

TERMS OF SERVICE - RESIDENTIAL

Thank you for choosing Good Charlie & Co., LLC ("**GoodCharlie**", also referred to herein as "**we**", "**our**", and "**us**") as your Retail Electric Provider ("**REP**"). This document (the "**TOS**") explains the terms and conditions of Customer's agreement to purchase electricity from us. For purposes of this TOS, the term "**Customer**" (also referred to herein as "**you**" and "**your**") shall mean the residential customer applicant for residential electric service that enters into this Agreement, such person's spouse, or an authorized agent thereof (as applicable). This TOS, together with your relevant Electricity Facts Label ("**EFL**") and the Your Rights as a Customer disclosure document ("**YRAC**"), form the entire agreement between you and us (the "**Agreement**").

1. IMPORTANT CONTACT DETAILS**Contact GoodCharlie:**

Mail: Good Charlie & Co., LLC
PO Box 570907
Houston, Texas 77257
Phone: 1-800-205-5230
Website: www.goodcharlie.com
Email: care@goodcharlie.com
Customer Service Hours: 8:00am – 5:00pm CST, Monday - Friday

Report an Outage or Emergency:

AEP Central: 1-866-223-8508
AEP North: 1-866-223-8508
CenterPoint: 1-800-332-7143
Oncor: 1-888-313-4747
Texas New Mexico Power: 1-888-866-7456

Your contact information is stated in your application for service. It is your responsibility to contact us (as provided above) if any of your contact information changes in order to ensure that you continue to receive invoices and other notices from us that will be provided under the Agreement.

2. WHAT IF I NEED A COPY OF MY CONTRACT IN SPANISH? ¿QUÉ HAGO SI NECESITO UNA COPIA DE MI CONTRATO EN ESPAÑOL?

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

3. RIGHT OF RESCISSION

IF YOU ARE SWITCHING SERVICE FROM ANOTHER REP TO GOODCHARLIE, YOU MAY CANCEL THIS AGREEMENT WITHOUT PENALTY OR FEE WITHIN THE FIRST 3 FEDERAL BUSINESS DAYS AFTER YOU RECEIVE THIS AGREEMENT BY THESE METHODS:

- (1) Call us at 1-800-205-5230; or
- (2) Send us an email at care@goodcharlie.com no later than midnight of the 3rd federal business day.

Please include:

- (a) Your name and service address;
- (b) Your GoodCharlie account number or Electric Service Identifier ("**ESI ID**"); and
- (c) A statement that you are cancelling your Agreement under this 3-day rescission right.

4. SUPPLY OF ELECTRICITY

We agree to sell electricity to you at your service address(es) and you agree to purchase electricity from us on the terms and conditions set out in this Agreement. The type of electric service provided to you under this Agreement (either the "**Fixed Rate Product**" or "**Variable Price Product**", in each case the "**Product**") shall be elected by you as set forth in the EFL. If you are currently supplied by another REP, then by entering this Agreement you have given your consent to transfer to us. You will continue to be supplied by that REP until the transfer to us is complete. Your service under this Agreement will begin upon successful enrollment as determined by your TDU. If you are currently receiving service from another REP, we do not charge a switch fee. However, we

will bill you for any charges to implement your electricity service imposed by your TDU which may include, but are not limited to, a service connection fee, reconnection fee, meter test fee, and out-of-cycle or similar special meter read fee or priority fees if any of these services are performed on an expedited basis. We will not be liable for, nor are we able to commit to, an exact date for the commencement of service with us.

This Agreement is conditioned on our acceptance of you as our Customer. You will purchase electricity for the ESI ID and service address you have identified and in accordance with the terms and conditions in this Agreement. Following completion of an enrollment with us, you may be required to complete a verification call before your request for service can be processed. In the event you fail to provide any additional information required to process your enrollment within 10 days of such request, we reserve the right to refuse to honor the terms of this Agreement. We may refuse to provide electric service under one or more of the provisions set forth under PUCT Rule 25.477 (<http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/electric.aspx>). If denied service under one of these provisions, you will be notified. In the event that there is a change in the terms of this agreement between the time you enroll for service and the time that your enrollment is actually processed by us, we reserve the right to deny service under this TOS.

We will make commercially reasonable efforts to supply electricity to you, but we do not guarantee a continuous supply of electricity. You acknowledge that certain events outside of our control ("**Force Majeure Events**") may result in service interruption. You agree that we will not be held liable for a failure to deliver you electricity during a Force Majeure Event including, but not limited to, acts of God, acts of any court or government authority (including the PUCT or ERCOT), accidents, strikes, labor disputes, required maintenance work, inability to access the TDU or ERCOT systems, nonperformance by the TDU or ERCOT, pandemic or governmental response thereto, or any other cause beyond our control. If a Force Majeure Event occurs which renders us unable to perform in whole or in part under this Agreement, then we will be excused from performance for the duration of such event.

The electricity supplied to you by GoodCharlie will be supplied from a variety of generating sources. If you purchase a 100% renewable product from GoodCharlie, you are financially supporting renewable energy generation through the purchase of Renewable Energy Credits ("**RECs**"). RECs are created when a qualified renewable energy generating facility (like a wind farm or solar array) produces electricity. GoodCharlie will purchase RECs and retire those RECs in direct proportion with the kWh you consume. Even though your TDU does not necessarily deliver the specific electricity generated from that renewable source to your service address, you can be confident that every kWh you use is helping promote and support the continued development of renewable energy.

5. TERM OF AGREEMENT; RENEWAL

The commencement date of this Agreement is the date that you accept our offer to supply you with electricity and the minimum time period this Agreement will be in effect thereafter (the "**Term**") is as elected by you and shown on your applicable EFL. You will be responsible for amounts due to GoodCharlie for consumption up to the date that the termination of this Agreement becomes effective.

GoodCharlie will provide you with at least three written contract expiration notices. These notices must generally be provided during the last third of the contract term at even intervals. For contract terms of 12 months or longer, the first notice may be provided up to 3 months prior to the contract expiration date. For contract terms of more than 4 months, the final notice will be provided at least 30 days prior to the contract expiration date. For contract terms of 4 months or fewer, the final contract expiration notice will be provided at least 15 days before the end of the contract. You have the right to terminate your contract without penalty if you terminate your contract within 14 days of its expiration date. If you do not take action to ensure that you continue to receive service upon the expiration of your contract you will continue to be served by us automatically under a default renewal product on a monthly basis after the end of your initial contract term, until you switch to another provider, select another GoodCharlie electric service plan, or we terminate or disconnect your electric service.

6. CHARGES AND FEES

The EFL for your relevant Product states the average total monthly price per kilowatt hour ("**kWh**") of electricity based on different monthly usage levels. The total monthly price per kWh is the "**Average Price**". The Average Price includes our energy charge to supply the Product to you (the "**Energy Charge**"), Base Charge if applicable, and all recurring TDU charges for the delivery of electricity.

The Average Price does not include the following charges, all of which may be passed through to you and separately stated on your invoice (as applicable): (i) any state and local sales taxes or assessments (whether charged by municipalities, the PUCT, or

otherwise); (ii) reimbursement for the state miscellaneous gross receipts tax; (iii) non-recurring charges assessed by the TDU (e.g., special meter read/test fees, installation and connection fees, disconnection and reconnection fees); (iv) any non-recurring charges assessed by us; or (v) fees for any Non-Energy Services. You agree to pay such adjustments and nonrecurring fees, and fees for any Non-Energy Services as shown on the invoice. In the event the PUCT permits any changes in fees charged by the TDU, or if ERCOT permits any changes, increases, or adds new fees, we reserve the right to adjust the price per kWh accordingly with or without advance notice. The rates charged by each TDU are available at any time by calling us at our customer service number.

In addition to any non-recurring charges assessed by the TDU, you may be responsible for the following non-recurring charges assessed by us (as provided under this Agreement): (A) a late fee of 5% of past-due balances owed to us (see Section 8); (B) any fees assessed by the bank for insufficient funds or chargeback; (C) a payment processing fee up to 2.9% per Credit Card transaction; (D) a disconnection fee of \$25 if your service is suspended or disconnected (see Section 11); (E) a reconnection fee of \$25 if your service is reconnected; (F) a document processing of \$4.95 per document and (G) an early termination fee if you cancel this Agreement before the end of the Term (see Section 11(a)).

7. CHANGES TO CHARGES AND FEES

- a. **Fixed Rate Product:** For a Fixed Rate Product, your Energy Charge shall remain fixed throughout the Term of your Agreement. Your Average Price will only change in order to reflect (i) changes to TDU charges; (ii) changes to Electric Reliability Council of Texas ("ERCOT") or Texas Reliability Entity ("TRE") administrative fees charged to loads; or (iii) changes resulting from federal, state or local laws, or regulatory actions that impose new or modified fees or costs on us that are beyond our control.
- b. **Variable Price Product:** For a Variable Price Product, your Energy Charge may fluctuate on a month-to-month basis and is subject to change in our sole discretion based on the fluctuation of wholesale market prices of electricity. If you are enrolled in GoodCharlie's Variable Price Product, you may monitor the rates and view the historical prices of such Product by visiting www.goodcharlie.com or calling us Toll Free at 1-800-205-5230.

8. METER READS AND BILLING

We will send you a bill every month for your electricity. The monthly bill will be due and payable in full no sooner than 16 calendar days of the date of the bill. You agree to pay the amount due on the invoice from us in a timely manner and in accordance with this Agreement. If payment is not received by the due date on the bill, a one-time 5% late fee will be applied to the balance. In addition to any such late fee, your failure to pay may result in a disconnection of service as provided in Section 11(b). Acceptance by us of any partial payment from you will not relieve you of your obligation to pay the full amount owed. If you have provided your credit card and/or banking information to GoodCharlie, we may charge you, as allowed by law, for any past due balances without additional notice to you. We reserve the right to have included on your monthly bills any charges or credits necessary to correct any billing errors. Please contact us at our customer service number if any such charges cause a problem for you.

We (or anyone acting on our behalf) reserve the right to pursue all legal methods to collect any amounts lawfully owed. In the event that you fail to pay your bill in accordance with this Agreement, you agree to pay reasonable collection costs and expenses (including attorney's fees) we incur as a result of our attempt to collect any amounts you owe. We will make reasonable efforts to return any unclaimed credits if a credit balance exists on your account after payment of your final bill from us. You will be charged a fee for payments returned or dishonored.

If you have any questions or a dispute regarding the charges on your bill or payments with respect to your account, please call us at 1-800-205-5230. If we are unable to respond to your question or dispute, we will promptly investigate the matter and report our findings to you. You will not be required to pay the disputed portion of your charges while we investigate. If you are not satisfied with our response you may contact the PUCT. For more information on your rights in the event you have a dispute with your bill or information on how to contact the PUCT, please see the YRAC.

We may be required to use estimated meter readings to generate bills in the event that an error or omission exists in the monthly meter reading. If your bill is based on an estimated meter reading, it will be noted on your bill. Estimated charges will be reconciled once we receive your actual usage.

9. ALTERNATE PAYMENT OPTIONS

If you contact us and indicate your inability to pay or ask for assistance regarding bill payment, we will inform you of all applicable payment options and billing assistance programs offered by us and the relevant eligibility requirements and procedures to apply for each program. We currently offer the following alternative payment options:

- a. **Balanced Billing Program:** Our Balanced Billing Program (the “**Program**”) allows you to pay approximately the same electric bill each month for a 12 month period (the “**Program Period**”). If you enroll in the program, we will review your usage history for each month of the previous year and apply your current Average Price to the usage in each such month. After calculating your expected bills for the Program Period (based on the previous year’s usage and current Average Price), we will average all such monthly bills together in order to reach a balanced bill that you will pay during the Program Period. Your monthly invoices during the Program Period will show both the actual usage in such month and actual bill amount, but you only will be required to pay the balanced bill amount. Any difference between your actual bill amount and balanced bill amount will also be shown on your invoice each month.

At the end of the Program Period, we will calculate the difference between your actual bill amounts and balanced bill amounts to determine if an over billing or under billing has occurred during the relevant Program Period. We will (i) credit your account with respect to any overbilling during the Program Period; and (ii) charge your account for any amount that was under billed during the Program Period. You are required to contact us at the end of your Program Period to continue the Program.

To be eligible for our Balanced Billing Program, you must not be delinquent in any outstanding payments owed to us. You will be ineligible to continue participation in the Balanced Billing Program if you are delinquent in making payments to us during the Program Period. All payments made under the Balanced Billing Program are subject to the terms and procedures of Section 9 herein, including our right to assess any late fees and take collection actions with respect to any late payments.

- b. **Deferred Payment Plan:** If you are unable to pay a bill when due, you should contact us to determine whether you qualify for our Deferred Payment Plan. The Deferred Payment Plan allows you to pay an outstanding bill in installments that extend beyond the payment date of your current bill. You should be advised that if you choose to enter into a deferred payment plan, a switch-hold may be placed on your account and that you will not be able to buy electricity from other companies until you pay the past due amount owed to GoodCharlie. You may not be eligible for our Deferred Payment Plan if you (i) have been issued more than 2 disconnection notices during the preceding 12 months; or (ii) have received service from us for less than 3 months, and you lack (a) sufficient credit; or (b) a satisfactory payment history of payment for electric service from a previous REP (or a predecessor electric utility). You will be eligible for our Deferred Payment Plan, upon your request, if (1) the payment date for your bill occurs during an extreme weather emergency; or (2) you have been under-billed in the amount of \$50.00 or more (unless due to theft of service). All Deferred Payment Plans shall be confirmed in writing between us and you, and a copy shall be provided to you for your records. If you do not abide by the terms of your Deferred Payment Plan, then we may have the right to disconnect your service as discussed in Section 11(b).

10. CREDIT REQUIREMENTS AND DEPOSITS

We may use credit reporting agencies to document and evaluate your credit and/or payment history. If you do not meet our credit standards or cannot demonstrate satisfactory credit as defined in PUCT Rule 25.478 (see <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/electric.aspx>), we may require a deposit from you. If a deposit is required, the amount shall not exceed the greater of either the sum of your estimated billings for the next 2 months or one-fifth of your estimated annual billing. We will apply any cash deposit held on your behalf plus any accrued interest (calculated at the PUCT-approved rate) to the outstanding balance on your final bill, or to your current balance when you have paid bills for 12 consecutive months without any late payments.

We will not use a credit score, a credit history, or utility payment data as the basis for determining the price for electric. We will not deny service or require a prepayment or deposit for service based on your race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, your location in a distressed geographical area, or qualification for low-income or energy-efficiency programs and services.

Customers that are 65 or over, medically indigent, or are the victims of family violence and can provide a certification letter by the Texas Council on Family Violence as defined in the Texas Family Code § 71.004 (see <http://www.statutes.legis.state.tx.us>) may not be required to pay a deposit. You may arrange for a guarantor to enter into a guarantee agreement with GoodCharlie in lieu of paying a cash deposit. Please contact us if you would like for information on the requirements of a guaranty agreement.

11. EARLY TERMINATION; DISCONNECTION

- a. The Term of this Agreement is stated in your EFL and matches the Term you requested. If you cancel or terminate this Agreement before the end of the Term by providing notice to us pursuant to Section 1 (including a switch to a new REP), then we may charge you the early termination fee stated in your EFL (if any) and pursue any other remedies available to us relating to this Agreement at law or in equity. Notwithstanding the foregoing, if you (i) cancel or terminate this Agreement as the result of a move to another premise; and (ii) provide us with evidence of your move, including a forwarding address and any other reasonable evidence that you no longer occupy your service address, then you will not be obligated to pay us any early termination fee. You will remain obligated to pay us any outstanding amounts then due and owing under the Agreement.
- b. We may request disconnection of your electric service if you (i) do not pay us any amount owed pursuant to Sections 6 or 9 (or do not make a deferred payment arrangement with us pursuant to Section 9) or (ii) do not pay us any required deposit pursuant to Section 10, in each case by the disconnection date stated on the disconnection notice that we send to you. However, we will not direct the TDU to disconnect your electric service for non-payment of any legitimately disputed amount(s).
- c. At least 10 days prior to disconnecting your service, we will provide you proper notification and an opportunity to avoid disconnection by paying outstanding bills or delivering any outstanding deposit. If you do not pay any past-due balance within 5 days of your service being disconnected, your account with us may be deactivated, and in addition to being responsible for any outstanding fees and charges, you may be required to reapply for service with us and pay a new deposit.
- d. In accordance with PUCT Rule 25.483(d), we may immediately disconnect your electric service without giving you prior notice under certain circumstances, including the existence of a known dangerous condition at the premises or theft of service (see <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/electric.aspx>).

12. ROUNDUP PROGRAM; NON-ENERGY SERVICES

- a. **Roundup for Rescues Program:** GoodCharlie will roundup each Customer invoice to the nearest dollar and donate the amount to an animal rescue partner. The roundup amount will be paid by GoodCharlie and at no cost to the Customer. Customer will have the option to match GoodCharlie's roundup donation each month. 100% of the roundup dollars will be donated to an animal rescue partner.
- b. **Non-Energy Services:** Certain Non-Energy Services may be provided to Customers by GoodCharlie from time to time in the sole discretion of GoodCharlie. You may find information related to Non-Energy Services then being offered by us on our website at www.goodcharlie.com. **CUSTOMERS, INCLUDING THOSE THAT ELECT TO ENHANCE THEIR PARTICIPATION IN SUCH NON-ENERGY SERVICES BY PAYING A PREMIUM FEE FOR SUCH NON-ENERGY SERVICES, AGREE THAT GOODCHARLIE HAS NO RESPONSIBILITY FOR THE OPERATION OR SUPPORT OF ANY NON-ENERGY SERVICES THAT CUSTOMERS ELECT TO RECEIVE IN CONNECTION HEREWITH, AND CUSTOMER HEREBY AGREES THAT GOODCHARLIE SHALL HAVE NO LIABILITY WITH RESPECT TO THE PERFORMANCE OF SUCH NON-ENERGY SERVICES.** Participation in any Non-Energy Services, and any fees charged in connection therewith, shall terminate and cease on the earlier of (i) the last day of the billing cycle during which you notify us that you wish to terminate such Non-Energy Service and (ii) the last day that you are a GoodCharlie Customer. You remain responsible for all fees accrued in connection with Non-Energy Services until they are terminated as described herein.

As used herein, "**Non-Energy Services**" means non-energy services facilitated by GoodCharlie and affirmatively elected by you. Examples of Non-Energy Services include a Pet Emergency Fund, Online Vet Services, or other programs or plans facilitated from time to time in GoodCharlie's sole discretion.

13. MISCELLANEOUS

- a. **Regulatory Changes:** The price and terms of this Agreement are based on the laws, rules, tariffs, and protocols in place at the time of execution. If, during the term of this Agreement, the PUCT, ERCOT, the Texas Comptroller's Office or any other government body or agency with jurisdiction over the Texas electricity market or REPs operating in Texas approves changes which impact the cost to provide electricity service to you, we reserve the right to adjust the prices, terms, rates, riders, fees, tariffs, or any other charges under this Agreement accordingly pursuant to PUCT Rule 25.475(e) (see <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/electric.aspx>).

- b. **Limitations of Liability:** YOU AGREE THAT EVENTS OF FORCE MAJEURE MAY RESULT IN INTERRUPTION IN YOUR SERVICE AND THAT WE WILL NOT BE LIABLE TO YOU FOR THOSE INTERRUPTIONS. YOU ALSO AGREE THAT (1) WE ARE NOT RESPONSIBLE FOR GENERATING YOUR ELECTRICITY OR FOR TRANSMITTING OR DISTRIBUTING ELECTRICITY TO YOUR SERVICE ADDRESS; AND (2) WE ARE NOT RESPONSIBLE WITH RESPECT TO ANY THIRD-PARTY SERVICES, INCLUDING ANY NON-ENERGY SERVICES. TO THE EXTENT THAT EITHER PARTY IS RESPONSIBLE FOR DAMAGES TO THE OTHER PARTY HEREUNDER, THEN, EXCEPT AS EXPRESSLY PROVIDED HEREIN, ANY SUCH DAMAGES WILL BE LIMITED TO DIRECT ACTUAL DAMAGES AS THE PARTY'S SOLE AND EXCLUSIVE REMEDY, AND EACH PARTY WAIVES ALL OTHER REMEDIES AT LAW OR IN EQUITY. NEITHER PARTY WILL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, WHETHER IN TORT, CONTRACT OR OTHERWISE. THESE LIMITATIONS WILL BE WITHOUT REGARD TO CAUSE, INCLUDING THE NEGLIGENCE OF EITHER PARTY.
- c. **Representations and Warranties:** We represent that the electricity sold under this Agreement will meet the quality standards of your applicable local TDU and will be supplied from a variety of sources. **WE MAKE NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT, AND EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** You represent that it you are entering into this Agreement as principal and not as agent for any other party and that the person signing this Agreement on behalf of you (if applicable) has the authority to bind you to this Agreement.
- d. **Title, Risk of Loss, and Indemnity:** You shall be deemed to be in exclusive control (and responsible for any damages or injury caused thereby) of the electricity after it reaches your electric meter. Title to and risk of loss related to the electricity shall transfer from us to you at the point where we deliver such electricity to your TDU. You shall indemnify, defend, and hold us harmless from any and all claims for any loss, damage, or injury to persons or property, including without limitation, all consequential, exemplary, or punitive damages arising from or related to any act or incident occurring after title to the electricity has passed to you.
- e. **Assignment:** This Agreement shall inure to the benefit of GoodCharlie and Customer and their permitted successors and assigns. You may not assign this Agreement without our prior written consent, which consent shall not be unreasonably withheld. You hereby acknowledge and consent to our pledge and contingent assignment or subrogation of all rights and obligations hereunder. Upon any such assignment by us, you agree that we shall have no further obligations hereunder. In the event any other provision of this Agreement shall be deemed to prohibit or otherwise restrict our ability to assign, subrogate, or pledge any of our rights hereunder, this provision shall control.
- f. **Amendments:** We may make changes to the terms of this Agreement only as permitted in PUCT Rule 25.475(d) (see <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/electric.aspx>). For changes to the TOS, we will provide you at least fourteen (14) days prior written notice before the date that the change takes effect (unless our change is beneficial to you).
- g. **Choice of Law and Jurisdiction:** This Agreement shall be governed by Texas law and exclusive jurisdiction and venue for any controversy arising from or relating to this Agreement will be located in the state courts of Harris County, Texas or the federal courts in the Southern District of Texas having jurisdiction over such action (and each party waives any right to object to venue in this regard).
- h. **Entire Agreement:** This Agreement contains all terms, conditions, and agreements in any way related to, or arising out of, the sale and purchase of electricity and the provision of any Non-Energy Services between us and you. This Agreement supersedes all prior agreements between us and you, whether written or oral.
- i. For specific information concerning your electric Product, you should refer to the relevant EFL applicable to your Product. All references herein to the PUCT Substantive Rules Applicable to Electric Service Providers, as amended may be accessed by you online at <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/electric.aspx>.

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