South Bay Energy Corp. (ESCO)
54 State Street, Suite 804 #7818
Albany, NY 12207

Toll Free: 877-724-9010
Fax: 631-724-9011

CUSTOMER DISCLOSURE STATEMENT –ALL COMMERCIAL
GREEN RENEWABLE ELECTIC PRODUCT

Customer: _____ **Date:** _____

Address: _____ **Electric Account #:** _____

_____ **Electric Utility (LDC):** _____

Contact: _____ **Telephone:** _____

Last 4 SS#: _____ **Security Question:** _____

Sales Representative: _____ **Electric Account #:** _____

CUSTOMER DISCLOSURE STATEMENT

Price Structure	Green Electric Fixed Price: _____per/kWh; Percentage Renewable: _____ Green Variable Rate Price: _____per/kWh; Percentage Renewable: _____
Fixed or Variable and, if variable, how price is determined	Fixed & Variable Green Electric Rates includes the cost of electricity obtained from all sources (including energy, capacity, settlement, ancillaries), Renewable Energy Credits ("RECs") related transmission and distribution charges and other market-related factors, plus all applicable taxes, fees, charges or other assessments and South Bay Energy Corp's costs, expenses and margins. Any time a material change occurs, consent is required. *As detailed in the attached Terms and Conditions, Fixed Price may be modified due to a change in law and customer may be subject to additional costs if usage exceeds or falls below 10% of Base Historic Load, in each case, with affirmative consent, if required.
Length of the agreement and end date	The Initial Term of this Agreement is _____ months and will begin on the first available date that your Account is successfully enrolled with your Distribution Utility. For more details see Section 2-Term.
Renewable Energy Product	_____% of the energy provided under this agreement shall be derived from renewable resources as specified in this agreement. See Section **Renewable Energy Program – Terms and Condition**s for additional information.
Process Customer May Use to Rescind Agreement Without Penalty	N/A
Amount of Early Termination Fee and Method of Calculation	No early termination fee for variable rate service. Fixed: For all commercial customers solicited through door-to-door marketing, the early termination fee will be no greater than $100 if less than 12 months and $200 if the remaining term is 12 months or more. Fixed: For all other Commercial Customers (not solicited through door-to-door), the projected amount of electricity to be consumed by you for the remainder of the current Term multiplied by the difference between the fixed price in effect for the remainder of the current Term and the price at which South Bay Energy Corp. can sell such electricity following the termination.
Late Payment Fee/ Calculation	South Bay Energy Corp. does not charge any late payment fees. You are billed by your utility.
Provisions for Renewal	Variable Rate agreements will continue until cancelled by either party. Fixed Rate: Upon expiration of the Initial Term, Customer will be provided the option to: (i) enter into a new agreement, (ii) renew on a month-to-month basis which will continue until cancelled by either party (each such month, a "Renewal Term") with no change to remaining terms or (iii) be returned to Utility service. Applicable to any commercial customers solicited door-to-door: If the renewal involves any material change, such as a change in rate or product type, express consent is required. Without such consent, the customer will be returned to utility service.
Conditions under which savings are guaranteed	Savings are not guaranteed.
Compensation	ESCO will pay broker/consultant a fee of $ per kWh in conjunction with this agreement.

For: South Bay Energy Corp.
ESCO
By: _____
Date: _____

For: _____
CUSTOMER'S NAME
By: _____
Date: _____

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Agreement to Sell and Purchase Energy: This is an agreement between South Bay Energy Corp. ("ESCO" or "Company") and the undersigned customer (Customer) under which Customer shall initiate energy service (electricity) and begin enrollment with ESCO (the "Agreement"). Subject to the terms and conditions of this Agreement, ESCO agrees to sell and deliver, and Customer agrees to purchase and accept the quantity of energy, as estimated by ESCO, necessary to meet Customer's requirements based upon consumption data obtained by ESCO or the delivery schedule of the Local Distribution Company (the "LDC"). The amount of energy delivered under this Agreement is subject to change based upon data reflecting Customer's consumption obtained by ESCO or the LDC's delivery schedule.

Terms and Conditions

Term: For Variable Rate Renewable Electric service this Agreement shall commence as of the date Customer's notice regarding the change of Customer's provider to ESCO is deemed effective by the LDC, and shall continue on a month-to-month basis until ESCO or Customer cancels the Agreement. The Customer may provide written notice of termination or call ESCO at 1-877-724-9010 or call their delivery company to terminate the agreement. ESCO may terminate this Agreement by providing 30 days' written notice to the Customer.

For Fixed Rate Renewable Electric service this Agreement shall commence as of the date Customer's notice regarding the change of Customer's provider to ESCO is deemed effective by the LDC, and shall continue for the Initial Term. At least 30 days and no more than 60 days prior to the renewal date, ESCO will notify Customer in writing of the terms of renewal of this Agreement and of the Customer's right to renew, reject or renegotiate this Agreement Upon expiration of the Initial Term, Customer will be provided the option to: (i) enter into a new agreement via affirmative consent, (ii) renew on a month-to-month basis (each such month, a "Renewal Term") with no change to remaining terms or (iii) be returned to Utility service. If Customer does not select one of the above options before the Initial Term expires, at the ESCO's discretion, the Customer will be returned to Utility service.

The following is applicable to any commercial customer solicited door-to-door: For any renewal of this Agreement, ESCO must obtain the Customer's express consent if the renewal offer contains any material change to the terms and conditions of this Agreement, including a change in rate structure or product type. If ESCO does not receive express consent to a renewal with Material Changes, the Customer will be returned to utility service.

Customer shall have 3 business days from receipt of the first billing statement of the Renewal Term to reject renewal terms and cancel the renewal agreement. While receiving service on a month-to-month basis, such notification will be provided only for the first renewal occurring at the end of the Initial term. Customer will be notified whenever a material change occurs, including renewal. Customer or ESCO may cancel or terminate this Agreement by providing 30 days' advance written notice of termination to the other party.

Customer is liable for all ESCO charges until Customer returns to the LDC or goes to another supplier. A final bill will be rendered within twenty (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.

Price: The price for products sold under this Agreement is described on the Customer Disclosure Statement ("CDS"). The price for all energy sold under this Agreement shall include and be subject to all applicable taxes. In addition, the following conditions apply

- Variable Rate Renewable Energy Product: The price changes each month reflecting the cost of energy, capacity, RECs, settlement, ancillaries, related transmission and distribution charges and other market-related factors; plus all applicable taxes, fees, charges, costs, expenses and margins. This product does not guarantee savings.
- Fixed Rate Renewable Electricity: The price is identified on the CDS on a per kWh basis, plus all applicable taxes. Products for the renewable electric product are not subject to any price cap. If a Customer terminates the Agreement early, or otherwise breaches, ESCO is entitled to recover an early termination fee as described on the CDS.

For all fixed price products, if usage in any month exceeds the level of usage in the same month in the previous year ("Base Load") by ten percent or more, the Customer will be charged a variable price for all usage in excess of the Base Load and the fixed price for usage up to the Base Load. If the usage in any month falls by ten percent or more below the Base Load, the Customer will be charged the fixed price for all usage and shall be charged for hedging, cash out costs, settlement or balancing costs related to the positive difference between the Base Load and actual consumption. Affirmative consent will be obtained from commercial customers solicited through door-to-door marketing before applying any additional Base Load charges.

Billing: Customer may receive a single bill for both commodity and delivery costs from either ESCO or the LDC, or each of the LDC

and ESCO may invoice Customer separately. Failure to make full payment of ESCO charges due on any consolidated bill prepared by the LDC for ESCO 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"). No fee will be charged for any returned payments.

Information Release Authorization: Customer authorizes ESCO to obtain and review information regarding Customer's credit history from credit reporting agencies and the following information from the LDU: consumption history; billing determinants; utility account number; credit information; public assistance status; existence of medical emergencies, status as to whether Customer 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 ESCO 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 ESCO. This authorization will remain in effect during the Initial Term and any Renewal Term.

Service: Customer agrees to purchase and accept the quantity of energy, as estimated by ESCO, necessary to meet Customer's requirements based upon consumption data obtained by ESCO or the delivery schedule of the Customer's local distribution company (LDC).

Title (Electricity): All electricity, if sold under this Agreement, shall be delivered to a location considered the "Point of Delivery", which shall be at the NYISO ESCO load bus (located outside of the municipality where Customer resides), and shall constitute the point at which title transfers and the sale occurs. ESCO will indemnify and hold harmless Customer from all taxes, royalties, fees or other charges incurred before title passes with respect to the electricity provided hereunder.

Consumer Protection: Customer may obtain additional information by contacting ESCO at 877-724-9010 or the DPS at 1-888-697-7728, or by writing to the DPS at: New York State Department of Public Service, Office of Consumer Services, Three Empire State Plaza, Albany, New York 12223, or through its website at dps.ny.gov. The services provided by South Bay 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. ESCO 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 ESCO, a residential 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 ESCO at 1-877-724-9010 or the DPS at 1-800-342-3377, or by writing to the DPS at: New York State Department of Public Service, Office of Consumer Services, Three Empire State Plaza, Albany, New York 12223, or through its website at: www.dps.ny.gov. You may also contact the Department for inquiries regarding the competitive retail energy market at 1-888-697-7728.

Agency: Customer hereby appoints ESCO as agent for the purposes of (i) acquiring the supplies necessary to meet Customer's energy needs, and (ii) arranging, contracting for and administering transportation and related services over transmission and pipeline facilities and those of the LDC needed to deliver energy to the Customer's premises. These services are provided on an arm's length basis and market-based compensation is included in the price noted above.

Warranty: This agreement, including any enrollment form and applicable attachments, as written makes up the entire Agreement between Customer and ESCO. ESCO makes no representations or warranties other than those expressly set forth in this agreement, and ESCO expressly disclaims all other warranties, expressed or implied, including merchantability and fitness for a particular use.

Force Majeure: ESCO will make commercially reasonable efforts to provide energy hereunder but ESCO does not guarantee a continuous supply of energy to Customer. Certain causes and events out of the control of ESCO ("Force Majeure Events") may result in interruptions in service. ESCO will not be liable for any such interruptions caused by a Force Majeure Event, and ESCO is not and shall not be liable for damages caused by Force Majeure Events. Force Majeure Events shall include acts of God, pandemic, 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 energy distribution network), any other cause beyond ESCO's control.

Liability: The remedy in any claim or suit by Customer against ESCO 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 ESCO 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.

Contact Information: Customer may contact ESCO's Customer Service Center at 1-877-724-9010, Monday through Friday 8:00 a.m. - 5:30 p.m. EST (contact center hours subject to change). Customer may write to ESCO at: South Bay Energy, 54 State Street, Suite 804 #7818, Albany, NY 12207.

Dispute Resolution (Commercial). In the event of a billing dispute or disagreement involving ESCO's service, Customer should contact ESCO's Customer Service Center as provided above. Customer must pay the bill in full, except for the specific disputed amount, during the pendency of the dispute. If the parties cannot resolve the dispute within 45 days, either party may avail itself of all remedies available under law or equity. The DPS will not resolve Non-Residential disputes associated with the services provided under this Sales Agreement. However, the DPS will monitor inquiries and contacts from Non-Residential customers regarding energy service companies. DPS Contact Information is provided above.

Taxes and Laws: Except as otherwise provided in the Agreement or provided by law, all taxes of whatsoever kind, nature and description due and payable with respect to service provided under this Agreement, other than taxes based on ESCO's net income, shall be paid by Customer, and Customer agrees to indemnify ESCO and hold ESCO harmless from and against any and all such taxes.

Change in Law or Practice: This Agreement is subject to present and future legislation, orders, rules, regulations or decisions of a duly constituted governmental authority having jurisdiction over this Agreement or the services to be provided hereunder. If at some future date there is a change in any law, rule, regulation, tariff, or regulatory structure ("Change in Law") which impacts any term, condition or provision of this Agreement including, but not limited to price or, if there is a change to the manner in which any transporter, LDC, EDC, pipeline, NYISO agency or any other authority implements or interprets any law, rule, regulation, tariff, or regulatory structure or any cost component rate increase (such as capacity costs) that increases Seller's costs ("Change in Practice"), Seller shall have the right to pass on such additional costs and/ or modify this Agreement to reflect such change.

- Commercial Customers that were acquired through door to door marketing: Seller shall first obtain affirmative consent from commercial customers prior to passing on any additional costs and/or modifying this Agreement.

- All Other Commercial Customers: The Company shall provide written notice of such modification to the Customer as required by local law.

If at some future date there is a change in any law, rule, regulation or pricing structure whereby ESCO is prevented, prohibited or frustrated from carrying out the terms of the Agreement, at its sole discretion ESCO shall have the right to cancel this Agreement on 15 days' notice to Customer.

Renewable Energy Program: Your electricity usage is matched by the generation of energy from renewable resources by retiring renewable energy certificates (RECs). RECs represent the environmental attributes associated with the applicable amount of renewable energy generation from various renewable sources that comply with the appropriate locational and delivery requirements. RECs will be purchased and retired to satisfy the percentage of renewable generation guaranteed by this agreement. The renewable mix provided under this agreement must be at least 50% greater than the applicable Renewable Energy Standard (RES) obligation for the current year. In order to satisfy the terms of this contract, RECs must be purchased from eligible renewable generators through NYGATS; by purchasing Tier 1 RECs from NYSERDA; by procuring RECs from eligible renewable generators through bilateral contracts; or by entering into bundled energy and REC purchase agreements with eligible renewable generators.

Assignment: Customer may not assign its interests in and delegate its obligations under this Agreement without the express written consent of ESCO. ESCO may sell, transfer, pledge, or assign the accounts receivable, revenues, or proceeds hereof, in connection with any financing agreement, purchase of accounts receivables program or billing services agreement, and may assign this Agreement and the rights and obligations there under, to another energy supplier, energy services company or other entity as authorized by the DPS.

Emergency Service Contacts: In the event of a gas leak or other emergency, please use the following toll-free numbers to directly contact your utility: National Grid (800) 490-0045; Con Ed (800) 752-6633; PSEG Long Island (800) 966-4818

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.

AGREEMENT TO ARBITRATE; WAIVER OF JURY TRIAL, WAIVER OF PARTICIPATION IN CLASS ACTIONS: TO THE FULLEST EXTENT PERMITTED BY APPLICABLE NEW YORK LAW, IF THERE IS AN ISSUE, CLAIM, OR DISPUTE BETWEEN THE CUSTOMER AND COMPANY RELATING TO THIS AGREEMENT COMPANY'S SERVICES, OR THE SALE OR MARKETING OF COMPANY'S SERVICES THAT CANNOT BE RESOLVED INFORMALLY, IT SHALL BE RESOLVED THROUGH FINAL, BINDING ARBITRATION. ARBITRATION WILL BE CONDUCTED BEFORE A SINGLE ARBITRATOR UNDER THE CONSUMER ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AND THE VENUE

WILL BE IN NEW YORK, NEW YORK. THE FILING FEES, ARBITRATOR FEES, ATTORNEYS' FEES, AND OTHER COSTS SHALL BE SHARED EQUALLY BY BOTH PARTIES UNLESS THE ARBITRATOR DETERMINES OTHERWISE. CUSTOMER AND COMPANY MUTUALLY WAIVE THE RIGHT TO BRING AN ACTION IN A COURT OF LAW, THE RIGHT TO A TRIAL BY JURY, AND THE RIGHT TO PARTICIPATE IN OR BE REPRESENTED IN ANY CLASS ACTION, REGARDLESS OF WHETHER THE ISSUE INVOLVES TORT, FRAUD, BREACH OF CONTRACT, MISREPRESENTATION, PRODUCT LIABILITY, NEGLIGENCE, OR VIOLATION OF ANY STATUTE OR LEGAL THEORY.

THIS WAIVER APPLIES TO ALL ISSUES, CLAIMS, AND DISPUTES ARISING OUT OF OR RELATING TO THE CUSTOMER'S AUTHORIZATION TO SWITCH ELECTRICITY SUPPLY SERVICE TO COMPANY, AND/OR RECEIPT OF ELECTRICITY UNDER THIS AGREEMENT. THE ARBITRATION PROVISION SHALL APPLY EVEN AFTER THE CUSTOMER CEASES RECEIVING SERVICES FROM COMPANY. ALL ARBITRATIONS SHALL BE CONDUCTED ON AN INDIVIDUAL BASIS, AND AN ARBITRATOR SHALL HAVE NO AUTHORITY TO AWARD CLASS-WIDE RELIEF. CUSTOMER AND COMPANY AGREE THAT NEITHER CAN COMMENCE ARBITRATION OR ANY OTHER PROCEEDINGS AS A REPRESENTATIVE OF OTHERS OR JOIN IN ANY ARBITRATION OR OTHER PROCEEDINGS BROUGHT BY ANY OTHER PERSON OR ENTITY. HOWEVER, THIS PARAGRAPH DOES NOT PREVENT THE CUSTOMER FROM FILING A COMPLAINT WITH THE NEW YORK PUBLIC SERVICE COMMISSION. ANY DEMAND FOR ARBITRATION OR NOTICE OF INTENTION TO ARBITRATE SHALL BE SERVED BY EITHER THE CUSTOMER OR COMPANY WITHIN NINETY (90) DAYS OF THE ACCRUAL OF THE CLAIM. FAILURE TO MEET THIS TIMEFRAME SHALL RESULT IN A WAIVER OF ANY RIGHTS TO ARBITRATE, UNLESS OTHERWISE PROVIDED BY APPLICABLE LAW OR AGREED UPON IN WRITING. THIS NINETY (90) DAY REQUIREMENT TAKES PRIORITY OVER ALL OTHER PROVISIONS OF THIS AGREEMENT.

Parties Bound: This Agreement is binding upon the parties hereto and their respective successors and legal assigns.

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

Forward Contract: Each Party acknowledges that: (a) this Agreement is a forward contract and a master netting agreement as defined in the United States Bankruptcy Code ("Code"); (b) this Agreement shall not be construed as creating an association, trust, partnership, or joint venture in any way between the Parties, nor as creating any relationship between the Parties other than that of independent contractors for the sale and purchase of Commodities; (c) ESCO is not a "Utility" as defined in the Code; (d) Commodity supply will be provided by ESCO under this Agreement, but delivery will be provided by the Utility; and (e) the Utility, and not ESCO, is responsible for responding to service problems or emergencies should they occur.

Confidentiality: Customer agrees that for so long as this Agreement remains in effect and for a period of two (2) years following cancellation of this Agreement, this Agreement and all pricing provided there under is commercially sensitive and shall not, unless required by law, be disclosed to any third party, or any Customer employee without a need to know, without the prior written consent of ESCO.

Telephone Communications: By accepting this Agreement, you consent to receive calls and/or texts for any purpose, including with marketing offers and other information, from ESCO its affiliates and/or assigns, at the telephone number(s) you provide to ESCO its affiliates and/or assigns, possibly through use of automated technology or pre-recorded voice. You agree that this consent survives the termination of your contract and that your consent to receive marketing communications is not a condition of purchase and may be revoked at any time. Customer agrees to receive communications from Seller at the email address provided above.

Communications with Customer: Customer agrees that Company may send communications to Customer at the Customer's email address provided by the Customer at time of enrollment, or subsequently provided by ESCO. If Customer does not consent to receive communications by email, Customer may contact Company at the information provided above. Customer agrees and acknowledges that the information associated with the Account(s) hereunder, including but not limited to usage data, the Local Utility issued account numbers, service address and any other such information contained in this Agreement are not considered confidential or protected information. Therefore, Company is authorized to send unencrypted email messages to Customer and/or Customer's authorized agent or representative which email may include a copy of this Agreement or other Account(s) related information necessary for Company to perform its obligations under this Agreement. Any applicable renewal notices will be mailed to the Customer.

Signatory Affirmation: Signor affirms that he or she is authorized to make decisions regarding the account and voluntarily authorizes Supplier to make the enrollment.

New York State Public Service Commission

Your Rights as an Energy Services Company Consumer
ESCO Consumers Bill of Rights

Customers can purchase energy from an Energy Services Company (ESCO) or from a traditional utility. If you choose to purchase energy from an ESCO you are entitled to:

- A clear description of the services offered by the ESCO.
- Receive energy delivery and 24 hour emergency services from your utility company.
- Clear procedures for switching energy suppliers, including information about the enrollment process.
- Disclosure, in simple and clear language, of the terms and conditions of the agreement between you and the ESCO including:
    - price and all variable charges or fees;
    - length of the agreement;
    - terms for renewal of the agreement;
    - cancellation process and any early termination fees, which are limited by law; and
    - conditions, if any, under which the ESCO guarantees cost savings.
- Rescind an agreement with an ESCO within three days of receiving the agreement, if you are a residential customer.
- A description of how pre-payment agreements work, if offered.
- Notice from the ESCO, no less than thirty days prior to the contract renewal date, of the renewal terms and the options you have as a customer.
- A fair and timely complaint resolution process.
- Provision of any written documents (contracts, marketing materials, and this ESCO Consumers Bill of Rights) in the same language used to enroll you as a customer.

If you are a residential customer you are also entitled to the rights and protections of the Home Energy Fair Practices Act (HEFPA) which requires that all utility customers be treated fairly with regard to application for service, customer billing, and complaint procedures. For more information go to: https://dps.ny.gov/consumer-guide-your-rights-residential-gas-electric-or-steam-customerunder-hefpa

ESCOs that do not assure these consumer rights could lose their eligibility to provide service in New York. Please report any complaints to the Department of Public Service at 1-800-342-3377 (8:30 am – 4:00 pm), by mail at Office of Consumer Services, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223, or online at https://dps.ny.gov/file-complaint

You can find more information about your energy alternatives at: https://documents.dps.ny.gov/PTC. Questions about the Department or your utility service can be emailed to web.questions@dps.ny.gov