

[REDACTED]

[REDACTED]

STRICTLY CONFIDENTIAL

[REDACTED]

[REDACTED]

Dear [REDACTED]

We are pleased to confirm your offer of full-time employment with [REDACTED]. The following outlines the terms and conditions of employment:

- Your employment will commence as a Senior Program Manager, working within the Direct Energy Residential – Operations – BPM - Texas department effective May 23, 2011. This position will report to [REDACTED] Director of CTS Reduction.
- Your bi-weekly salary will be \$5,000.00, which, when annualized, is equivalent to \$130,000.00 USD.
- You will be eligible to participate in the Company's 2011 Annual Incentive Plan ("AIP"). Your 2011 target bonus is fifteen percent (15%) of your base salary prorated based on your hired date of May 23, 2011. Annual Incentive Plan payments are based on Company and Business unit performance meeting targeted objectives as well as individual performance. AIP payments are at the complete discretion of the Company.
- You will be eligible to participate in the Company's benefits plan as of your first day of employment. The Benefits Plan includes but is not limited to, major medical, dental care, life insurance and disability insurance. Please note that it will take approximately six (6) weeks to receive your insurance cards. If you require medical, dental or vision services prior to receiving your insurance cards you will need to file a claim manually.
- The Company will contribute three percent (3%) of your base salary to a 401K plan on your behalf. Eligibility for this program begins on the first day of employment with the Company. You may elect to voluntarily contribute to the Direct Energy 401K plan from date of hire. Through payroll deductions, you may make before-tax contributions of up to 100% of your eligible pay in accordance with the I.R.S. guidelines. Details are provided under separate cover.