YOUR RIGHTS AS CUSTOMER - RESIDENTIAL
VARSITY ENERGY

Thank you for choosing Varsity Energy LLC ("Varsity Energy") for your retail electricity needs.

This document summarizes Your Rights as a Customer ("YRAC") and is based on customer protection rules adopted by the Public Utility Commission of Texas ("PUCT"). These rules apply to all retail electric providers ("REP(s)").

You may view the PUCT's rules at this link: http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/Electric.aspx

Varsity Energy's contact information along with contact details for the PUCT and your Transmission and Distribution Service Provider ("TDSP") is provided at the end of this document.

OBTAINING SERVICE

Unauthorized Enrollment (sometimes called Slamming)
A REP must obtain your verifiable authorization before switching your electric service. If you believe your electric service has been switched without your authorization (which is called "slamming"), you should contact your chosen REP and request assistance. The affected REPs, applicable TDSP, and registration agent will work together to return you to your chosen REP in accordance with the market process approved by the PUCT and to ensure that you pay no more than you would have paid if you hadn't been switched without your authorization. If a REP is serving your account without proper authorization, the REP must work with other market participants to take all actions necessary to return you to your original REP as quickly as possible.

Your original REP has the right to bill you at the price disclosed in your terms of service from either i) the date you are returned to your original REP or ii) any prior date chosen by your original REP for which that REP had the authorization to serve you. The REP that served you without proper authorization shall, within five days from the date that your service is returned to your original REP, refund all charges paid for the time period the original REP ultimately bills you. In addition, the REP that served you without your authorization is responsible for paying all charges associated with returning your service to your REP of choice.

Rescission
When requesting a switch in REPs, you may rescind your contract with the new REP without any penalty or fee within three (3) federal business days after you receive your Terms of Service ("TOS"). For details on how to rescind your service, please see your TOS. This right to rescind does not apply to applicants requesting a move-in or to customers whose REP transfers the customers to the provider of last resort ("POLR").

BILLING ISSUES

Unauthorized Charges (sometimes called Cramming)
Before any new charges are included on your electric bill, the REP must inform you of the product or service, all associated charges, how these charges will appear on your electric bill and obtain your consent to accept the product or service. If you believe your electric bill includes unauthorized charges, which is called "cramming," you may contact the REP to dispute such charges and you may file a complaint with the PUCT. Varsity Energy will not seek to disconnect your electric service for non-payment of an unauthorized charge or file an unfavorable credit report against you for disputed unpaid charges that are alleged to be unauthorized unless the dispute is ultimately resolved against you. If the charges are determined to be unauthorized, Varsity Energy will cease charging you for the unauthorized service or product, remove the unauthorized charge from your bill, and refund or credit all money you paid for any unauthorized charge within 45 days. If charges are not refunded or credited within three billing cycles, interest shall be paid to you at an annual rate established by the PUCT on the amount of any unauthorized charge until it is refunded or credited. You may request all billing records from Varsity Energy related to any unauthorized charge within 15 days after the date the unauthorized charge is removed from your bill. Varsity Energy will not re-bill you for any charges determined to be unauthorized.

Payment Arrangements and Plans
If you cannot pay your bill, please call your REP immediately. The REP may offer you a short-term payment arrangement that allows you to pay your bill after your due date.

You may qualify for a deferred payment plan or a payment extension plan. A deferred payment plan is an extended payment plan in which lets you pay an outstanding balance in installments over a period of time. A payment extension plan gives you a short-term extension to pay the full amount of an outstanding balance on your account. If you express an inability to pay your bill, the REP must offer you a deferred payment plan unless you have been disconnected during the preceding twelve (12) months, have submitted more than two (2) payments during the preceding twelve (12) months that were found to have insufficient funds available, or unless you have been a customer of the REP for less than three (3) months and do not have sufficient credit or payment history with another REP. All REPs must offer customers deferred payment plans for bills that are due during an extreme weather emergency, during a state of disaster declared by the governor to customers in the area covered by the declaration, and to customers who have been under billed in the amount of $50.00 or more (unless due to theft of service).

A deferred payment plan may include a late payment penalty. As part of starting a deferred payment plan, you may be required to make a down payment of no more than fifty (50) percent of the amount due. You may be asked to pay the remaining balance owed on a deferred payment plan in equal installments over at least five (5) billing cycles. If you enter into a deferred payment arrangement, the REP may request that the TDSP place a switch-hold on an ESI ID, to the extent allowed by the PUCT, which would prevent a switch transaction from being completed for the ESI ID and shall prevent a move-in transaction from being completed pending documentation that the applicant for electric service is a new occupant not associated with the customer for whom the switch-hold was imposed. If you are on a deferred payment or payment extension plan or other alternate payment arrangement, you will still be responsible for any fees assessed on your account for being past due.

Varsity Energy reserves the right to pursue disconnection of electric service, as discussed below, if you do not meet the terms of the deferred payment arrangement or payment extension plan.

Financial and Energy Assistance
You may also be eligible for payment assistance.

If you are a residential customer and contact us and indicate that you are unable to pay your bill, the REP will inform you of all applicable payment options and payment assistance programs that are offered by or may be available.

If you receive food stamps, Medicaid, TANF or SSI from the TDHS, or if your household income is not more than 150 percent of the federal poverty guidelines, you may qualify for energy assistance from the Texas Department of Housing and Community Affairs (TDHCA). You may contact TDHCA by emailing your question to info@tdhca.state.tx.us, calling (800) 525-0657, faxing 512-482-8851, or writing to TDHCA at P.O. Box 13941, Austin, TX 78711-3941.

Varsity Energy must also offer level or average payment plans to customers that are not currently delinquent in payment.

Meter Reading and Testing
Please contact your REP for information about how to read your meter. You also have the right to request a meter test. Your REP may make this request to your TDSP on your behalf. If a test is performed more than once in a four year period and the meter is determined to be functioning properly, then you may be charged a fee for the additional meter test(s) at the rate approved for your TDSP. The TDSP or REP will advise you of the test results.

DISCONNECTION OF SERVICE

Disconnection
The REP may be allowed to seek to have your electric service disconnected for any of these reasons:
• Failure to pay a bill owed to the REP or to make a deferred payment arrangement by the date of disconnection;
• Failure to comply with the terms of a deferred payment arrangement or other payment agreement made with the REP;
• Using service in a manner that interferes with the service of others or the operation of nonstandard equipment; or
• Failure to pay a deposit required by the REP.

Prior to disconnecting your service for these reasons, the REP must provide you with a written disconnect notice. This notice must be mailed to you separately (or hand-delivered) or if you have requested to receive e-mail notifications then by email, no earlier than the first day after the date your bill is due. The disconnection date must be ten (10) days from the date the notice is issued and may not fall on a holiday or weekend (or the day preceding) unless REP and TDSP personnel are available to take payments and service can be reconnected. The ten (10) day notice period begins once your REP issues you this written disconnection notice, and your REP may request that the TDSP "disconnect" your electric service after the expiration of a required 10-day notice period. Your REP may not disconnect your service before the first day after the disconnection date stated in the notice.

However, your service cannot be disconnected for any of the following reasons:
• Failure to pay for electric service by a previous occupant of the premise if that occupant is not the same as the new customer;
• Failure to pay any charge unrelated to electric service;
• Failure to pay a different type or class of electric service not included on the account's bill when service was initiated;
• Failure to pay any disputed charges until the REP or the PUCT determines the accuracy of the charges and you have been notified of this determination;
• Failure to pay an estimated bill unless the estimated bill is part of a pre-approved meter reading program or is based upon an estimated meter read by the TDSP;
• If the REP receives notification by the due date stated on your disconnection notice that an energy assistance provider is forwarding sufficient payment on your account and you have paid or made payment arrangements to pay any outstanding debt not covered by the energy assistance provider's payment;
• For non-payment during an extreme weather emergency (as defined) and, upon request, the REP must offer you a deferred payment plan for bills due during the emergency;
• For non-payment if you inform the REP, prior to the disconnection date stated on the notice, that you or another resident on the premises has a critical medical need for electric service. However, to obtain this exemption, you must enter into a deferred payment plan with the REP and have the ill-person's attending physician contact the REP and submit a written statement attesting to the necessity of electric service to support the ill-person's life. This exemption from disconnection due to illness or disability shall be in effect for 63 days and may be applied for again after the 63 days has expired and the deferred payment plan has been fulfilled; or
• Failure to pay charges resulting from an under-billing, except theft of service, more than six months prior to the current billing.

If you have a Chronic Condition Residential Customer designation, as discussed below, you and any secondary contact listed on the PUCT approved application form will receive written notice of the REP's intent to disconnect service no later than 21 days prior to the date that service will be disconnected.

The PUCT has provided that under certain dangerous circumstances (such as unsafe electric line situations), your TDSP may disconnect your electric service without prior notice to you.

Restoration of Service
If your service has been disconnected for non-payment or for reasons other than a dangerous situation, the REP will, upon satisfactory correction of the reasons for the disconnection and payment of appropriate all applicable fees and amounts due, notify your TDSP to reconnect your service. If your service was disconnected due to a dangerous situation, your service will be reconnected once you demonstrate to the TDSP that you have corrected the dangerous situation and the REP is notified that such corrective action is completed.

COMPLAINTS OR DISPUTES

Complaint Resolution
Please contact the REP if you have specific comments, questions or complaints. Upon receipt of a complaint, the REP will investigate and notify you of the results within 21 days. If you are dissatisfied with the results of the investigation, you may request a supervisory review. The REP will advise you of the results of the supervisory review within 10 business days of your request. If you are dissatisfied with the results of the investigation or supervisory review, you may file a complaint with the PUCT or the Office of the Attorney General, Consumer Protection Division. For a PUCT complaint, please include sufficient information to identify you and the REP about which the complaint is made and describe the issue specifically.
• The following information should be included in the complaint:
• The account holder's name, billing and service addresses, and telephone number;
• The name of the REP or aggregator;
• The account number or electric service identifier (ESI ID);
• An explanation of the facts relevant to the complaint;
• Your requested resolution; and
• Any documentation that supports the complaint including copies of bills or terms of service documents.

For a complaint involving a disputed bill, the REP will not initiate collection activities or terminate or disconnect service or report the delinquency to a consumer reporting agency with respect to the disputed portion of the bill. However, after appropriate notice, the REP may disconnect your service for non-payment of any undisputed portion of the bill.

SPECIALIZED SERVICES AND OTHER PROTECTIONS

Choice of Language
You have the right to receive certain information in English, Spanish, or the language in which the REP's services were marketed to you.

These items include the Electricity Facts Label, the TOS, bills and bill notices, information on new electric services, discount programs, promotions, and access to customer assistance. Please contact the REP to request that this information be provided to you in Spanish or any language in which our services were marketed to you. You will receive this YRAC and disconnection notices in English and Spanish (or English and your designated language if you have requested a language other than Spanish in which the REP services were marketed to you).

Varsity does not offer special services for customers who are hearing and/or visually impaired.

Do Not Call (DNC) Lists
Texans may register a residential telephone number for the "Do Not Call" list. Placing your name, address, and telephone number on this list will identify you as someone who does not wish to receive telemarketing calls at home.

However, telemarketers may contact customers with whom they have an established business relationship; if the customer requests contact; to collect a debt; on behalf of a non-profit organization or charity if the call does not meet the definition of a "telephone solicitation" by attempting to make a sale or gather information that will lead to a sale; or if the telemarketer is a state licensee (for example, insurance or real estate agent, etc.); and the call is not made by an automated device; the solicited transaction is completed with face-to-face presentation to finalize a sales transaction and make payment, and; the consumer has not previously told the licensee that the consumer does not wished to be called. You may register for the "Do Not Call List" in three ways: online at www.texasnocall.com, toll free at 866-TXNOCAL(L) (866-896-6225) or write to Texas No Call PO Box 313 E. Walpole, MA 02032. You may be required to pay a fee to register a telephone number and the number will remain on the Do Not Call list for three (3) years. Online registration at www.texasnocall.com is no free. Your registered residential telephone number(s) will remain on this list for three (3) years. Business telephone numbers cannot be registered on this list.

If you are a business customer, the "Electric No Call" list has been created to prevent calls from REPs and telemarketers calling about your electric service. There is a registration charge for each number placed on the "Electric No Call" list. Numbers placed on this list will remain on the list for five (5) years. Only business numbers can be added to the "Electric No Call" list. Lists will be updated and published for telemarketers on a quarterly basis. Within 60 days of the date your number appears on a published list, you should stop receiving telemarketing calls. If you continue to receive telemarketing calls after the 60th day, contact the PUCT or the Office of the Attorney General, Consumer Protection Division. To sign up for either list, visit www.texasnocall.com. For an application or to register by phone using your credit card, call toll-free 866-TXNOCAL(L) (866.896.6225). To request an application in writing, send your request and personal check, money order, or credit card information to TEXAS NO CALL, P.O. Box 313, E. Walpole, MA 02032.

Privacy Rights
Except as described below, REPs may not release your proprietary customer information to any other person without your consent. This includes your name, address, account number, type or classification of service, historical electricity usage, expected patterns of use, types of facilities used in providing service, individual contract terms and conditions, price, current charges or billing records. This prohibition does not apply to the release of your information under certain circumstances as required by law including release to the PUCT, an agent of your REP, consumer reporting agencies, law enforcement agencies, or your TDSP. In addition, this prohibition does not apply to the release of prior historical usage upon request and authorization of a current customer or applicant of a premise.

Critical Care or Chronic Condition Residential Customer
You have a right to apply for Critical Care Residential Customer designation if you have a person permanently residing in your premise who has been diagnosed by a physician as being dependent on an electric-powered device to sustain life. If you have a person permanently residing in your premise who has been diagnosed by a physician as having a serious medical condition that requires an electric powered medical device or electric heating or cooling to prevent the impairment of a major life function through a significant deterioration or exacerbation of the condition, you may apply for designation as a Chronic Condition Residential Customer. To be considered for such designation, the PUCT approved form must be submitted by fax or other electronic means directly to the TDSP by a physician. The TDSP will notify you when such designation will expire and whether you will receive a renewal notice.

The TDSP will also notify the REP about your status. Qualification as a critical care residential customer does not relieve you of the obligation to pay the REP for services rendered. However, a critical care residential customer who needs payment assistance is encouraged to contact the REP immediately regarding possible deferred payment options or other assistance that may be offered.

CONTACT INFORMATION

You may contact the PUCT as follows:

PUCT Department	Consumer Protection Division
Toll-Free Telephone Number	888-782-8477 or 512-936-7120
Fax Number	512-936-7003
TTY	512-936-7136
Website	www.puc.state.tx.us
Email	customer@puc.state.tx.us
Address	P.O. Box 13326, Austin, TX 78711-3326

You may contact Varsity Energy as follows:

Name	Varsity Energy LLC
Certificate Number	10271
Toll-Free Telephone Number	877-827-7389
Fax Number	877-688-0611
Website	www.varsityenergy.com
Email	bench@varsityenergy.com
Address	2925 Richmond Ave, Suite 1200, Houston, TX 77098

Varsity Energy customer service representatives are available to help you Monday through Friday from 8:00 A.M. to 5 P.M. Central Standard Time excluding federal holidays. To reach us outside of office hours, you can email or fax us.

In the event of a power outage or for a service request, please call the appropriate number that corresponds to your TDSP:

TDSP	Outage Reporting	Service Request
AEP Texas	866-233-8508	877-373-4858
CenterPoint Energy	800-332-7143	800-332-7143
Oncor Electric Delivery	888-313-4747	888-313-6862
Texas-New Mexico Power	888-866-7456	888-866-7456