

Association Power Membership Agreement

This Agreement is entered into by and between Association Power, LLC (AP) and _____ (Member) for the purpose of establishing the rights and obligations of the parties in aggregating Member's electric demand with that of other members of AP, and for procuring electricity to meet Member's demands.

I. TERM. This Agreement is effective as of the date it is executed by both of the parties. This Agreement terminates upon the expiration of any contract for electricity executed pursuant to this Agreement by AP on behalf of Member with a retail electric provider (REP). Except as limited in Section VII, either party may terminate this Agreement by providing written notice to the other. Member's notice of termination must be sent to AP at the following address:

Association Power, LLC
500 West 13th Street
Austin, Texas 78701

II. AUTHORITY GRANTED TO AP. By executing this Agreement, Member vests AP, subject only to the ability to meet the Trigger Points as described in Section VII, with the sole authority to negotiate and execute on Member's behalf a contract with one or more REPs for the provision of electricity to Member for each of Member's electric accounts.

III. INITIAL MEMBERSHIP FEE. Member agrees to pay AP \$30 per Member electric account up to 100 accounts and \$15 per each additional Member electric account to be used by AP to build Member's electric load profile, as well as aggregated load profiles of AP members.

IV. MEMBER'S RESPONSIBILITIES. Member shall execute an agency letter vesting AP with the authority to obtain Member Information from Member's current transmission and distribution service provider(s). Member Information consists of location of Member's meters, account numbers, historical and projected energy usage, applicable load factors, utility rate classes, agreements and/or schedules impacting electric usage, and other utility service information. Member shall provide all reasonable assistance to AP in obtaining Member Information. Additionally, Member shall execute a letter for presentation to vendors acknowledging the terms of this Agreement authorizing AP to execute contracts on behalf of Member and authorizing the contracted vendor to assess and collect AP's Aggregation Fee.

Member shall name a representative to serve as the sole point of contact for Member under this Agreement. Member names the following individual or entity as its representative:

Name: _____

Address: _____

City, State, Zip Code: _____

Phone: _____

Fax: _____

Email: _____

V. AP's RESPONSIBILITIES. AP will collect Member Information and will pool Member with other members of AP and/or other entities that are participating in aggregation of their electric loads. Prior to beginning the competitive procurement process, AP will provide Member with AP's proposed procurement strategy, the methodology for avoiding cross-subsidization of members, projected savings, and the Trigger Point as described in Section VII. AP will prepare a bid package and disseminate the package to all REPs lawfully doing business in Texas in good standing with the Texas Public Utility Commission. AP will negotiate a final contract or contracts on behalf of Member and will execute such contract(s) on behalf of Member.

VI. AP REPRESENTATIVE. AP shall have a Representative assigned to serve as Member's first point of contact with AP regarding matters arising from or pertaining to this Agreement. The Representative does not possess the authority to legally bind AP, but shall serve to ensure that Member receives prompt attention and timely information from AP regarding the procurement of electricity by AP for Member. The AP Representative is:

Name: _____

Address: _____

City, State, Zip Code: _____

Phone: _____

Fax: _____

Email: _____

VII. TRIGGER POINTS AND EARLY TERMINATION. Prior to the issuance of a request for bids from REPs, AP will notify Member of AP's projected savings for Member based upon the analysis of Member Information, pooling, and market conditions. At the same time, AP will establish a "Trigger Point," which shall be the minimum percentage of savings AP must obtain for Member in order to have authority to execute a contract on Member's behalf for the purchase of electricity. Member shall have twenty (20) days from the date of notification of projected savings and the Trigger Point to terminate this Agreement. Thereafter, Member and AP may only terminate this Agreement upon breach of its terms by the other party.

VIII. AGGREGATION FEE. In addition to the initial membership fee, Member agrees to pay AP an Aggregation Fee in an amount equal to 1.35% of Member's energy costs and all non-bypassable charges as billed by Member's REP. This aggregation fee will be billed by Member's electric provider as a component of Member's regular electric bill(s), and may be expressed as a per-kilowatt-hour charge based on Member's historical usage.

IX. NO PRICE GUARANTEE. It is the purpose of this Agreement to obtain favorable electric rates for Member by pooling its demand for electricity with that of other members of AP and/or other entities that are participating in aggregation of their electric loads. Member acknowledges, however, that final negotiated rates are subject to market forces beyond the control of AP. Additionally, because AP's procurement methodology includes avoiding cross-subsidization of members, it is likely that rates will vary among pooled members of AP and/or other entities that are participating in aggregation of their electric loads, and among Member's electric accounts. Therefore, Member acknowledges and agrees that AP has not and does not guarantee for Member (i) any particular rate for electricity; or (ii) the lowest rate among pooled accounts. However, AP must meet or exceed the Trigger Point before it may execute a contract on behalf of Member.

X. INTERIM CONTRACTS FOR NEW MEMBERS. If one or more members join AP between procurement cycles, it may be to the benefit of those members to enter into a contract for electric power prior to the next scheduled procurement for existing members. In such case, AP will consult with each member and, upon written approval of such member, AP may negotiate a contract for electricity for the member. In such case, AP will provide the member with a Trigger Point, but will not be required to comply with each obligation set forth in Section V of this Agreement.

XI. WAIVER OF CUSTOMER PROTECTION RULES. The Public Utility Commission of Texas has adopted "Customer Protection Rules," which are designed primarily to protect the interests of residential and small commercial consumers. Contracts negotiated by AP for its members address the issues covered by the Rules, and the rules generally do not provide additional benefit to AP Members. PUC Substantive Rule 25.474 allows customers to rescind contracts for electricity within three business days after execution. Such a rule, if applied to the AP competitive procurement process, would result in substantially higher rates for AP members. Therefore, Member acknowledges and agrees that, to the extent permitted by law, PUC Substantive Rule 25.474 will not apply to the contract for electricity executed by AP on behalf of Member. Further, as to AP, Member agrees to waive its rights under PUC Substantive Rule 25.473, relating to the provision of information to customers in Spanish.

XII. RESTRICTIONS ON AP. Except for Aggregation Fees as set forth in this and other Membership Agreements, AP shall not solicit nor accept any fee, remuneration or compensation of any kind from any REP or electric provider, their subsidiaries and affiliates, or from any individual or entity representing or acting on behalf of any REP or electric provider.

XIII. CONFIDENTIALITY. The parties acknowledge and agree that this Agreement and all other information regarding AP's services to Member and Member Information are confidential. Each party shall not disclose the terms of this Agreement, nor any information furnished by one party to the other, to a third party (other than the party's employees, lenders, counsel, or accountants who have agreed to keep such terms confidential), except in order to comply with

any applicable law, order or regulation; provided, each party shall notify the other party of any proceeding of which it is aware which may result in disclosure. The parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. Notwithstanding the foregoing, Member agrees that AP may release Member Information to REPs and may provide copies of this Agreement to REPs in order to fulfill the purposes of this Agreement. Further, Member agrees that AP may use Member's name and a general description of the goods and/or services provided hereunder in promotional materials.

XIV. OWNERSHIP OF DATA. All data relating to Member's electric usage is owned by the Member. If requested by Member, AP shall provide to Member any requested data in the possession of AP in the format in which AP possesses the data. AP has the right to copy the data at its sole costs and expense and use the data for purposes set forth herein.

XV. PAYMENT FOR ELECTRICITY. Member shall be solely responsible for payment to any REP and any other individual or entity that supplies electricity to Member's facilities. Member agrees to hold harmless and indemnify AP from and against any claims, demands or causes of action against AP for payment for electricity supplied to any of Member's electric accounts.

XVI. GOVERNING LAW AND VENUE. This Agreement shall be construed in accordance with the laws of the State of Texas. Exclusive venue for any legal action between the parties arising from or related to this Agreement shall be in Travis County, Texas.

XVII. COMPLETE AGREEMENT. This Agreement sets forth the complete agreement between the parties regarding the subject matter set forth herein, and the parties agree and acknowledge that any oral or written representations not specifically set forth herein are of no force and effect.

XVIII. AUTHORIZED SIGNATORIES. The individuals executing this Agreement on behalf of the parties represent and warrant that they possess the authority to legally bind their respective parties.

ASSOCIATION POWER, LLC

(Member)

Donald Lee, President

Signature

Date

Printed Name and Title

Date