transferred to your current account after notification to you, and will be shown separately on your account no sooner than 10 days after the notice.

Can I request a Summary of Usage and Payment Document?

Yes, you can request a Summary of Usage and Payment Document of your prepaid account for the last 12 months by calling Penstar Power. Additionally, you may also access your usage and billing history on our website.

PAYMENT OPTIONS

What are my options for making a payment to my account balance?

We have several convenient payment options that may be available to you:

- **Online Payment** – You can choose to make a payment by credit or debit card for no additional charge by paying online through Penstar Power My Account or Penstar Power Express Pay.
- **Pay Over the Phone** - You can choose to make a payment by credit or debit card for no additional charge by calling our automated telephone service.
- **Third-Party Account Payment Centers** – Select authorized account payment centers allow you to pay for your Penstar Power prepaid service in person by cash, cashier's check or money order. Please visit our website to find nearby authorized payment center locations. Payment centers may charge a fee for payment processing.
- **Agent Assisted Payment** – You can call us and ask for a Penstar Power customer care representative to help you make a payment by credit or debit card. We may charge you an Agent Assist Fee of \$5.00 for agent assisted payments but you can avoid this fee by using our automated phone service, paying online through Penstar Power My Account or Penstar Power Express Pay, or paying at an authorized payment location.

PAYMENT ASSISTANCE

What if I can't afford to pay for my electricity?

Penstar Power will advise you about payment assistance programs when you express an inability to pay or need assistance with the bill payment. We will work with energy assistance agencies to help obtain energy assistance payments for requesting, eligible customers. Not all federal, state or local agencies will provide aid to prepaid customers.

Are there other payment assistance options available?

You will be eligible to establish a deferred payment plan if you have a deficit balance of \$50 or more on your prepaid account balance that occurs during an extreme weather emergency (as defined by PUCT Substantive Rule 25.483(j)(1)) or a state of disaster declared by the governor if you are in an area covered by the declaration and the PUCT has directed that deferred payment plans be offered. You will also be eligible for a deferred payment plan if you have a deficit balance caused by an under billing of \$50 or more by Penstar Power. If you establish a deferred payment plan, no more than 50% of any future payments will be applied to your deferred balance with the remainder allocated to your prepaid account balance. Your deferred payment plan document will have the specific details of your plan. If you do not comply with the terms of your written deferred payment plan, your entire outstanding amount of the deficit balance will become due immediately and will be applied to your prepaid account balance. If your prepaid service is disconnected before you have made full repayment of any deficit balances under any deferred payment plans, then your deferred payment plan will be deemed to be in default and any future payments you make will first be applied against any deferred balances before being applied to the negative prepaid account balance.

If you enter into a deferred payment plan, Penstar Power may apply a switch-hold until your deferred payment plan is paid in full. A switch-hold means you will not be able to buy electricity from another company while the switch-hold is in place.

TERMINATION

What happens if I terminate my Contract?

You have the right to terminate your Contract and choose another Penstar Power product or another REP without having to pay an early cancellation fee.

If I am on a product with a term longer than 31 days, what happens if I terminate my Contract before it expires?

Generally, you will be charged an early cancellation fee. However, you will have the right to terminate your Contract, without penalty, if: (1) you move to another location and provide us with evidence of your move and a forwarding address; (2) we notify you of a change to the terms and conditions of your Contract and you terminate within 14 days from the date the notice is sent; or (3) you terminate your Contract within 14 days of its expiration date.

Can Penstar Power terminate my Contract?

We may terminate your Contract and close your account if your account remains interrupted or disconnected for more than 5 consecutive business days. In this event, you may apply to re-enroll for electric service on another product or you may contact another REP to reestablish your electric service.

If my Contract is terminated, will I still have to pay you?

Yes. Termination of your Contract does not excuse you from paying any outstanding amounts. If either you or Penstar Power terminates your Contract, all amounts owed by you to Penstar Power shall become immediately due and payable. Your obligations to Penstar Power will continue until you have paid all amounts due. Also, if you do not pay the amount due or make acceptable payment arrangements, we may use debt collection agencies, small claims court, or other remedies allowed by law to collect the amount owed, including reasonable fees and expenses (including attorney fees) that we incur in the collection process. By providing telephone numbers, including cell and work numbers, to Penstar Power, you are expressly consenting to being contacted on those numbers for any purpose related to your account, including debt-collection, by a live person or automated service.

What happens if I have a positive balance and my Contract is terminated?

If you elect to enroll in a non-prepaid product with Penstar Power upon termination of your prepaid account any positive credit balance will be transferred to your new account unless you instruct Penstar Power otherwise. If you elect to enroll for service with another REP following termination of your prepaid account you will be entitled to receive a refund if you have a positive balance following application of any outstanding amounts owed to Penstar Power including deferred balances and allowed fees. Penstar Power will automatically send you a refund check if the amount of the refund is greater than \$5.00. You should receive the refund check in approximately 10 business days after Penstar Power receives final usage data from your local TDU. If the amount of the refund is less than \$5.00 you may specifically request that Penstar Power refund the balance.

DISCONNECTION AND RECONNECTION

Under what circumstances can you interrupt or disconnect my service?

Continuation of electric service depends on your prepaying for service on a timely basis and if your current balance falls below your Disconnection Balance your service may be disconnected with little notice. **We will send a low account balance warning to your Preferred method of communication at least 1 day AND NOT MORE THAN 7 DAYS before your CURRENT balance is estimated to fall below the disconnection balance.**

We will not interrupt or disconnect your electric service on weekend days, during any periods in which the mechanisms for payment specified to you in your PDS are unavailable or our call center is not operating, or during an extreme weather emergency, as defined in PUCT Substantive Rule 25.483(j)(1). We may request immediate interruption/disconnection of your electric service without prior notice under specific situations, including the existence of a dangerous

condition at your service address or evidence of theft of service. We will not interrupt/disconnect your electric service for amounts you owe for other products or services you have purchased from us that are in addition to your electric service.

How do I reconnect my prepaid service and how quickly will it be restored?

Once you have restored your current balance to a level at or above the Connection Balance, which will require you to pay off any negative balance and all applicable TDU fees, we will send a reconnect order to your TDU within 1 hour. Your service should be restored within 2 hours, but restoration will depend on the capabilities of your TDU.

Do I still have to pay if my service is disconnected?

Yes. If your service is disconnected, you will be required to pay us any past due amounts, as well as any required TDU fees.

What if I have a medical condition that requires my service to remain connected?

Penstar Power does not provide (or will not continue to provide) prepaid electric service to residential customers for whom an interruption or suspension of electric service will create a dangerous or life-threatening condition, and who meet the TDU criteria of a "critical care" or "chronic condition" residential customer. If, after enrollment, Penstar Power receives notification from your TDU that you have been designated as a critical care or chronic condition residential customer, we will work with you to transition you to another non-prepaid product in a manner that seeks to avoid a service disruption. If we are unable to reach you or you do not respond to our attempts to transition you to another product, we may transfer you to a competitively offered, month-to-month postpaid product. We will provide you with notice of the transfer to the postpaid product and deliver to you the new product's Terms of Service and Electricity Facts Label. Qualification as a critical care or chronic condition residential customer by the TDU does not relieve you of your obligation to pay us or the TDU for services rendered.

GENERAL

RIGHT OF RESCISSION:

If you are switching to Penstar Power from another REP, you have the right to rescind your Contract without fees or penalties of any kind by contacting us before midnight of the 3rd federal business day (includes Saturdays) after the date you first receive your TOSA. You may rescind this switch by calling 1-800-427-4663 (toll free), faxing 1-866-343-3445 (toll free), or e-mailing customer@penstarpower.com. Please provide your name, address, phone number, ESI ID or account number, and a statement that you are rescinding your Contract under the 3 day right of rescission period.

ASSIGNMENT:

You may not assign this Contract, in whole or in part, or any of the rights or obligations hereunder without the prior written consent of Penstar Power, which consent may be withheld or granted at the discretion of Penstar Power. We reserve the right to, without your consent but with notice to you, assign your contract to another retail

electric provider in the event of an acquisition, merger, bankruptcy, or other similar event.

LIMITATIONS OF LIABILITY:

YOU AGREE THAT FORCE MAJEURE EVENTS, INCLUDING ACTS OF GOD, ACTS OF ANY GOVERNMENTAL AUTHORITY, ACTS OF TERRORISTS OR ENEMIES OF THE STATE, ACCIDENTS, STRIKES, LABOR TROUBLES, EVENTS OF FORCE MAJEURE OCCURRING WITH RESPECT TO THE TDU, ERCOT, OR OTHER THIRD PARTY SYSTEMS OR ASSETS, OR ANY OTHER CAUSES AND EVENTS BEYOND OUR CONTROL MAY RESULT IN INTERRUPTIONS IN SERVICE AND THAT WE WILL NOT BE LIABLE FOR THOSE INTERRUPTIONS. You also agree that we are not responsible for generating, transmitting or distributing electricity to your service address AND THAT WE WILL NOT BE LIABLE WITH RESPECT TO ANY THIRD PARTY SERVICES. FURTHERMORE, YOU AGREE THAT PENSTAR POWER'S LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES, AND THAT NEITHER PENSTAR POWER NOR THE CUSTOMER SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES. YOU WAIVE ALL OTHER REMEDIES AT LAW OR IN EQUITY. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OF ANY LIABILITY OR DAMAGE, INCLUDING IF THE DAMAGES RESULT FROM SOLE, JOINT, CONCURRENT, OR ACTIVE OR PASSIVE NEGLIGENCE. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS CONTRACT.

REPRESENTATIONS AND WARRANTIES:

THE ELECTRICITY SOLD UNDER THIS CONTRACT WILL BE SUPPLIED FROM A VARIETY OF GENERATING SOURCES. IF YOU PURCHASE A RENEWABLE ENERGY PRODUCT FROM US, YOU ARE FINANCIALLY SUPPORTING RENEWABLE ENERGY GENERATION SOURCES, AND THE REQUIRED AMOUNT OF RENEWABLE ENERGY CREDITS (RECs) WILL BE RETIRED TO AUTHENTICATE THE RENEWABLE ENERGY COMPONENT OF THE PRODUCT. YOUR TDU DOES NOT NECESSARILY DELIVER, AND YOU WILL NOT NECESSARILY RECEIVE, THE SPECIFIC ELECTRICITY GENERATED FROM THAT SOURCE AT YOUR SERVICE ADDRESS. PENSTAR POWER MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS CONTRACT AND EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, CONFORMITY TO MODELS OR SAMPLES AND FITNESS FOR A PARTICULAR PURPOSE.

MISCELLANEOUS:

Your Contract constitutes the entire agreement between you and Penstar Power concerning your agreement to purchase electricity for the covered ESI ID(s) and supersedes any prior agreements. There are no prior or contemporaneous agreements or representations affecting this Contract other than those expressed in these documents. No amendment, modification or change to this Contract shall be enforceable unless reduced to writing. Notwithstanding anything to the contrary, if any provision of this Contract is deemed to be invalid, illegal or otherwise unenforceable, you and Penstar Power agree that it shall be modified to the minimum extent necessary to render it valid, legal and enforceable. If any such provision cannot be

modified in a manner that would make it valid, legal and enforceable, such provision shall be severed from this Contract, and all other provisions hereof shall remain in full force and effect. Any failure on Penstar Power's part at any time to enforce any term or condition of our service or to exercise any right under this Contract shall not be considered a waiver of our right thereafter to enforce each and every such term and condition or to exercise such right or any other right under this Contract. Obligations regarding indemnity, payment of taxes, limitations of liability, and waivers will survive the termination of the contract indefinitely.

THIS CONTRACT IS GOVERNED BY THE LAWS OF THE STATE OF TEXAS. THE TEXAS UNIFORM COMMERCIAL CODE (which can be viewed at <http://tlo2.tlc.state.tx.us/statutes/bc.to.htm>) APPLIES TO THIS CONTRACT AND ELECTRICITY IS DEEMED A "GOOD." **YOU CONSENT TO PERSONAL JURISDICTION IN TEXAS AND AGREE THAT THE RESOLUTION OF ANY DISPUTE MUST BE BROUGHT, FILED AND MAINTAINED EXCLUSIVELY IN TEXAS, REGARDLESS OF WHO INITIATES THE ACTION.** Penstar Power cannot deny service or require a prepayment or deposit for service based on a customer's race, creed, color, or a national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, a location of a customer in an economically distressed geographic area or qualification for low income or energy efficiency services. We will not use a credit score, a credit history, or utility payment data as the basis for determining the price for electric service for a product with a contract term of 12 months or less.