

## Inspire Energy Holdings, LLC Disclosure Statement

This Disclosure Statement and any amendments to these documents from time to time, are an agreement (collectively, the “Agreement”) for electric generation service between you (“Customer” or “you”) and Inspire Energy Holdings, LLC (“IEH,” “we,” or “us”). Your electric distribution company (“EDC”) and provider of last resort is Baltimore Gas and Electric - Electric.

**1. Background.** IEH is a retail electricity supplier licensed by the Maryland Public Service Commission (“Commission” or “PSC”) to offer and supply electric generation services in Maryland. IEH's PSC license number is IR-3259. The PSC does not regulate IEH's generation prices and charges but does regulate distribution rates and services. You will receive a single bill from your Electric Distribution Company (“EDC”) that will contain your EDC charges and IEH charges.

**2. Your Right to Rescind.** You may rescind this Agreement at any time within three (3) business days after your enrollment by contacting IEH by phone at 866-403-2620, email at [memberservices@inspireenergy.com](mailto:memberservices@inspireenergy.com), or mail to Inspire Energy Holdings, LLC, 1507 7th Street, PO Box 026 Santa Monica CA 90401.

### **3. Definitions.**

Generation Charge means the charge for production of electricity.

“PJM” means PJM Interconnection, LLC (or its successor), which operates an electronic transmission system in all or part Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia (“PJM Region”).

“kWh” means kilowatt hour, which is a measurement of your electricity usage.

“Transmission Charge” means the charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

### **Product Summary:**

Product	100% Regional and National Wind
Length of the Agreement	1 month
Price Per kWh	Initial Price of 9.39¢ per kWh*
Fixed or Variable	Variable
Charges	9.39¢ per kWh
	The rate does not vary based on usage levels.
Taxes	You must pay also pay all applicable federal, state, and local taxes and charges.
Renewable Content	IEH ensures that electricity equal to 100% of your electricity usage is produced by wind power generation facilities located in the United States*
Fees	<b>Customer Service Charge - \$0.00/Month</b> <b>Cancellation Fee - \$0.00</b>
Rescission	You may rescind this Agreement without penalty at any time before midnight of the 3rd day after receiving or signing this agreement

\*Please refer to the relevant specific terms in the “Definitions” section of this Disclosure Statement. The price quoted is only for the specified commodity provided by IEH. The price quoted does not include any tax, utility distribution charge, or other utility fee or charge.

### **5. Basic Service Prices:**

**Fixed Price / Fixed Term Agreement** – If you are enrolled on a fixed term product, you agree to pay the price per kWh described in the Product Summary. This price includes Generation Charges and Transmission Charges, and estimated current total state taxes, including current Gross Receipts Taxes, but excludes applicable state and local sales taxes and your EDC's distribution charges and other EDC fees and charges.

**Month-to-Month Variable Price Agreement** – If you are enrolled on a month- to-month product, the price is subject to change each month. Your price for the initial month is the price per kWh described in the Product Summary. After the first month, but not more frequently than monthly, and with no advance notice we may increase or decrease your rate as wholesale market prices change in PJM Markets to include, but not limited to, such factors as: the cost to supply electricity in the PJM market (including energy, capacity, settlement, ancillary services, renewable energy, charges for delivering electricity over a distribution system to the home or business from the transmission system and other PJM market-related factors); applicable fees, charges, costs and expenses; expected margins; competitive prices and other market and business conditions. The rate per kilowatt-hour for this product, as modified from time to time, shall be all-inclusive of energy, capacity, congestion, settlement, ancillaries, and all other charges we incur to provide electric generation service to you, including estimated gross receipts tax and other state taxes. There are no extra charges except sales tax, if applicable. The price may be higher than your EDC's supply rate. IEH does not guarantee any savings over the EDC's rates for the entire term of this Agreement. The price does not include your EDC distribution charges and other EDC fees and charges, which are separate amounts that you must pay your EDC. To learn more about your variable price, please call us at 866-403-2620.

### **6. Duration of Agreement:**

**Fixed Price / Fixed Term Agreement** – You will buy your electricity generation service from IEH for the street address specified in your Enrollment Authorization. Service will begin on your next meter read date after your EDC processes your enrollment and will continue for the length of the agreement specified in the Product Summary above.

Month-to-Month Variable Price Agreement – You will buy your electricity generation service from IEH for the street address specified in your Enrollment Authorization. Service will begin on your next meter read date after your EDC processes your enrollment and will continue on a month-to-month basis, until cancelled by you or IEH as described in Section 7.

#### 7. Cancellation Provisions:

You may cancel your service under this Agreement at any time without a cancellation fee. Cancellation is effective on the next meter read date that occurs after your EDC has switched your account from IEH. You must provide IEH at least thirty (30) days advance notice before the next regularly scheduled meter read in order for the cancellation to be effective as of that reading. To cancel this Agreement, please contact IEH by phone, email, or mail at the contact information contained in this Agreement. If your EDC terminates your service, this Agreement will be automatically cancelled. IEH may cancel this Agreement with forty-five (45) days' notice if: i) you fail to make timely payment of IEH charges; or ii) if at some future date there is a change in any law, regulation, market rule, or tariff that materially impairs IEH's ability to fulfill its obligations under this Agreement. We will follow applicable rules in providing notice to you if we intend to cancel this Agreement for either of the reasons specified in (i) or (ii) above. IEH reserves the right to cancel this Agreement, in whole or with respect to any particular account(s) covered by this Agreement, at any time for any reason and we will follow applicable rules in providing you notice of this intent. Cancellation is effective upon the date as deemed effective by the EDC, after any applicable notice period, and you will be responsible for unpaid balances as of the cancellation date, until your account is paid in full, and we will not assess a cancellation fee.

Cancellation of Existing Service: You are responsible for canceling any agreements with other electric suppliers from whom you are purchasing electric service as of the date of this Agreement.

#### 8. No Penalties or Fees:

There are no customer service charges, set up fees, or cancellation fees.

#### 9. Special Terms and Conditions: Rewards Program:

Please refer to your Welcome Confirmation letter or email regarding your rewards program, if applicable. If you cancel this Agreement prior to the end of your second billing cycle, you may forfeit some or all of the rewards described in your Welcome Confirmation.

#### 10. Renewal Provision/Agreement Expiration:

If you have a fixed term Agreement with us and it is approaching the expiration date and IEH wishes to renew your Agreement, IEH will send you a notice of renewal 45 days before the end of the term. The notice will include: (1) any changes to the material terms and conditions, including the electricity price, of this Agreement; (2) information on how you can terminate this Agreement at the conclusion of the term without penalty, and (3) a statement that terminating the Agreement without selecting another supplier will return you to your EDC's standard offer service. This Agreement will automatically renew with the revised offer and Disclosure Statement unless you cancel the renewal of this Agreement by notifying IEH not later than 25 days prior to the end of the term. If you cancel the renewal, then this Agreement will terminate at the end of the then-current term and you will remain responsible for any unpaid balance as of the termination date but we will not assess a cancellation fee.

#### 11. Billing and Payment:

You will receive one consolidated bill from your EDC each billing cycle for the electric and related services provided by IEH and the distribution and other services provided by your EDC. You will make payment for all of these services directly to your EDC in accordance with the payment terms stated in your EDC's tariffs. Past-due charges may incur late fees as set forth in your EDC's tariffs. In the event your EDC charges IEH for services related to your account and you are a variable price customer, IEH reserves the right to bill you for these charges.

#### 12. Title and Taxes:

Each party will indemnify and hold the other party harmless from any and all claims (including claims for personal injury, death, or property damage), losses, fees, taxes, damages, suits, causes of actions and judgments of any kind arising hereunder while title and risk of loss are vested in the indemnifying party. You will be responsible for the payment of all transfer, sales or other taxes related to IEH's service under this Agreement. If you are exempt from any such taxes, you are responsible for identifying and requesting such exemption from the collection of taxes by filing appropriate documentation with IEH and/or your EDC, as applicable.

#### 13. Contact Information/Customer Complaints:

If you have a question about your bill or service, you may contact IEH (see IEH Contact Information below). If you are not satisfied with the response from IEH's Customer Care representative, you may ask that your questions be referred to an IEH supervisor, who will respond promptly. If you remain unsatisfied with our attempts to resolve the issue, you may seek assistance from the PSC or request information from the PSC regarding your consumer protection rights. The PSC's contact information is listed below. You will be responsible for payment as required during the dispute, and such payment shall be refunded if warranted by the dispute's resolution.

#### 14. Limitation of Liability:

IEH's aggregate liability arising out of or related to this Agreement shall not exceed the amount of your largest monthly invoice for electric service during the twelve (12) months immediately preceding cancellation of this Agreement. The Parties agree to the extent permitted by law that the statute of limitations with respect to all claims arising out of or related to this Agreement shall be reduced to the lesser of (x) two years from the event giving rise to the claim or (y) the minimum period permitted by law and any action not brought within such time period shall be barred without regard to any other limitations period. TO THE MAXIMUM EXTENT PERMITTED BY LAW AND EXCEPT WHEN A REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY HEREIN PROVIDED, INSPIRE'S LIABILITY SHALL BE LIMITED TO ONLY

THE DIRECT ACTUAL DAMAGES AND SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED INCLUDING, BUT NOT LIMITED TO, ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

#### 15. Binding Effects; Assignment:

This Agreement shall extend to and be binding upon IEH's respective permitted successors and permitted assigns. You may not assign this Agreement without IEH's prior written consent and any attempted assignment shall be void. IEH may, without your consent, sell, transfer, pledge, encumber or assign the accounts receivable and revenues derived from this Agreement (or any proceeds thereof). In addition, IEH may assign the rights and obligations hereunder consistent with applicable law.

#### 16. Force Majeure:

YOU AGREE THAT EVENTS OF FORCE MAJEURE MAY RESULT IN INTERRUPTIONS IN SERVICE AND THAT WE WILL NOT BE RESPONSIBLE FOR SUPPLYING ELECTRICITY TO YOU AND WE WILL NOT BE LIABLE FOR THOSE INTERRUPTIONS. YOU AGREE THAT IEH'S LIABILITY NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY; AND NEITHER OF US IS LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES. WE MAKE NO REPRESENTATIONS OR WARRANTIES AND WE EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

#### 17. Severability:

Each provision of this Agreement is made subject to the maximum extent permitted by law and if any of the provisions, or portions or applications hereof are held to be unenforceable or invalid by any court of competent jurisdiction, IEH and Customer shall negotiate an equitable adjustment to or amendment of the affected provisions with a view toward effecting the purpose of this Agreement, and the validity and enforceability of the remaining provisions, or portions or applications hereof or thereof, shall not be affected thereby.

#### 18. Application of the UCC:

THE PARTIES AGREE THAT TO THE MAXIMUM EXTENT POSSIBLE UNDER LAW, ARTICLE 2 OF THE UNIFORM COMMERCIAL CODE SHALL APPLY TO ENERGY SOLD HEREUNDER AND IF ANY TOPIC OR MATTER ADDRESSED HEREIN IS ALSO ADDRESSED IN SUCH ARTICLE 2, THEN THIS AGREEMENT SHALL CONTROL AS TO SUCH TOPIC OR MATTER. CUSTOMER HEREBY WAIVES ANY RIGHTS IT MAY HAVE PURSUANT TO SECTION 2609 OF THE UCC, OR ANY OTHER SIMILAR DOCTRINE UNDER LAW OR STATUTE WHEREBY CUSTOMER MAY DEMAND ADEQUATE ASSURANCE OF PERFORMANCE FROM IEH.

#### 19. WAIVER OF JURY TRIAL:

TO THE FULLEST EXTENT PERMITTED BY LAW, ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING CLAIMS ARISING IN CONTRACT, TORT, STATUTORY OR OTHERWISE, SHALL BE SETTLED EXCLUSIVELY AND FINALLY BY ARBITRATION IN ACCORDANCE WITH THE RULES AND PROCEDURES OF THE AMERICAN ARBITRATION ASSOCIATION. ANY ARBITRATION PROCEEDING HEREUNDER SHALL BE CONDUCTED EXCLUSIVELY IN BALTIMORE, MARYLAND. NEITHER PARTY MAY ALTER, AMEND, OR OTHERWISE CHANGE THE BINDING OBLIGATION TO ARBITRATE DISPUTES SET FORTH IN THIS PROVISION WITHOUT THE EXPRESS CONSENT OF THE OTHER PARTY, PROVIDED HOWEVER, INSPIRE MAY CHANGE THE TIME, PLACE, MANNER, PROCESS OR PROCEDURE OF THE BINDING OBLIGATION TO ARBITRATE IN COMPLIANCE WITH THE FOLLOWING SECTION.

#### 20. Other Provisions:

This Disclosure Statement and any amendments to these documents constitute your entire Agreement between you and IEH with regard to your purchase of electric generation and other related services from IEH. This Agreement supersedes all prior agreements between us, either written or oral. This Agreement is subject to any Law enacted during the term of this Agreement. "Law" means any law, legislation, statute, regulation, rule, tariff, decision, writ, order, decree or judgment, or any interpretations by any court, agency or instrumentality that has jurisdiction. You may not assign this Agreement, in whole or in part, or any of your rights or obligations under this Agreement without IEH's prior written consent. This Agreement is binding upon the parties and their respective successors and assigns. There are no third party beneficiaries to this Agreement. This Agreement will be governed by the laws of the State of Maryland without regard to the application of its conflicts of law principles. Venue for any lawsuit brought to enforce any term or condition of this Agreement will lie exclusively in the State and Federal courts located in Baltimore County, Maryland.

#### 21. Customer Information Release Authorization:

By entering into this Agreement, you agree that your EDC may release to us certain information that we need to provide service to you, including your address, telephone number, account number(s), future and historical electricity consumption, meter readings including smart meter data, payment history, billing determinants, rate classifications, and peak electricity demand and that IEH may share information about your account with any designated rewards partner to the extent necessary to administer the rewards program consistent with the privacy policy of IEH. We reserve the right to share information with IEH's affiliates, to the extent permitted by law, but we will not distribute or sell your

personal information to any unaffiliated party without your consent unless we are required to do so by law or it is necessary to enforce the terms of this Agreement or to allow you to receive any rewards described in the Welcome Confirmation. This authorization will remain in effect for the duration of this Agreement. Customer may rescind this authorization at any time by providing written notice thereof to IEH, at 1507 7th Street, PO Box 026 Santa Monica CA 90401 or calling IEH at 866-403-2620. IEH reserves the right to cancel this Agreement on fourteen (14) calendar days' notice in the event Customer rescinds such authorization.

## 22. Regulatory Changes:

If there is a future change in any applicable law, rule, regulation, order, filed tariffs, market rules or pricing structure whereby IEH is prevented, prohibited or frustrated from carrying out the terms of this Agreement, in its sole discretion IEH will have the right to cancel this Agreement by giving notice to you as required under applicable law. If there is a future change in any applicable law, rule, regulation, order, filed tariffs, market rules or pricing structure, or in charges or new charges, imposed by your EDC, PJM, the Commission or any governmental agency, whereby IEH incurs additional charges or costs as a result of such changes, then IEH will have the right in its sole discretion to (i) propose to adjust your price to reflect such additional charges or costs to IEH by providing you with 45 days' notice before the proposed effective date, and (ii) if you do not accept such proposed price change, cancel this Agreement by giving notice to you as required under applicable law.

## 23. Amendments:

If, at any time after receipt of your Welcome Confirmation, IEH changes the material terms of this Agreement, you will be notified of such changes and you will be provided a copy of or website link to access the updated terms. We will send you notice forty-five (45) days in advance of the effective date of the amendment that will explain your options. However, in no event shall IEH be permitted to change the waiver of jury trial provision contained herein with respect to Customer or IEH. The amendment will become effective unless you notify IEH not later than 25 days before the effective date that you do not accept the amendment. If you send such a notice, then IEH, in its sole discretion, may terminate this Agreement at the end of the then-current term and you will remain responsible for any unpaid balance as of the termination date but we will not assess a cancellation fee. Upon termination, you will be switched to your EDC's standard offer service unless you choose another electricity provider. For the avoidance of doubt, in no event shall any such updated version of the Agreement change, alter, amend or otherwise be construed to mean that the mandatory nature of the waiver of jury trial provision contained herein is changed.

## 24. Contact Information:

Electric Generation Supplier Name: Inspire Energy Holdings, LLC

1507 7th Street, PO Box 026 Santa Monica CA 90401

Phone Number: 866-403-2620

Internet Address: [www.inspireenergy.com](http://www.inspireenergy.com)

Your EDC (in case of emergency, including electric outage): If you have an electric outage, service interruption or other emergency, you can contact your EDC:

Baltimore Gas and Electric (BGE): (877) 778-2222

Potomac Electric Power Company (PEPCO): (877) 737-2662

Delmarva Power:

- Cecil and Harford Counties: (800) 898-8042

- Eastern Shore: (800) 898-8045

Potomac Edison Company: (888) 544-4877

Southern Maryland Electric Cooperative, Inc. (SMECO): (877) 747-6326

Choptank Electric Cooperative: (800) 410-4790

To contact the Maryland Public Service Commission:

*Maryland Public Service Commission*

*William Donald Schaefer Tower*

*6 St. Paul St., 16th Floor*

*Baltimore, MD 21202*

1-800-492-0474

[www.psc.state.md.us](http://www.psc.state.md.us)

You have read the Disclosure Statement and agree to the terms described above. You are not obligated to pay any money unless you sign this contract and return it to the seller.

Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please return a signed copy of this Disclosure Statement to:

*Inspire Energy Holdings, LLC*

*Attn: Customer Support*

*1507 7th Street*

7/1/2014

Terms and Conditions

*P.O. Box 026,  
Santa Monica, CA 90401*

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