

Notice of Pendency and Proposed Settlement of Class Action

This Notice is to inform you of a proposed settlement of a class action lawsuit that will resolve claims against Verde Energy USA, Inc., Verde Energy, USA Ohio, LLC, Verde Energy, USA Massachusetts, LLC, and Verde Energy, USA New York, LLC (referred to as “Verde” or “Defendants”). If you enrolled in one of Verde’s variable rate electricity plans in connection with property located in Illinois from January 31, 2008 through October 31, 2015, in New Jersey from January 21, 2012 through October 31, 2015, in New York from January 21, 2014 through October 31, 2015, in Ohio from June 24, 2012 through October 31, 2015, in Massachusetts from April 17, 2013 through October 31, 2015, or in Pennsylvania from January 1, 2012 through October 31, 2015, or if you became a Verde Energy USA, Inc. variable rate electricity plan customer in Pennsylvania beginning in 2018 following a transfer from Oasis Power, LLC, ***your legal rights may be affected by the Settlement.***

This Notice is given to you pursuant to Rule 23 of the Federal Rules of Civil Procedure.
Please review this document carefully.

You are not being sued.

YOUR LEGAL RIGHTS AND OPTIONS

DO NOTHING	If you do nothing, you will be bound by the Settlement, if it is approved.
EXCLUDE YOURSELF	Write to the Settlement Administrator if you do not want to benefit from, or be bound by, the Settlement. The deadline to exclude yourself is December 1, 2021 .
OBJECT	File an objection with the Court if you are not satisfied with the Settlement. The deadline to object to the Settlement is December 1, 2021 .
GO TO A HEARING	If you file an objection and a notice of intent to appear, you may speak in Court or electronically about the fairness of the Settlement. The Final Approval Hearing will be held on December 17, 2021 .
MAKE A CLAIM	Make a claim for benefits under the Settlement. The deadline to make a claim is March 31, 2022 .

Your legal rights and options—and the deadlines to exercise them—are explained in this Notice. Your legal rights may be affected whether you act or do not act. Please read this Notice carefully. Capitalized terms in this Notice have the same meaning as provided in the Settlement Agreement on file with the Court.

1. Why did the Court issue this Notice?

This Notice is given to inform you that (1) a class action lawsuit is pending in the United States District Court for the Northern District of Illinois entitled *Mercado, et al. v. Verde Energy USA, Inc., et al.*, 1:18-cv-02068 (N.D. Ill.) (the “Action”); (2) you may be a Class Member regarding the Action; (3) the Parties to the Action have proposed to settle the Action; (4) the proposed Settlement may affect your legal rights; and (5) you have a number of options.

2. What is this Action about?

Plaintiffs have brought this Action against Verde, on behalf of themselves and all other persons who enrolled in one of Verde’s variable rate electricity plans in connection with property located within Massachusetts from April 17, 2013 through October 31, 2015 within New York from January 21, 2014 through October 31, 2015, within Illinois from January 31, 2008 through October 31, 2015, within New Jersey from January 21, 2012 through October 31, 2015, within Ohio from June 24, 2012 through October 31, 2015, and within Pennsylvania from January 1, 2012 through October 31, 2015, or if you became a Verde Energy USA, Inc. variable rate electricity plan customer in Pennsylvania beginning in 2018 following a transfer from Oasis Power, LLC (the “Class Period”).

Plaintiffs allege that Defendants promised to charge customers a variable rate for energy that was to fluctuate based on market conditions, and that the rate charged was allegedly not priced in accordance with market conditions. Plaintiffs maintain that Defendants’ actions constitute violations of various states’ consumer protection laws, as well as other laws.

Defendants deny Plaintiffs' claims and charges, deny they have violated any laws, and maintain that their actions were in accordance with their contractual commitments and not deceptive.

This Settlement resolves the following Actions, as well as those actions that could have been filed in Illinois, New Jersey, Massachusetts, New York, Ohio, and Pennsylvania, including *Mercado v. Verde Energy USA, Inc.*, Dkt. No. 1:18-cv-02068 (N.D. Ill.); *Marshall v. Verde Energy USA, Inc.*, Dkt. No. 2:18-cv-01344-JMV-JBC (D.N.J.); *Davis v. Verde Energy USA, Inc.*, Dkt. No. 1:19-cv-10741-MLW (D. Mass.); *LaQua v. Verde Energy USA New York, LLC*, Dkt. No. 1:20-cv-00326 (E.D.N.Y.); *Abbate v. Verde Energy USA Ohio, LLC*, Dkt. No. 2:20-cv-03196 (S.D. Ohio); and *Panzer v. Verde Energy USA, Inc., et. al.*, Dkt. No. 2:19-cv-03598-TJS (E.D. Pa.).

3. How do I know if I am part of the Settlement Class?

The Court has conditionally certified a Settlement Class defined as the following:

All individual residential consumers who enrolled (either initially or though “rolling over” from a fixed rate plan) in a variable rate electricity plan provided by any of the Verde Defendants or were otherwise charged a variable rate for electricity by any of the Verde Defendants in connection with property located within Massachusetts from April 17, 2013 through October 31, 2015, within New York from January 21, 2014 through October 31, 2015, within Illinois from January 31, 2008 through October 31, 2015, within New Jersey from January 21, 2012 through October 31, 2015, within Ohio from June 24, 2012 through October 31, 2015, and within Pennsylvania from January 1, 2012 through October 31, 2015, plus those customers in Pennsylvania who became Verde Energy USA, Inc. variable rate electricity plan customers beginning in 2018 following a transfer of their customer relationships with Oasis Power, LLC, excluding, in all instances, persons whose only contract with Verde contained either a “Governing Law and Arbitration” clause or an “Agreement For Mandatory Arbitration & Class Action Waiver” clause. Depending on your particular contract, these paragraph headings may be found in either Paragraph 16 or Paragraph 17. A “Frequently Asked Question” on VariableRateEnergySettlement.com specifically instructs you on where to look in your customer agreement to determine whether it contains an Arbitration or a Class Action Waiver clause. If you do not have your agreement, and cannot locate it, you will NOT be disqualified from participating in this Settlement.

Also excluded from the Settlement Class are: (a) the Verde Defendants; (b) the officers, directors, and employees of the Verde Defendants; (c) any entity in which the Verde Defendants have a controlling interest; (d) any affiliate or legal representative of the Verde Defendants; (e) the Judge to whom the Action is assigned, the Judge’s staff, and any member of their immediate family; and (f) any heirs, assigns, and/or successors of any such persons or entities in their capacity as such.

4. What are the reasons for the Settlement?

The Court did not decide in favor of the Plaintiffs or Defendants. Instead, both sides agreed to a settlement that they believe is a fair, reasonable, and adequate compromise of their respective positions. The Parties reached this agreement only after extensive negotiations, an exchange of information, and consideration of the risks and benefits of settlement.

Counsel for Plaintiffs and the Settlement Class Members have considered the substantial benefits from the proposed Settlement that will be given to the Settlement Class Members and balanced these benefits with the risk that a trial could end in a verdict for Defendants. They also considered the value of the immediate benefit to Settlement Class Members versus the costs and delay of litigation through trial and appeals and the risk that a class would not be certified. Even if Plaintiffs were successful in these efforts, Settlement Class Members may not receive any benefits for years.

5. What does the Settlement provide?

BENEFITS. If the proposed Settlement is ultimately approved by the Court, it will provide cash payments to the Settlement Class Members. In return for the relief described below, the Settlement Class Members release their rights to pursue any claims against Verde and related entities concerning or relating to the allegations raised in the Action. The central provisions of the Settlement are as follows:

Monetary Relief. Defendants will pay a total of \$7,000,000 into a cash fund (“Settlement Fund”). The Settlement Fund will be used to pay (i) Settlement Class Members’ cash benefits, (ii) awarded attorneys’ fees and expenses, (iii) the Named Plaintiff Enhancement Awards, and (iv) all settlement administration fees and costs, and notice costs.

Each Settlement Class Member who files a valid claim shall receive a *pro rata* share of the Net Settlement Fund. That *pro rata* share shall be based on the Settlement Class Member's proportional kWh usage during the Class Period of the aggregate kWh variable rate energy consumed by all Class Members during the Class Period.

NOTICE AND ADMINISTRATION. The costs of Notice and to administer the Settlement will be paid out of the Settlement Fund.

CLAIM PROCEDURE. To receive a cash payment, Settlement Class Members must complete, sign, and submit a Claim Form ON OR BEFORE **March 31, 2022**. The Claim Form may be filed online or by U.S. Mail. Please review the Claim Form for more information.

You may visit VariableRateEnergySettlement.com to file your Claim online or obtain a Claim Form by calling 1-855-535-1866.

You can also obtain a Claim Form by letter request to *Mercado v. Verde Energy*, Settlement Administrator, P.O. Box 6480, Portland, OR 97228-6480.

RELEASE. Unless you exclude yourself from the Settlement Class, approval of this proposed Settlement will result in a release by you of all Claims against Defendants and other related entities and individuals concerning or relating to the allegations or claims raised in the Action.

MORE INFORMATION. The complete terms of the Settlement are in the Settlement Agreement, which is available online at VariableRateEnergySettlement.com.

6. Do I have a lawyer in the case?

Plaintiffs and the Settlement Class are represented by Jonathan Shub and Kevin Laukaitis of Shub Law Firm LLC, who have been appointed as Lead Class Counsel. Melissa K. Sims, Daniel K. Bryson, and Harper T. Segui of Milberg Coleman Bryson Phillips & Grossman, PLLC, Edward A. Wallace of Wexler Wallace LLP, Jeffrey S. Goldenberg of Goldenberg Schneider, LPA, Jason M. Leviton of Block & Leviton LLP, D. Greg Blankinship of Finkelstein, Blankinship, Frei-Pearson & Garber, LLP, Jason T. Brown of Brown, LLC, and Aarthi Manohar of Kohn, Swift & Graf, P.C., have been appointed by the Court as Class Counsel. You will not be charged personally for these lawyers. You may hire an attorney at your own expense to represent you and speak on your behalf at the Final Approval Hearing.

7. How will the lawyers for the Settlement Class be paid?

Lead Class Counsel and Class Counsel will, subject to Court approval, make an application for attorneys' fees not to exceed 33 1/3% of the Settlement Fund, plus reimbursement of expenses. Further, the Class Representatives will request the Court to grant Enhancement Awards up to \$25,000 to Tracey Mercado, \$7,500 to Ray Marshall, and \$5,000 to Melissa Davis, Jermina LaQua, Michael Abbate, Tom Riley, and Scott Panzer, as further described in the Settlement Agreement. Defendants take no position on the requested attorneys' fees, and expenses, but reserve its right to oppose Enhancement Awards either in total or the amounts requested for one or more Class Representatives.

Class Counsel will file any motion for an award of Class Counsel's Fees on or before November 16, 2021.

8. What happens if I do nothing after receiving this Notice?

If you do nothing, and the Court approves the Settlement, you will be bound by the terms of the Settlement and will be unable to pursue claims against Verde and other related entities concerning or relating to the allegations or claims raised in the Action.

As long as you do not request exclusion from the Settlement Class, you may be entitled to the payments described in Question 5 if you submit a Valid Claim.

You must complete and submit a Claim Form no later than March 31, 2022, or your Claim will not be considered and will be rejected.

9. What does it mean to request exclusion from the Settlement Class?

If you come within the Settlement Class definition, you will be a Settlement Class Member and will be bound by the Settlement if the Court approves the Settlement, unless you exclude yourself from the Settlement Class (also known as “Opting-Out”). Being “bound by the Settlement” means that you will be precluded from bringing, or participating as a claimant in, a similar lawsuit. Persons who exclude themselves from the Settlement Class will not be bound by the terms of the proposed Settlement for purposes of damages claims and will not be eligible to receive any money from the proposed Settlement, but they will retain the right to sue Defendants for damages, at their own cost.

You cannot exclude yourself from the Settlement Class and the proposed Settlement if you wish to object to the Settlement and/or appear before the Court during the Final Approval Hearing (see Questions 11 and 12), as you need to be a Settlement Class Member affected by the Settlement to object or appear.

10. How do I request exclusion?

You may exclude yourself from the Settlement Class provided that your request for exclusion is made in writing and *delivered* before **December 1, 2021**. To exclude yourself, you can download an exclusion form, available at VariableRateEnergySettlement.com, or send a letter that includes (a) the signature of the Settlement Class Member requesting exclusion from the Settlement, (b) the full name, address, and phone number(s) of the Settlement Class Member requesting exclusion, and (c) the following statement (or a functional equivalent): “I/We request to Opt-Out from the Settlement in the Action.” Your written request to exclude yourself from the Settlement must be sent to *Mercado v. Verde Energy*, Settlement Administrator, P.O. Box 6480, Portland, OR 97228-6480.

You will be excluded from the Settlement only if your request is *delivered* on or before **December 1, 2021**, and includes the required information. Settlement Class Members who fail to submit a valid and timely request for exclusion on or before the date specified shall be bound by all terms of the proposed Settlement and any related Final Order and Judgment, regardless of whether they have requested exclusion from the proposed Settlement.

In determining whether you want to exclude yourself from the Settlement, you are advised to consult your own personal attorney, as there may be issues particular to your circumstances that require consideration.

11. What if I do not like the Settlement?

If you are a Settlement Class Member, you can object to the proposed Settlement. To object, you must provide the following information in writing: (a) documents establishing or providing information sufficient to allow the Parties to confirm that the objector is a Settlement Class Member; (b) a statement of such Settlement Class Member’s specific Objection; (c) the grounds for the Objection; (d) identification of any documents such objector desires the Court to consider; and (e) all information requested on the Claim Form.

Your objection must be *delivered* before **December 1, 2021** to the Settlement Administrator at P.O. Box 6480, Portland, OR 97228-6480, and served on Class Counsel and on Counsel for Verde.

If your objections do not meet all of the requirements set forth in this section, they will be deemed invalid and will be overruled.

Finally, subject to approval of the Court, any objecting Settlement Class Member may appear, in person or by counsel, at the Final Approval Hearing held by the Court, to show cause why the proposed Settlement should not be approved as fair, adequate, and reasonable, or object to any petitions for attorneys’ fees, Named Plaintiff Enhancement Awards, and reimbursement of reasonable litigation costs and expenses. Settlement Class Members may also appear at the Final Approval Hearing by telephone or other electronic means. The objecting Settlement Class Member must file with the Clerk of the Court and serve upon Class Counsel and Counsel for Verde (at the addresses listed below), a notice of intention to appear at the Final Approval Hearing (“Notice of Intention to Appear”) on or before **December 1, 2021**.

When required to mail counsel for the Parties, use the below addresses:

1. Plaintiffs: Jonathan Shub, Shub Law Firm LLC, 134 Kings Hwy. E., 2nd Floor, Haddonfield, NJ 08033
2. Defendants: Kevin P. Allen and Louis A. DePaul, Eckert Seamans Cherin & Mellott, LLC, 600 Grant Street, 44th Floor, Pittsburgh, PA 15219.

The Notice of Intention to Appear must include copies of any papers, exhibits, or other evidence that the objecting Settlement Class Member (or his/her/its counsel) will present to the Court in connection with the Final Approval Hearing. Any Settlement Class Member who does not provide a Notice of Intention to Appear in complete accordance with the deadlines and other specifications set forth in this Notice will not be allowed to speak or otherwise present any views at the Final Approval Hearing.

12. When and where will the Court determine whether to approve the Settlement?

The Court has scheduled a Final Approval Hearing for **December 17, 2021, at 10:00 a.m.** at the United States District Court for the Northern District of Illinois, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. This hearing may be continued or rescheduled by the Court without further notice. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and will consider Class Counsel's request for attorneys' fees and expenses. The Court also will consider objections. The Court may decide these issues at the Final Approval Hearing or take them under consideration. We do not know how long these decisions will take.

13. Do I have to come to the hearing?

No. You are not required to come to the hearing, but you are welcome to come at your own expense. The hearing may be in person or via video conference, subject to the Court's order. If the hearing is in person, the Court will make the hearing accessible to Settlement Class Members by telephone or other electronic means.

Settlement Class Members who object to the proposed Settlement do not need to attend the Final Approval Hearing for their objections to be considered. If you wish to appear either personally or through your own personal attorney at the Final Approval Hearing, you must send both a timely objection and a Notice of Intention to Appear to the Clerk of the Court at the address set forth in Question 11 above, and serve copies on Class Counsel and counsel for Defendants at the addresses set forth in Section 11 above no later than **December 1, 2021**.

14. What if the proposed Settlement is not approved?

If the proposed Settlement is not granted final approval, the putative Settlement Class, which has been preliminarily approved, will be decertified, the Action will proceed without further notice, and none of the agreements set forth in this Notice will be valid or enforceable.

15. How do I get more information about the settlement?

This Notice only summarizes the Settlement. The official terms of the Settlement are available by reviewing the Settlement Agreement on the website at VariableRateEnergySettlement.com, reviewing the public files at the Clerk of Court, Northern District of Illinois, 219 S. Dearborn St., Chicago, IL 60604, or by calling 1-855-535-1866. In the event of a conflict between the terms of this Notice and the Settlement, the terms of the Settlement will govern.

All questions you may have concerning the Settlement Agreement or this Notice should be directed to *Mercado v. Verde Energy*, Settlement Administrator, P.O. Box 6480, Portland, OR 97228-6480.

Please DO NOT Contact the Court.