

Residential – Small Commercial (<750 Dth Annually) Terms & Conditions

AGREEMENT TO SELL AND PURCHASE ENERGY - This is an Agreement between M&R Energy Resources Corporation (“M&R” or Seller) and the undersigned customer (“Customer”) under which Customer shall initiate natural gas service and begin enrollment with M&R (the “Agreement”). Subject to the terms and conditions of this Agreement, M&R agrees to sell and facilitate delivery, and Customer agrees to purchase and accept the quantity of natural gas, as estimated by M&R, necessary to meet Customer’s requirements based upon consumption data obtained by M&R or the delivery schedule of the Local Distribution Company (the “LDC”). The amount of natural gas delivered under this Agreement is subject to change based upon data reflecting Customer’s consumption obtained by M&R or the LDC’s delivery schedule. The LDC will continue to deliver the gas supplied by M&R.

TERM - This Agreement shall commence as of the date Customer’s notice regarding the change of Customer’s provider to M&R is deemed effective by the LDC and shall continue for the contract term (the “Contract Term”). Prior to completion of the Contract Term, Customer will receive written notice at least 30 days and no more than 60 days prior to the renewal date, apprising Customer of any proposed changes in the terms and conditions of this Agreement and of the Customer’s right to renew, terminate or renegotiate this Agreement. If Customer does not respond to the renewal notice prior to completion of the Contract Term, at M&R’s discretion, Customer will be: (i) returned to the LDC service; or (ii) renewed at a rate that is guaranteed to be below the LDC’s total gas supply charge, which includes the gas supply charge, merchant function charge and all applicable taxes (if any). When receiving service on a month-to-month basis, Customer may cancel or terminate this Agreement without penalty so long as M&R is provided with 30 days’ advance written notice of termination.

PRICING AND TERMINATION – The rate for all natural gas sold under this Agreement is set forth on the first page of this Agreement and shall include and be subject to all applicable taxes. Fixed Rate Natural Gas: **The price for all natural gas sold under this Agreement shall be a fixed-rate product limited to a price no greater than the trailing 12-month average utility supply rate, based on the date of contracting with the customer, plus a premium of no more than 5% per therm plus, all applicable taxes subject to the terms and conditions of this Agreement.** M&R will invoice Customer monthly for natural gas delivered under this Agreement, as measured by the LDC, and Customer will pay each invoice in full within 20 days of the invoice date or be subject to a late payment charge of 1.5% per month. If Customer fails to pay each invoice in full within 20 days of the invoice date, then, in addition to any other remedies that it may have, M&R may terminate this Agreement upon 15 days written notice to Customer. If a Small Commercial Customer terminates this Agreement prior to the end of the Initial or Renewal Term, and the Agreement is for fixed price service, then the customer shall pay, in addition to any other applicable charges, a cancellation fee equivalent to the multiplication of the (i) difference between the fixed price set forth in this Agreement and the calculation of the fixed price at the date of termination; and (ii) difference between the Customer’s annual usage for the prior 12 month period from the date of termination and the level of usage during the current Term or Renewal Term, under this Agreement. If Customer is a residential customer and selected a Fixed Rate, customer shall pay no greater than \$100/- if the remaining term is less than 12 months and \$200/- if the remaining term is 12 months or more.

BILLING - Customer may receive a single bill for both commodity and delivery costs from either M&R or the LDC, or each of the LDC and M&R may invoice Customer separately. Failure to make full payment of M&R charges due on any consolidated bill prepared by the LDC for M&R will be grounds for disconnection of utility services and commodity service in accordance with NYPSC rules and regulations on the termination of service to non-residential customers, 16 NYCRR Section 13.3. Customer payments remitted in response to a consolidated bill shall be pro-rated (when so required) in accordance with procedures adopted by the New York State Department of Public Service (the “DPS”). In the event of failure to remit payment when due, M&R may terminate commodity service and seek suspension of distribution service in conformance with the Home Energy Fair Practices Act (“HEFPA”). A \$40 fee will be charged for all returned payments.

ASSIGNMENT- Customer may not assign its interests in and obligations under this Agreement without the express written consent of M&R. M&R may sell, transfer, pledge, or assign the accounts, revenues, or proceeds hereof, in connection with any financial agreement and may assign this Agreement to another energy supplier, energy services company or other entity as authorized by the DPS.

INFORMATION RELEASE AUTHORIZATION - Customer authorizes M&R to obtain and review information regarding the Customer’s credit history from credit reporting agencies, and the following information from the LDC: consumption history, billing determinant, credit information, public assistance status, existence of medical emergencies, status as to whether Buyer has a medical emergency, is human needs, elderly, blind or disabled and data applicable to cold weather periods under PSL 32 (3); and information pertaining to PSL 33, tax status and eligibility for economic development or other incentives. This information may be used by M&R to determine whether it will commence and/or continue to provide energy supply service to Customer and will not be disclosed to a third-party unless required by law. Customer’s execution of this Agreement shall constitute authorization for the release of this information to M&R. This authorization will remain in effect during the Term of this Agreement or any renewal thereof. Customer may rescind this authorization at any time by providing written notice thereof to M&R or calling M&R at 1.866.610.7283. M&R reserves the right to cancel this Agreement in the event Customer rescinds the authorization.

CONSUMERS PROTECTION - The services provided by M&R to Customer are governed by the terms and conditions of this Agreement and the New York State Public Service Commission rules and regulations (Orders) including the Uniform Business Practices (UBP) and HEFPA for residential customers. M&R will provide at least 15 days’ notice prior to the cancellation of service to Customer. In the event of non-payment of any charges owed to M&R, Customer may be subject to termination of commodity service and the suspension of distribution service under procedures approved by the DPS. Customer may obtain additional information by contacting M&R at 1-866-610-7283. For consumer complaints that cannot be resolved with the M&R, you may contact the New York State Department of Public Service (DPS). DPS complaints may be directed as follows: Website: www.dps.ny.gov/complaints; Phone: DPS Helpline at 1-800-342-3377 (M-F 8:30a-4:00p) or mail: Office of Consumer Services, Three Empire State Plaza, Albany, New York 12223.

CANCELLATION - Customer may rescind this Agreement within 3 business days after the signing or receipt of this Agreement, whichever comes first, by contacting M&R at 1-866-610-7283. Customer is liable for all M&R charges until Customer returns to the LDC or goes to another supplier. A final bill will be rendered within 20 days after the final scheduled meter reading or if access is unavailable, an estimate of consumption will be

used in the final bill, which will be trued up subsequent to the final meter reading.

AGENCY – Customer hereby designates M&R as Customer's agent to: (a) arrange and administer contracts and service arrangements between Customer and the LDC, and between Customer and the interstate pipeline transporters of Customer's natural gas; (b) nominate and schedule with the interstate pipelines the transportation of Customer's natural gas from the Sales Points to the Delivery Points, and with the utility for the transportation for the Customer's natural gas from the Delivery Points to the Customer's premises; and (c) aggregate Customer's natural gas with the natural gas supplies of M&R's other customers in order for Customer to qualify for transportation service and to address and resolve imbalances (if any) during the term of this Agreement. As Agent for Customer, M&R will schedule the delivery of a quantity of natural gas at the Sales Points necessary to meet Customer's city gate requirements based on the consumption and other information that M&R receives from the LDC. The Sales Points for the natural gas will be a point or points located outside of New York State selected from time to time by M&R to assure service reliability. The Delivery Points for natural gas transported by interstate pipelines will be the city gate stations of the LDC. M&R agrees to transport or arrange for the transportation of the natural gas from the Sales Points to the Delivery Points and from the Delivery Points to the Customer's premises.

TAXES, TITLE, RISK OF LOSS, etc. – Customer and M&R agree that title to, control of, and risk of loss of the quantities of natural gas supplied under this agreement will transfer from M&R to Customer at the Sales Point(s). Customer will be liable for and pay all taxes, assessments or surcharges, which are imposed with respect to the sale of natural gas. If Customer is exempt from such taxes, Customer is responsible for identifying and requesting any exemption from the collection of the taxes by filing appropriate documentation with M&R.

WARRANTY- This Agreement, including any enrollment form and applicable attachments, as written makes up the entire Agreement between Customer and M&R. M&R makes no representations or warranties other than those expressly set forth in this Agreement, and M&R expressly disclaims all other warranties, express or implied, including merchantability and fitness for a particular use.

FORCE MAJEURE – M&R will make commercially reasonable efforts to provide natural gas hereunder, but M&R does not guarantee a continuous supply of natural gas to Customer. Certain causes and events out of the control of M&R ("Force Majeure Events") may result in interruptions in service. M&R will not be liable for any such interruptions caused by a Force Majeure Event, and M&R is not and shall not be liable for damages caused by Force Majeure Events. Force Majeure Events shall include acts of God, fire, flood, storm, terrorism, war, civil disturbance, accidents, strikes, labor disputes or problems, required maintenance work, inability to access the local distribution utility system, non-performance by the LDC (including, but not limited to, a facility outage on its natural gas distribution lines) or any other cause beyond M&R's control.

LIABILITY - The remedy in any claim or suit by Customer against M&R will be solely limited to direct actual damages (which will not exceed the amount of Customer's single largest monthly invoice amount in the immediately preceding 12 months). All other remedies at law or in equity are hereby waived. In no event will either M&R or Customer 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 this Agreement.

M&R CONTACT INFORMATION - Customer may contact M&R's Service Contact Center at 1-866-610-7283, Monday through Friday 8:00 a.m. - 5:00 p.m. EST (contact center hours subject to change) or write to M&R at: P.O Box 4091, New Windsor, NY 12553.

DISPUTE RESOLUTION - In the event of a billing dispute or a disagreement involving M&R's service hereunder, the parties will use their best efforts to resolve the dispute. Customer must contact M&R in writing at the above address with proof of mailing within 60 days of the invoice date. For consumer complaints that cannot be resolved with M&R, you may contact the New York State Department of Public Service (DPS). DPS complaints may be directed as follows: Website: www.dps.ny.gov/complaints; Phone: DPS Helpline at 1-800-342-3377 (M-F 8:30a-4:00p) or mail: Office of Consumer Services, Three Empire State Plaza, Albany, New York 12223. Customer must pay the bill in full, except for the specific disputed amount, during the pendency of the dispute, and such payment shall be refunded if warranted by the decision of DPS.

CHOICE OF LAWS - Venue for any lawsuit brought to enforce any term or condition of this Agreement or to construe the terms hereof shall lie exclusively in the State of New York. This Agreement shall be construed under and shall be governed by the laws of the State of New York without regard to the application of its conflicts of law principles.

CHANGE IN LAW OR PRACTICE – M&R may pass through or allocate, as the case may be, to Customer any increase or decrease in M&R's costs related to the natural gas and related products and services sold to Customer that results from the implementation of new, or changes (including changes in intrastate and interstate pipeline transportation rates) to existing Laws, or other requirements or changes in administration or interpretation of Laws or other requirements, or changes to the manner in which any Law is implemented ("Change in Practice"). "**Law**" means any law, rule, regulation, ordinance, statute, judicial decision, administrative order, transporter or utility business practices or protocol, transporter or utility tariff, or rule of any commission or agency with jurisdiction in the State in which the Facility(s) is located. "Change in Practice" includes a change in the manner any transporter, LDC, pipeline, agency or any other authority implements or interprets any items listed under "Law" above that increases M&R's costs. Such adjusted amounts will be included in subsequent invoices to Customer.

- Residential & Small Commercial Customers: Seller shall first obtain affirmative consent from residential and small commercial customers prior to passing on any additional costs and/or modifying this Agreement.

If at some future date there is a change in any law, rule, regulation, pricing structure or market condition whereby the Company is prevented, prohibited or frustrated from carrying out the terms of the Agreement, or if the Company is unable to economically continue this Agreement, the Company shall have the right to cancel this Agreement on 15 days' notice to Customer.

EMERGENCY SERVICE - The LDC will continue to respond to leaks and emergencies. In the event of a natural gas leak, service interruption or other emergency, Customer should immediately call the LDC;

Central Hudson Gas & Electric: 1-800-527-2714
Consolidated Edison: 1-800-752-6633
Long Island Power Authority: 1-800-490-0075

New York State Electric & Gas: 1-800-72-1131
Orange & Rockland Electric: 1-800-434-4100
Orange & Rockland Gas: 1-800-533-5325