

TERMS AND CONDITIONS OF SUPPLY

Effective from 25 May 2017

1. The Contract

1.1 This Agreement starts when we counter-sign the Proposal and shall continue until the later of the date End Date (except where terminated earlier in accordance with these Terms and Conditions) or until no Metering Points are registered to us under this Agreement.

1.2 The Charges and additional Terms and Conditions shown on the Proposal shall apply for the duration of the Agreed Supply Period, except where varied in accordance with these Terms and Conditions. If we remain the Registered supplier for any of the Metering Points after the End Date, either:

- the Parties shall have entered into a new Agreement for supply to the Premises; or
- all Metering Points at the Premises shall have been permanently Isolated.

If none of the above conditions is met this Agreement shall continue except that you shall be charged at our Extended Supply Rates.

1.3 You agree that you shall pay all of the Charges and that all energy that passes through a Metering Point during the term of this Agreement (as amended or renewed from time to time) shall be treated as having been supplied under this Agreement.

1.4 Each Metering Point at a premise may, at our discretion, form an individual Agreement in its own right.

2. Pre-supply and Supply Conditions

2.1. Our obligation to supply energy to you under this Agreement is conditional on:

- you confirming to us that (i) you have the authority to enter into the Agreement to purchase energy for consumption at the Site; or (ii) any representative or agent acting on your behalf has

this authority; or (iii) you are the owner or occupier of the Site; or (iv) if you are a sole trader, you confirm that you are aged 18 or over; or (v) if you are a partnership or other unincorporated organisation, you and the other partners or officers will be jointly and severally liable under your Agreement;

- you have duly passed any of our credit checks, and if requested, provided us with a security deposit, bond or acceptable guarantee;
- the termination by you of your agreement with your previous supplier; and
- each Metering Point being connected to the Network.

2.2. Our obligation to supply energy to Metering Points under this Agreement shall commence on the Start Date or on Registration of the Metering Points to us, whichever is the later, subject to the conditions of Clause 2.5.

2.3. We shall have no liability to you where Registration of one or more Metering Points is delayed beyond the Start Date due to circumstances beyond our reasonable control.

2.4. In the event that we are unable to Register a Metering Point for any reason beyond our control including, but not limited to, your previous supplier raising a transfer objection, and despite our reasonable efforts the issue is not resolved two weeks after the Start Date, it shall be considered a material breach of this Agreement and you may be deemed to have wrongfully terminated this Agreement in which case the provisions of Clause 11.6 shall apply.

2.5. At the time of entering into this Agreement we warrant that we have a valid Licence to Supply under the relevant Act and you warrant that:

- we shall be the sole supplier at each Metering Point for the duration of this Agreement;
- your previous supplier has no cause to raise a transfer objection under your contract with them; and
- all information provided by you or your agent is true and correct and shall remain so throughout the term of the Agreement unless varied by agreement between the parties.

If either of these warranties or any of the conditions in Clause 2.1 cease to be satisfied during the period of this Agreement in respect of one or more Metering Points this Agreement may be terminated by us in respect of that Metering Point or, at our option, all Metering Points and the conditions of Clauses 11.5 and 11.6 shall apply.

2.6. At the time of entering into this Agreement, you confirm that:

- you have notified us of the details concerning any on-site generation or Automated Meter Reading Equipment at the Premises; and
- you have provided us with the name, address and telephone number of your landlord, if applicable. If any of this information changes at any time during the Agreement you shall notify us at least one calendar month in advance or as soon as practicable thereafter.

2.7. Where you have an agreement with a third party for the provision of metering or services you shall ensure that they operate at all times in accordance with Good Industry Practice. You shall be responsible and indemnify us for all costs incurred by us in relation to the metering or service provided and any costs incurred by us as a result of damage caused to, or removal of, such third party equipment.

3. Supply

3.1. The characteristics of energy supplied to you are managed by your Network Operator and as such we have no control over the quality of such energy. We can provide you with contact details for your Network Operator on request.

3.2. Your supply may be temporarily or permanently Isolated or you may be directed to stop using energy for the following reasons:

- to avoid danger or as a result of an emergency or potential emergency; or
- to enable maintenance or repair work to be carried out; or

- in accordance with the Act or any industry agreements we have necessarily entered into in order to supply energy; or
- for electricity only, by or on behalf of your Network Operator under your connection agreement with them; or
- for gas only, where Premises are supplied on an Interruptible basis as determined under industry regulations and/or any industry Codes of Practice; or
- otherwise in accordance with these Terms and Conditions; or
- you have materially breached this Agreement and such breach is continuing or otherwise interferes with the Network or the Metering. Where the supply of energy to any Metering Point has been disconnected or suspended due to the action or omission of the customer, the customer shall indemnify us for any loss, liability or cost which incurs as a consequence. The customer shall pay the cost of reconnection and, if requested, provide a performance bond or security deposit.

4. Your Rights and Obligations

4.1 In respect of all meters not read remotely you shall take meter readings on the Start Date and provide the readings to us within three Working Days. If you fail to supply such meter readings or if we or an Agent reasonably believe such readings are incorrect, then you agree to accept estimated meter readings provided by the Agent. We shall not be responsible for the accuracy of such meter readings.

4.2 You agree to provide a list of expected shutdown and holiday periods for each Premises together with estimates of energy that will be consumed during these periods. You also agree to provide estimates of energy that would be consumed if such shutdowns or holidays were not to occur. These estimates shall be provided at least one week in advance.

4.3 You shall not exceed the Capacity agreed with the relevant Network Operator. If you exceed such Capacity we shall pass through to you any additional costs imposed on us by your Network Operator.

4.4 Where relevant you shall send completed Supplier Certificates to us at the Notice Address to be received at least five Working Days prior to

their application. In respect of Supplier Certificates, relief from Climate Change Levy (CCL) can only be backdated for a maximum of four years from the date we process the Supplier Certificate.

4.5 Where you cease to be the owner or occupier of a Premises you agree to give us as much notice as possible and to provide us with your new address and the details of the new owner or occupier of the Premises. You shall continue to be liable for all Charges until responsibility for them is assumed by a new owner or occupier or the supply is permanently isolated by us or the Network Operator.

4.6 You may request Disconnection of any Metering Point at any time. You shall be liable for payment in advance of all costs reasonably associated with such Disconnection and, where required, any subsequent re-establishment of supply. Where such Disconnection is by way of permanent Disconnection this Agreement shall terminate in respect of that Metering Point as soon as the Network Operator has confirmed to us that physical disconnection has taken place. The provisions of Section 11.6 will apply to any such Disconnection.

5. Volume Tolerance (This does not apply to Micro-Business Customers)

5.1. Prior to entering into this Agreement you have agreed with us your Nominated Annual Consumption as shown on the Proposal

5.2. Notwithstanding any other provision in the Agreement if your aggregate consumption in an Agreed Supply Period at your sites falls above or below the Nominated Annual Consumption for those sites by the Tolerance or more you shall pay us a Charge (the "Tolerance Charge") which shall be calculated as follows:

5.3. For electricity only, where your aggregate actual consumption in a Relevant Period at such sites is less than or equal to the Nominated Annual Consumption for those sites minus the Tolerance you shall pay to us the Tolerance Charge calculated in accordance with this clause as follows:

$$\text{Tolerance Charge} = ((\text{NC} - (\text{NC} \times \text{T})) - \text{AC}) \times (\text{ER} - \text{SSP})$$

For electricity only, where your aggregate actual consumption in a Relevant Period at such sites is greater than or equal to the Nominated Annual Consumption for those sites plus the Tolerance you shall pay to us the Tolerance Charge calculated in accordance with this clause as follows:

$$\text{Tolerance Charge} = ((\text{AC} - (\text{NC} + (\text{NC} \times \text{T}))) \times (\text{SBP} - \text{ER}))$$

Where:

"AC" is the aggregate of all your actual electricity consumption for the Relevant Period (in KWh)

"NC" is the Nominated Annual Consumption of all such sites

"T" is the Tolerance

"SBP" is the time weighted average of the System Buy Price (as defined in the BSC) for each half hourly period during the Relevant Period (in £/MWh)/1000

"SSP" is the time weighted average of the System Sell Price (as defined in the BSC) for each half hourly period during the Relevant Period (in £/MWh)/1000

"ER" is the time weighted average of the energy Rate for such sites for each half hourly period during the Relevant Period (in £/MWh)/1000

5.4. For gas only: where your aggregate actual consumption in a Relevant Period at such sites is less than or equal to the Nominated Annual Consumption for those sites minus the Tolerance you shall pay to us the Tolerance Charge calculated in accordance with this clause as follows:

$$\text{Tolerance Charge} = ((\text{NC} - (\text{NC} \times \text{T})) - \text{AC}) \times (\text{ER} - \text{SMSP})$$

For gas only, where your aggregate actual consumption in a Relevant Period at such sites is greater than or equal to the Nominated Annual Consumption for those sites plus the Tolerance you shall pay to us the Tolerance Charge calculated in accordance with this clause as follows:

$$\text{Tolerance Charge} = ((\text{AC} - (\text{NC} + (\text{NC} \times \text{T}))) \times (\text{SMBP} - \text{ER}))$$

Where:

"AC" is the aggregate of all your actual gas consumption for the Relevant Period (in KWh)

"NC" is the Nominated Annual Consumption of all such sites

"T" is the Tolerance

"SMBP" for gas only, is the System Marginal Buy Price (as defined in the Transportation Principal Document) for each day

"SMSP" for gas only, is the System Marginal Sell Price (as defined in the Transportation Principal Document) for each day
"ER" is the time weighted average of the energy Rate for such sites for each day period during the Relevant Period (in p/KWh)

5.5. We shall be entitled to recover any Tolerance Charge by including it in any invoice issued to you.

5.6. You agree that the Tolerance Charge is a genuine pre-estimate of the losses, costs and expense that we would otherwise suffer.

6. Credit and Security Cover

6.1. You agree that we may check your credit status with credit reference agencies prior to offering any product or service to you and you consent to the use of your information (including the information described in Clause 6.3) by us and the sharing of such information with our credit partners and agencies.

6.2. If you are a partnership we may credit check all partners, or officers. If you are a limited company we may check all your directors.

6.3. We will record how you conduct your account including:

- details of what you pay and when;
- if you fail to pay a bill or in full; and
- any outstanding debts due to us.

6.4. (This does not apply to Micro-Business Customers) If, at any time during this Agreement, your credit risk status deteriorates to any degree as deemed by us and/or as reported by one or more Credit Bureaux, or your account with us becomes overdue due to non-payment of invoice(s) in accordance with Clause 7.7, we may:

- demand immediate payment of all overdue invoice(s) (where invoices are disputed Clause 7.5 shall apply); and/or
- on sending a written notification to you amend your payment terms, and/or
- demand completion and return of a Direct Debit mandate form and payment strictly by Direct Debit; and/or
- demand a security deposit or other form of security and/or guarantee which shall be put in place within ten (10) days of such demand.

Failure to meet any of the above conditions shall be deemed a material breach and we may terminate the Agreed Supply Period and Clauses 11.5 and 11.6 shall apply.

6.5. If you provide cash as security cover we will return any balance after deducting any sums due to us once you have transferred to a new supplier. No interest will be paid on sums provided as security cover.

7. Credit and Security Cover

7.1. For each Billing Period we shall invoice you for all energy supplied to the Premises and any other amounts due under this Agreement.

7.2. You shall be responsible for payment for all charges relating to energy supplied to the Metering Points. Charges may apply even where energy is not being consumed at a Premise. If you fail to pay us we may:

- remotely disconnect your supply via your meter;
- issue legal proceedings against you to recover any monies owed;
- charge you additional costs, including our credit management costs.

7.3. The Charges may include commission paid to a broker or consultant acting on your behalf. It is your responsibility to ensure that you fully understand the nature of such third party intermediary fees. If you dispute any such fee you should seek to resolve the dispute with that third party intermediary.

We shall not be obliged to reimburse any proportion of our Charges which you have paid (whether or not such portion relates to a third party intermediary's fees) in the event of any such dispute.

7.4. You agree to pay the Charges, any additional charges payable in accordance with these Terms and Conditions and any tax, levy, duty or other impositions in accordance with legislation in force or with industry agreements.

7.5. You agree to pay our invoices by cleared funds within 14 days of the date of the invoice by Direct Debit or as agreed in the Proposal.

7.6. If our Proposal is based on payment by Direct Debit and you fail to provide or cancel a Direct

Debit Mandate or your bank fails to honour a transfer:

- we may vary the Charges and/or pass-through any additional costs; or
- you may be deemed to be in material breach and we may give notice that the Agreed Supply Period may be terminated if the Direct Debit is not reinstated and full payment is not received within five Working Days. After termination the terms of Clause 11.5 and 11.6 shall apply.
- we may increase your prices by 2% or add a 2% premium to your bill. These Charges reflect a genuine estimate of the increases in our costs upon such an occurrence and are not a penalty.

7.7. If an Agents meter reading or actual consumption data is not available, or if we reasonably believe it to be inaccurate, we may issue an invoice based on your own meter reading or our reasonable estimate and you shall pay this invoice. Any over- or under-payment shall be adjusted as soon as practicable.

7.8. Any charges incurred as a result of meter reading visits outside the normal meter reading cycle, change of measurement class, upgrades, transfer of metering equipment or other charges levied by industry participants will be chargeable.

7.9. We shall charge you interest in respect of any amount remaining unpaid by you after the due date at the 3 Month British Pound Sterling (GBP) London Interbank Offered Rate (LIBOR) + 8%. This interest shall accrue daily on late payments until the date the payment is received from the date on which the payment was due. In addition we shall charge you an administration fee for costs incurred by us as a result of such late payment.

7.10. If you reasonably believe you have a dispute about any amount invoiced by us you shall Notify us at least five days before the amount is due for payment and we will work with you to resolve the dispute as soon as possible. If we cannot resolve the dispute prior to the payment due date and we accept that the dispute is a bona fide dispute:

- you shall pay the undisputed part of the invoice in accordance with Clause 7.5. After an agreement is reached or any proceedings determined, any amount payable shall be paid within seven Working Days together with interest accrued in

respect of the amount in accordance with Clause 7.10.

- in the event that you are unable to pay the undisputed part of an invoice you shall pay the full amount of the invoice in accordance with Clause 7.5 except where there is a manifest error. After resolution or determination any money owing to you will be credited to your account.

7.11. If, at any time, we discover that any invoice we have sent you was inaccurate we shall submit a revised invoice when accurate information becomes available.

7.12. You may not deduct or set off any payments to be made under this Agreement against any amounts due from us, except where we have issued a credit to you. We may set off any amounts received from you, or owing to you, against any other agreement between us

7.13. You will not seek to extend your existing contract with your current supplier or enter into a new contract with another supplier whilst you are seeking to have us registered as your supplier. If we are unable to complete registration because of this you may be liable for a termination fee of £150 for Micro Business Customers but non-Micro Business Customers will be charged pursuant to section 11.6.

7.14. All Charges described in the Proposal or otherwise stated are exclusive of VAT and CCL, which are payable at the applicable rates, as shown in the invoice from time to time.

8. Variations

8.1. (This does not apply to Micro-Business Customers) In addition to any other provisions of these Terms and Conditions, we may vary the Charges or pass through any higher or additional costs:

- if information provided by you, your representative or Agent is incorrect or incomplete;
- as a result of any directions or requirements of the Secretary of State under the Act or any legislation or regulations which determine the price of Energy to suppliers, during an emergency of a civil, Energy supply or other nature;
- if any changes made to your supply after the date of this Agreement result in an increase or decrease in third party charges;

- where a pass through of Charges is indicated in the Proposal;
- where pass through of third party charges is not indicated in the Proposal but where a change in such charges occurs as a result of a change in law, industry agreements or a substantial change introduced by the Authority or as a result of a significant change in the structure of third party charges or the methodology used to calculate them;
- you do not have or cease to use your own Agents; and/or as expressly provided for elsewhere in these Terms and Conditions.

8.2. (This does not apply to Micro-Business Customers) Where Charges are indicated in the Proposal as pass through, these Charges may be based on prices published by the Authority or other Government body and, as such, maybe subject to change from time to time. We will invoice you for the actual charges as published or in some circumstances we may Reconcile these charges at a given point in time as Notified to you and you shall pay any additional costs:

- where the Renewable Obligation Charge (RO Charge) is indicated on the Proposal as pass through, you acknowledge and accept that the RO Charge can change and as such we shall charge you and you shall pay the RO Charge.
- where the Feed In Tariff Charge (FiT Charge) is indicated on the Proposal as pass through, you acknowledge and accept that the FiT Charge can change and as such we shall charge you and you shall pay the FiT Charge.
- FiT Charge will be Reconciled against retrospective FiT Charges derived from the quarterly and annual levelisation fund updates issued by the Authority.
- where the Contract for Difference Feed in Tariff Charge (CfD Charge) is indicated on the Proposal as pass through, you acknowledge and accept that the CfD Charge can change and as such we shall charge you and you shall pay the CfD Charge
- CfD Charge will be Reconciled against retrospective CfD charges derived from updates published by the Authority.

8.3. Except as expressly provided for in these Terms and Conditions, this Agreement may only be varied by an agreement in writing signed by both parties.

8.4. Hudson Energy may vary the price(s) of your contract if it exceeds 36 months upon 60 days written notice which may take effect starting from the 37th month. From the date of such notice, you may give Hudson Energy 30 days' written notice to end the contract on the day prior to that price variation.

9. Metering

9.1 The Metering Equipment must at all times comply with the Act and be appropriate to supply all apparatus connected to it. In the event that we become aware that any part of the Metering Equipment is not suitable, we may arrange for installation, maintenance or replacement of the Metering Equipment and you shall pay the costs incurred.

9.2 Where it is a condition of our Supply Licence that Automated Meter Reading Equipment is installed in respect of a Metering Point, you shall cooperate with us and our Agent to enable us to meet our obligations. If we or our Agent visit the Premises by prior appointment and are unable to gain access, or visit the Premises without prior appointment during normal working hours and are unreasonably denied access, we may recover from you all reasonable expenses associated with that visit.

9.3 You shall Notify us as soon as practicable where changes are made to any Metering Point.

9.4 You shall provide us and the relevant Agents with safe and reasonable access to the Metering Points at all times. You shall not obstruct access to a Metering Point at any time and you shall ensure that, where access to a Metering Point requires a key, accompaniment by you or your representative or any other form of assistance, access to the Metering Point shall not be unduly delayed as a result of non-availability. If we or our Agents are unable to gain safe and reasonable access to a Metering Point at any time we may Notify you of the situation and, if it is not rectified to our satisfaction within two Months of the Notification, we shall pass through to you any additional costs incurred by us as a result of such failure.

9.5 The Metering Equipment shall be deemed to be accurate unless either Party is Notified by the other that its accuracy is disputed. Where such Notification is given, the Metering Equipment

shall be examined in accordance with the Act as soon as practicable. Except where the Meter Operator is appointed by us, you shall be responsible for all costs incurred if the meter is found to register inaccurately beyond that permitted under the Act. If the meter is found to register accurately then the cost shall be paid by the Party issuing the Notification.

9.6 You shall notify us as soon as reasonably practicable if you believe there has been damage to or interference with the Metering or Communication Equipment or interruption to a communication signal and you agree to provide us with all information which we may reasonably require. If you wilfully damage or interfere with any Metering or Communication Equipment or interrupt a communication signal we may immediately terminate the Agreed Supply Period, the provisions of Clauses 11.5 and 11.6 shall apply and you shall indemnify us for all costs reasonably incurred.

9.7 We do not provide supply to Premises where a pre-payment meter is installed. In the event that you become the Registrant or we are the Registrant of a site where such metering is installed you will pay in full, the cost of amending such metering systems prior to us supplying you.

10. Novation

10.1 The Customer agrees to procure the performance of this Agreement by any Affiliate for whom the Customer takes the Supply or which is or becomes the owner or occupier of any of the Customer's Premises to transfer to a third party all the rights and liabilities of the Customer under this Agreement insofar as they apply to any Meter Point at any of the Customer's Premises which are or become owned or occupied by such third party; and to indemnify the Supplier for any loss, damage, liability or cost suffered or incurred by the Supplier as a result of any failure by the Customer to comply with the provisions of this Sub-Condition, including, for the avoidance of doubt, any failure of such Affiliate or third party to procure Standard Connection Agreements with the relevant Licence Holder in respect of the Exit Point(s).

11. Termination

11.1. We may enter an objection under the customer transfer process and prevent an

alternative supplier from Registering the Premises:

- if you arrange to transfer to an alternative supplier before the End Date in breach of this Agreement; or
- if you have outstanding, overdue, undisputed invoices; or
- if an alternative supplier attempts to Register a metering Point in error; or
- where registration of a Metering Point would be in breach of industry regulations.

11.2. Either Party may by notice immediately terminate the Agreed Supply Period if:

- the other Party convenes a creditors' meeting or an order is made or effective resolution passed for their winding up;
- a receiver, liquidator, administrator or trustee for creditors is appointed for a major part of the assets of the other Party; or
- the other Party is in material breach of this Agreement and, if it is capable of remedy, it is not remedied to the reasonable satisfaction of the injured Party within 10 Working Days of serving Notice.

11.3. We may by Notice to you immediately terminate the Agreed Supply Period in respect of any one or more Premises if:

- you are unable to pay your debts (within the meaning of Section 123(1) or (2) of the Insolvency Act 1986) or you cease or threaten to cease to pay your debts as they fall due; or
- you cease to be a party to or are in material breach of your obligations under the Network Operator's terms of connection; or
- any of your management have been involved in a business which has vacated or ceased trading at any of the Premises or at your registered address with overdue energy payments outstanding to us under a separate agreement; or
- a Supplier of Last Resort is appointed to the Premises; or
- you propose to enter into a voluntary arrangement with creditors; or
- an event under Clause 6.4 occurs.

11.4. In respect of Metering Points that remain Registered to us after the termination of the Agreed Supply Period these Terms and Conditions shall remain in force except that you may arrange to transfer your supply to another supplier subject to the conditions of Clause 11.1 (Items 1 and 4)

and you shall be charged at our Extended Supply Rates. Except where termination is due to our material breach we may arrange for Disconnection of the Metering Points and you shall be liable for any costs reasonably associated with such Isolation and any subsequent re-establishment of supply.

11.5. Your final invoice shall be based on the closing meter read or, where appropriate, the terms of Clause 7.7 shall apply. Where a Metering Point has transferred to another supplier the closing meter read will be provided to us by your new supplier or the Network Operator. The invoice shall also include any other costs reasonably incurred by us in the performance of this Agreement.

11.6. (This does not apply to Micro-Business Customers) If the Agreement is wrongfully terminated by you within the Agreed Supply Period, or terminated by us as a result of a material breach of these Terms and Conditions by you, without prejudice to our right to pursue any additional legal remedy, we may charge you a termination fee to recover any reasonable losses, energy costs or expenses that we incur as a result of your early termination. The termination fee shall be in two parts comprising (i) an administration fee of £150 for Non Half Hourly (NHH) electricity supplies or Gas Supply Meter Points or £250 for Half Hourly (HH) electricity supplies plus in our sole discretion (ii) a fee calculated as the number of Months of the Agreed Supply Period left unexpired (rounded up to whole Months), multiplied by 15% of the average monthly amount that would have been due from you. For the avoidance of doubt, the average monthly amount will be the aggregate of all payments (less any taxes, levies or duties) that would have been due from you during the Agreed Supply Period, based on our reasonable estimate of your expected consumption for the Agreed Supply Period, divided by the number of Months of supply. You agree these liquidated damages are commercially justifiable as a genuine estimate of the loss we would suffer and are not a penalty.

11.7. Termination of this Agreement shall not affect any rights or obligations that may have accrued prior to the date of termination.

12. Liabilities and Force Majeure

12.1 Nothing in this Agreement shall exclude liability for death or personal injury resulting from the negligence of a Party. Apart from this, each Party shall only be liable to the other for physical damage to property which was reasonably foreseeable, at the time of entry into this Agreement, as likely result of a breach, and a Party's total liability to the other Party for such liability shall not exceed six times the average monthly payment due from you for the affected Premises or £1,000,000 whichever is the lesser.

12.2 Except in respect of your liability to pay the Charges and where otherwise expressly provided, neither Party shall be liable to the other, under contract or otherwise, for loss of use, revenue, profit, contract or goodwill or for special, consequential or indirect loss or damage of any nature, or for any liability of the other to any other person.

12.3 Neither Party shall be liable to the other for failure to fulfil their obligations under this Agreement to the extent that the performance of the affected party is prevented due to Force Majeure. The affected Party shall Notify the other as soon as reasonably practicable of the Force Majeure event and take all reasonable steps to mitigate its effects. A further Notification shall be issued immediately upon the ending of the circumstances of Force Majeure.

12.4 We shall not be liable to you if the energy supply has been stopped due to a shut down or interruption caused by the Network Operator.

13. Electricity Only

13.1 Except where there is a pre-existing agreement between you and the relevant Network Operator, this Agreement is subject to the National Terms of Connection (NTC). The NTC is a legal agreement. It sets out rights and duties in relation to the connection at which your Network Operator delivers electricity to, or accepts electricity from, your home or business. We are acting as an agent of that Network Operator to make an agreement with you that the conditions of the NTC will apply. This will happen from the time that you enter into this Agreement and it affects your legal rights. If you would like a copy of the NTC or have any questions about it, please write to: Energy Networks Association (ENA), 6th Floor, Dean Bradley House, 52

Horseferry Road, London SW1P 2AF: phone 0207 706 5100, or see the website at www.connectionterms.co.uk.

13.2 The Capacity shown on the Proposal as "Supply Capacity" is indicative only; we shall invoice you for Capacity based on information provided to us from time to time by your Network Operator. If you require a change to your Capacity you must agree it in advance with your Network Operator. We shall also pass through to you any reactive charges or excess capacity charges levied on us by the Network Operator.

13.3 Where Premises have a Maximum Demand of 100 kW or more and require a Half Hourly Meter, you shall provide appropriate Metering Equipment including a permanent, functioning communications facility and we will terminate any existing Agreed Supply Period from the date of installation of the new equipment and provide you with a new Agreement. We may charge you all costs reasonably incurred for failure to ensure such provision.

13.4 In respect of all Half Hourly electricity Metering Points, you shall have an Agreement in place with a Meter Operator for Metering Equipment provision and maintenance. In respect of all other Metering Points you may request that we appoint a Meter Operator and Data Collector of your choice.

13.5 In all cases, you shall give us at least one calendar Months' Notice before the appointment is due to take effect and you shall be liable for all costs and liabilities reasonably or inevitably incurred by us as a result of such appointment. We may reject or delay appointment of a Meter Operator or Data Collector of your choice where we have reasonable grounds to do so. You shall not have more than one Meter Operator, Data Collector or Data Aggregator at any one time to perform the relevant Agent Service for each Metering Point. All Meter Operators, Data Collectors and Data Aggregators must be Qualified and if your Meter Operator or Data Collector ceases to be Qualified we will appoint a replacement and recover from you all costs reasonably incurred. You shall indemnify us for all costs and expenses we may incur in relation to the appointment of a Meter Operator or Data Collector hereunder.

13.6 Where a Metering Point has been Isolated by way of de-energisation you shall pay the charges applicable to the de-energised Premises.

13.7 CCL Exempt Product

- This Clause only applies to you if you are liable to pay CCL.
- You agree that we can, from time to time, supply you with electricity under a CCL Exempt Product. This means that the electricity we supply you with is certified as being from a Renewable Source, therefore you will be exempt from paying CCL.

13.8 There is an additional charge for electricity supplied under a CCL Exempt Product, known as the CCL Equivalent Charge. This charge is the same as the CCL you would otherwise have been liable for, therefore the total amount of your bill will be unchanged.

- If we have supplied you under a CCL Exempt Product, the CCL Equivalent Charge will be shown on a separate line on your bill.
- If we have supplied you under a standard product and you are liable for CCL, the CCL will be shown on a separate line on your bill.
- In some circumstances your bill may show both CCL and a CCL Equivalent Charge: this will be because you have only been supplied under a CCL Exempt Product for part of the period we have billed, and CCL is due on the remainder.
- In accordance with the Finance Act, Schedule 6, Paragraphs 19(2) and 20A(2):
 - a. In each averaging period as determined under the Finance Act 2000, Schedule 6, Paragraph 20B, the amount of electricity supplied by Good Quality CHP electricity will not exceed the difference between:
 - i. the total amount of Good Quality CHP electricity that, during that period, is either acquired or generated by us; and
 - ii. so much of the total amount as is allocated by us otherwise than to Good Quality CHP electricity supplied by us in the period.
 - b. In each averaging period as determined under the Finance Act 2000, Schedule 6, para 20, the amount of electricity supplied by Renewable electricity will not exceed the difference between:
 - i. the total amount of Renewable electricity that, during that period, is either acquired or generated by us; and
 - ii. so much of the total amount as is allocated by us otherwise than to Renewable electricity supplied by us in the period.

13.9 To the extent that any amendments are made to the CCL or the Carbon Price Floor, Supplier shall have the right to amend this Agreement to take such an amendment into account and, to the extent necessary, the customer hereby agrees to any such amendment.

14. Gas Only

14.1 In addition to the conditions of Clause 2.5, our obligation to supply is conditional upon you providing us with Emergency Contact Details as required in accordance with the Uniform Network Code, and you shall Notify us immediately of any changes to the Emergency Contact Details. You agree to cooperate with any exercises carried out by us or the Network Operator to update Emergency Contact Details or test gas emergency procedures.

14.2 You shall give us as much notice as possible if you require a change to your Capacity and we shall use reasonable endeavours to meet your requirements. Any additional costs will be passed through to you.

14.3 You shall Notify us prior to the Start Date if capacity at any of the Premises is currently or will be Interruptible at a future date and provide us with any details we require in relation to such Interruptible capacity.

14.4 Except where the meter is owned by the Network Operator or us you will, at your own expense, keep the meter in proper order for correctly registering the quantity of gas in accordance with the Act. Failure to meet your responsibilities may result in Isolation of the supply by the Network Operator or us.

14.5 We shall always appoint a Meter Reader of our choice and unless otherwise agreed with you in writing, a Meter Asset Manager of our choice.

14.6 We may vary the Charges or pass through additional costs where you substitute gas with an alternative fuel other than:

- during periods of supply interruption as part of an Interruptible agreement with your Network Operator; or
- where your supply has been temporarily Isolated in accordance with an instruction by your Network Operator for emergency or safety

reasons or for reasons of maintenance or repair to the Network, in accordance with industry regulations; or

- by prior agreement with us.

14.7 You shall not remove or replace any meter that is part of a Sub Deduct Arrangement without our agreement.

14.8 We may Isolate any Metering Point where no gas is used for a consecutive period of six Months and the Network Operator may remove the means of supply from an Isolated Metering Point which is not re-established after twelve Months. You shall be liable for all costs reasonably associated with such Isolation or removal.

15. Miscellaneous

15.1 This Agreement forms the entire agreement between the Parties and contains all agreed representations, warranties and undertakings.

15.2 This Agreement shall be interpreted in accordance with English law. No legal proceedings in respect of this Agreement shall be brought or conducted outside England and Wales.

15.3 You acknowledge that these terms were agreed with the opportunity for you to obtain independent legal advice and the levels of warranties and limitations of liability are reflected in the Charges.

15.4 The Terms and Conditions of this Agreement also apply where we act as Agent of any of our group of companies and references to 'we', 'us' or 'our' shall include those other companies where appropriate.

15.5 All information in this Agreement is confidential and, other than as provided for herein, no Party shall disclose information relating to this Agreement without prior written consent of the other Party, except to comply with the relevant law or regulation. We may:

- disclose any information relating to you to allow us to perform our obligations under this Agreement;
- share information about your account and payment history with credit agencies; and
- disclose information to third parties contracted by us to recover sums due to us under this Agreement; and

- disclose information relating to you or this agreement to our Affiliates and business partners for the purpose of providing you with other offers and products.

15.6 You shall not transfer, assign or subcontract any rights or obligations under this Agreement without our prior written consent. We may transfer, assign or subcontract any or all of our rights or obligations under this Agreement without your consent.

15.7 Any waiver shall be agreed by each Party in writing. A waiver of a specific breach shall not entitle any further breach.

15.8 If any provision is declared invalid, unenforceable or illegal by the courts, the remaining provisions of this Agreement shall continue in full force and effect.

15.9 Any Notice to be given under this Agreement shall be in writing and delivered by hand or sent by facsimile, email, recorded delivery or registered letter to the Notice Address. Any notice given by post shall be deemed to have been delivered three days after it was sent and a notice delivered by hand, email or facsimile transmission shall be deemed to have been served on the day of delivery or transmission.

15.10 Each Party shall use reasonable endeavours to resolve a dispute. If the Parties are not able to agree a resolution or there is a failure to implement the resolution correctly, either Party may pursue any remedies that it may have under this Agreement or at law. The Agreement shall apply during the dispute resolution process.

15.11 Apart from the provisions of Clause 13.1, any person who is not a Party to this Agreement shall not acquire or have any rights under this Agreement by virtue of the Contracts (Rights of Third Parties) Act 1999 or otherwise.

15.12 We reserve the right to change these Terms and Conditions, and as a result, this Agreement between us by notice in writing to you.

16. Definitions and Interpretations

16.1. In this Agreement the following terms have these meanings:

"Act" – the Electricity Act 1989 and the Gas Act 1986 as amended by the Utilities Act and regulations made thereunder, as applicable.

"Affiliate" – any holding company or subsidiary, or any subsidiary of a holding company, of a Party (or other person) or any related undertaking in which a Party (or other person) has a participating interest, in each case within the meaning of the Companies Act, 2006.

"Agent" – a Meter Operator, Data Collector, Data Aggregator, or an Agent appointed by us to provide Automate Meter Reading Equipment services.

"Agent Service" – a service provided by an Agent.

"Agreed Supply Period" – the period from the later of the Start Date or the date of Registration to the End Date.

"Agreement" – the entire content of the proposal, these Terms and Conditions, any annexes, appendices, and any document referred to in these Terms and Conditions.

"Authority" – the Gas and Electricity Markets Authority (GEMA) or the Office of Gas and Electricity Markets (Ofgem).

"Automated Meter Reading Equipment" – Metering Equipment, other than a Half Hourly Meter, that provides Agents with the ability to obtain details of your consumption remotely on a Half Hourly basis.

"Balancing and Settlement Code" – the code of that name brought into force pursuant to the Utilities Act 2000 as modified from time to time, "BSC" shall be construed accordingly.

"Billing Period" – means one Month, or as determined by the Supplier from time to time.

"Business Day" – bears the meaning given to the term "working day" in Section 64 of the Act: "day" means a period of 24 hours (or other such number as may be relevant in the case of changes for daylight saving) ending at 1200 midnight, "month" and "year" mean calendar month and calendar year respectively.

"Capacity" – the total amount of electricity you may consume at a Metering Point in any given period as agreed with the relevant Network Operator, also known as Authorised Supply Capacity (ASC). In gas, this is your standard Off-take Quantity (SOQ).

"Charges" – the charges referred to in the Proposal as varied in accordance with these Terms and Conditions and all costs, charges and expenses set out in the Terms and Conditions.

"Climate Change Levy" (CCL) – a charge levied at the rate from time to time imposed, pursuant to the Finance Act 2000 and any regulations made thereunder or in connection with such charge.

"Credit Bureau(x)" – a collector and compiler of data on individuals or businesses who makes such information available to subscribers allowing them to evaluate the financial stability of such individuals or businesses.

"Data Aggregator" – for electricity only, an Agent appointed to carry out the aggregation of metering data received from the Data Collector.

"Data Collector" – appointed to provide data retrieval and/or data processing services.

"Disconnection" – the permanent removal of a meter, cabling and service from the Premises.

"Distribution Use of System Charges" – charges and fees made by a Network Operator for the use of its system to transport the Supply and , other charges made under the Use of System Agreement including Meter Equipment and operation services, data collection services, data aggregation services and settlement and registration services provided pursuant to the Settlement Agreement, MRA or otherwise.

"Effective Date" – the date of commencement of the Supply pursuant to this agreement.

"Emergency Contact Details" – for gas only, details of emergency contacts who, between them, are available 24 hours a day, seven days a week and 365 days a year to arrange for the site to stop taking gas where so directed by us or your Network Operator in order to avert or diminish the effect of a gas supply emergency.

"Emergency Contacts" – for gas only, where Premises are not manned 24 hours a day, three contact names and job titles each with up to three telephone numbers. If a site is manned 24 hours a day, only one Emergency Contact need be provided. Sites with an AQ of > 1,464,000 kWh must also provide one fax number; this need not be manned constantly but must be capable of receiving faxes 24 hours a day.

"End Date" – the last date on which the current Charges and/or Pricing Mechanism shall be applicable. The End Date is shown on the Proposal.

"Energy" – electricity and/or natural gas, as appropriate.

"Equivalent Charge" – a charge equivalent in value to Climate Change Levy but not applied pursuant to the Finance Act 2000.

"Nominated Annual Consumption" – for electricity and gas is the value shown on the Proposal as kWh per annum.

"Extended Supply Rates" – the rates and charges published by us from time to time, and available at hudsonenergy.co.uk.

"Force Majeure" – an act of God, industrial action (except where solely restricted to employees of the Party claiming a Force Majeure event), an act of the public enemy or terrorist, war declared or undeclared, sabotage or act of vandalism, civil commotion, lightning, earthquake, hurricane, fire, storm, flood, drought, accumulation of snow or ice, explosion, exceptional breakage or accident to machinery or pipelines, governmental restraint, and act of Parliament or directive of a competent authority and any other cause which is beyond the reasonable control of the affected party. For clarity, a lack of funds shall not constitute Force Majeure.

"Good Industry Practice" – the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances.

"Good Quality CHP or GQCHP" – means electricity generated from a Combined Heat & Power station which is exempt from Climate Change Levy.

"Half Hourly Meter" – electricity only, Metering Equipment used to measure the consumption of electricity on a half hourly basis.

"Interruptible" gas offtake that may be subject to interruption by a Network Operator for the purposes in connection with the management of its pipeline system.

"Isolate", "Isolated", "Isolation" – no Energy can flow directly or indirectly from a Network. For electricity, temporary Isolation is de-energisation and permanent Isolation is disconnection.

"Licence" – a licence granted under the Act for the supply, distribution or transmission of electricity or gas.

"Maximum Demand" – electricity only, the product of twice the maximum number of KWh supplied in any half hour in the period(s) specified.

"Meter Operator" – a person Accredited and appointed pursuant to a Meter Operator Agreement who acts as Meter Operator in respect of Metering Equipment.

"Meter Operator Agreement" – an Agreement between the Customer and/or the Supplier (as the case may be) and a Meter Operator.

"Metering Point" – the point at which electricity or gas is metered prior to supply to your Premises, and at which title and risk in that Energy passes to you. There may be more than one Metering Point at each Premises.

"Network" – the local electricity or gas network, as applicable.

"Network Operator" – in respect of a Metering Point, the operator of the local network.

"Non-Daily Read Supply Meter" (NDM) – a Metering Point that is not a Daily Read Supply Meter and as defined in the Uniform Network Code.

"Notice", "Notify", "Notification", "Notified" – where information is required by either Party it shall be sent to that Party's Notice Address.

"Notice Address" – for Notices from us to you, your registered office address or any replacement address nominated by you for Notices from you to us, the address indicated in the proposal or any replacement address nominated by us.

"Party" – either you or us, and Parties means you and us.

"Premises" – each of the Premises shown in the Proposal.

"Proposal" – our Statement of Charge and other Terms and Conditions applicable to the supply of electricity to your Metering Points during an Agreed Supply Period.

"Qualified" – as defined in the BSC, and, in respect of Meter Operators, being a signatory to the Meter Operation Code of Practice Agreement.

"Register", "Registered", "Registration" – registration of Metering Points to a supplier in accordance with industry regulations.

"Start Date" – the date on which supply to the Premises under this Agreement is proposed to commence. The Start Date is shown in the Proposal.

"Supplier Certificates" – the certificate, available from HM Revenue & Customs, Reference PP11, representing the percentage of supply eligible for relief from Climate Change Levy (CCL).

"Supplier of Last Resort" – a licenced supplier appointed by the Authority in accordance with Condition 8 of the Suppliers Licence.

"Supply" – any electricity or gas supplied from time to time by us under this Agreement.

"Transmission Company" – National Grid Transmission (NGT) and/or any other holder of a Transmission Licence.

"Transmission Use of System Charges" – charges made by the Transmission Company in respect of

use of the Transmission System to transport the Supply excluding balancing use of system charges.

"Value Added Tax" (VAT) – has the meaning given to that term in the Value Added Tax Act 1994 and any tax of a similar nature which may be substituted for or levied in addition to.

"Working Day" – any day other than a Saturday, Sunday or public holiday in England and Wales. 16.2. In this Agreement except where the context otherwise requires:

- any reference to a statute, regulation or statutory instrument or any provision thereof shall be construed as reference to the same as it may have been or may from time to time be amended, modified or re-enacted;
- the masculine shall include the feminine and references in the singular shall include references in the plural and vice versa, and words denoting natural persons shall include companies, corporations and any other legal entity and vice versa;
- the words "include" and "including" are to be construed without limitation;
- any reference to this Agreement or any other agreement, deed, licence, code, authorisation, consent or instrument shall be construed as a reference to the same as it may have been, or may from time to time be, amended, varied, supplemented or novated;
- where the Customer comprises more than one person the obligations and undertakings on the part of the Customer shall be joint and several.

Hudson Energy Supply UK Limited

Elder House, 3rd Floor
586-592 Elder Gate
Central Milton Keynes
MK9 1LR