

# Ambit Northeast, LLC

## Pennsylvania PECO Residential Service Area

### Sales Agreement and Terms of Service

#### **EFFECTIVE: FEBRUARY 2011**

The following is your Terms of Service (Agreement) with Ambit Northeast, LLC (Ambit Energy) for the purchase of residential electricity service. Ambit Energy agrees to sell and Customer agrees to buy the quantity of electricity delivered to you, as measured or estimated by your Electric Distribution Company (EDC) or Philadelphia Electric Company (PECO). Ambit Energy is an Electric Generation Supplier (EGS) and will supply electricity for your residence enrolled under this Agreement. The words "we," "us," and "our" refer to Ambit Energy, and the words "you" and "your" refer to the Customer. Retain this Agreement for your records.

Ambit Energy is licensed as an EGS with the Public Utilities Commission (PUC) in the Commonwealth of Pennsylvania. Ambit Energy's license number is A-2010-2190276. Ambit Energy sets the Electric Generation Service Charge and the Public Utilities Commission (PUC) regulates electric distribution prices and services. The Federal Energy Regulatory Commission (FERC) regulates electric transmission prices and services.

#### **CONTACT INFORMATION:**

For questions concerning your rate, service initiation, or service cancellation, please contact Ambit Energy using the contact information below:

Ambit Energy

Internet Address: [www.ambitenergy.com](http://www.ambitenergy.com)

P.O. Box 864589

Plano, TX 75086

Customer Service (877) 282-6248

Facsimile (214) 969-5928

Operating Hours:

Monday - Friday 9:00 AM - 7:00 PM EST

Saturdays 11:00 AM - 6:00 PM EST

In the event of a power outage or if you are transitioned to the provider of last resort (POLR), please contact your EDC, available using the contact information below:

#### **Electric Distribution Company & POLR:**

PECO

2301 Market Street

P.O. Box 37629

Philadelphia, PA 19101

Phone Number: (800) 841-4141

#### **Public Utility Commission of Pennsylvania (PUC)**

PO Box 3265

Harrisburg, PA 17105-3265

Utility Choice Hotline: (800) 692-7380

For Universal Service Programs, such as CAP Rate, Customer Assistance & Referral Evaluation Services (CARES), Matching Energy Assistance Fund (MEAF) call (800) 774-7040, Low Income Home Energy Assistance Program (LIHEAP) call (800) 344-3574, Low Income Usage Reduction Program (LIURP) call (800) 675-0222 or please call PECO at (800) 480-1533.

**ELIGIBILITY:** Ambit Energy does not deny residential electric service or determine eligibility for pricing based on credit history, utility payment data or credit score. Ambit Energy does not deny service based on a customer or applicant's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of a customer/applicant in an economically distressed geographic area, or qualification for low income or energy efficiency services.

**SERVICE TERM:** Depending on which plan you (Customer) have selected, your service under this Agreement is provided under either a fixed-rate (term) product or a variable-price (month-to-month) product, specified in the Disclosure Statement. If you are a new Customer, your selected product will become effective on the day your service begins with Ambit Energy, which coincides with the date your meter is read by the EDC. Because this date is determined by your EDC, Ambit Energy is not able to commit to a specific date for the commencement of service. If you are currently an Ambit Energy Customer and are switching to another product, your selected product will become effective within 24 hours of the request to switch to the new plan.

**CONTRACT RENEWAL/CHANGE IN TERMS:** If you have a fixed term agreement with us and it is approaching the expiration date or whenever we propose to change our terms of service in any type of agreement, you will receive written notification from us in each of our last three bills for supply charges or in corresponding separate mailings that precede either the expiration date or the effective date of the proposed changes. We will explain your options to you in these three advance notifications.

**PRICING & PAYMENT:** Each payment period, you will receive a single bill from your EDC that includes Ambit Energy generation supply charges as well as the EDC's delivery charges. Your term contract rate will be disclosed to you at time of enrollment. If you select a variable plan, rates are subject to change monthly at the discretion of Ambit Energy. This price includes Electric Generation Service Charges, Transmission Charges and Gross Receipts Tax, but excludes applicable state and local sales taxes and the Distribution Charges from your local EDC, PECO.

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Your payment will be due to the EDC by the date specified in the EDC bill. Except as otherwise provided in this agreement or by law, all taxes of any kind, nature and description, due and payable with respect to Customer's performance of its obligations under this Agreement, shall be paid by Customer. The parties' obligations under this Agreement are subject to present and future legislation, orders, rules, or regulations of a duly constituted governmental authority having jurisdiction over this Agreement or the services to be provided herein.

**ACCESS TO CUSTOMER INFORMATION:** Customer acknowledges that customer billing and payment information will be provided to Ambit Energy from your EDC. This information includes, but is not limited to, Customer's account number, meter reading data, rate class and electric usage, Customer's address(es) and telephone number, and Customer's budget billing plan or payment arrangement preference. Customer further understands that the EDC is required by the PUC to communicate with Customer following a notice of change of EGS to confirm the change was authorized.

**DISPUTE RESOLUTION:** In the event of a billing dispute or a disagreement involving any essential element of this Agreement, the parties will use their best efforts to resolve the dispute. Customer should contact the EDC regarding any billing dispute, and should contact Ambit Energy in writing at P.O. Box 864589, Plano, TX 75086 or by telephone at (866) 282-6248 for any terms of service dispute. If after discussing your problem with Ambit Energy or the EDC you remain dissatisfied, you may file an informal complaint with the Public Utility Commission by telephoning the Utility Choice Hotline at (800) 692-7380 or by writing to the following address: Public Utility Commission, Box 3265, Harrisburg, Pennsylvania 17120. by telephoning the Utility Choice Hotline at (800) 692-7380, or by writing to the following address: Public Utility Commission, Box 3265, Harrisburg, Pennsylvania 17120.

**CONSUMER PROTECTIONS:** The services provided by Ambit Energy are protected by the terms and conditions of this Agreement and the Pennsylvania Public Utilities Commission (PUC). The complete text of the PUC Customer Protection Rules referenced herein can be found in the Pennsylvania Code, Title 52, Public Utilities at: <http://www.pacode.com/secure/data/052/chapter54/subchapAtoc.html> and <http://www.pacode.com/secure/data/052/chapter56/chap56toc.html>

Your EDC has programs available to customers who are on a limited or fixed income to assist them with utility bills. Contact PECO using the contact information listed for PECO under the Contact Information Section of this Agreement.

**RIGHT TO RESCIND:** You may rescind this Agreement without fee or penalty of any kind within three (3) business days of receiving the written disclosure statement. You can rescind this agreement by calling PECO at (800) 494-4000 from 8:00 a.m. to 5:00 p.m. You may rescind in writing, orally, or electronically, if available. Please provide your name, address, phone number and a statement that you are rescinding your Agreement under the three (3) day Right of Rescission.

**CANCELLATION:** To cancel this Agreement, you may call or fax Ambit Energy at the contact information provided above. If you enrolled under a fixed-rate product, you agree to remain a Customer of Ambit Energy until the term expires or be subject to an early termination fee, as specified in the Disclosure Statement. When you cancel services, you agree to pay for the services provided by Ambit Energy through the date you are switched to another EGS or returned to the EDC for service. Your cancellation will not be effective until the next regularly scheduled meter-reading date which follows the date on which Ambit Energy gives the EDC notice of your cancellation request. You are responsible for all charges incurred through the date on which cancellation is effected by the EDC. Ambit Energy reserves the right to cancel this agreement (i) if your EDC is unable to read your meter for three (3) consecutive months; (ii) if at any time you request separate bills from your EDC and Ambit Energy Services; or (iii) if the EDC removes you from their consolidated billing program and requires that Ambit Energy bill you separately for your electricity supply. We will notify both you and your EDC of the cancellation of this agreement at least 14 days prior to the effective date of cancellation.

**GOVERNING LAW:** This Agreement shall be governed by and construed, enforced and performed in accordance with the laws of the State of Texas and venue shall be in Dallas County, Texas. The provisions of the Uniform Commercial Code (UCC) shall apply to this Agreement, and electricity shall be a "good" for purposes of the UCC.

**ASSIGNMENT:** You may not assign this Agreement, in whole or in part, or any of its rights or obligations hereunder without the prior written consent of Ambit Energy. Ambit Energy may, without your consent, (a) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial agreement; (b) transfer or assign this Agreement to an affiliate of Ambit Energy; (c) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of Ambit Energy; and/or (d) transfer or assign this Agreement to a PUC certified EGS. In the case of (b), (c) or (d), any such assignee shall agree in writing to be bound by the terms and conditions hereof. Upon any such assignment, Customer agrees that Ambit Energy shall have no further obligations hereunder.

**LIMITATIONS OF LIABILITY: LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES. NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY OR INDIRECT DAMAGES. LOST PROFITS OR PENALTIES OF ANY NATURE ARE HEREBY WAIVED. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OF ANY LIABILITY OR DAMAGE, INCLUDING THE NEGLIGENCE OF AMBIT ENERGY. THERE ARE NO THIRD-PARTY BENEFICIARIES TO THIS AGREEMENT.**

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**SEVERABILITY:** If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force without being invalidated in any way.

**NO WARRANTIES:** Unless otherwise expressly set forth in this Agreement, Ambit Energy provides and Customer receives no warranties, express or implied, statutory, or otherwise and Ambit Energy specifically disclaims any warranty of merchantability or fitness for a particular purpose. Delay or Failure to Exercise Rights: No partial performance, delay or failure on the part of Ambit Energy in exercising any rights under this Agreement and no partial or single exercise thereof shall constitute a waiver of such rights or of any other rights hereunder.

**FORCE MAJEURE:** The term "Force Majeure" shall mean any cause not reasonably within the control of the Party claiming suspension and which by the exercise of due diligence, such Party is unable to prevent or overcome, including but not limited to, any act or cause which is deemed a Force Majeure by the EDC or any transportation or transmitting entity. If either party is unable, wholly or in part, by Force Majeure to perform or comply with any obligations or

conditions of this Agreement, such party shall give immediate written notice, to the maximum extent practicable, to the other party. Such obligations or conditions, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused, and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during the period. The party claiming suspension of obligations must in good faith attempt to mitigate and/or terminate the Force Majeure.

**ENTIRE AGREEMENT:** This Agreement sets forth the entire agreement between the parties with respect to the terms and conditions of this transaction; any and all other agreements, understandings and representations by and between the parties with respect to the matters addressed herein are superseded by this Agreement.

**ACCEPTANCE AND AMENDMENTS:** This Agreement shall not become effective until accepted by Ambit Energy. Ambit Energy may amend the terms of this Agreement at any time, consistent with any applicable law, rule or regulation, by providing notice to Customer of such amendment at least thirty (30) days prior to the effective date thereof. Ambit Energy will supply Customer with a current version of this document annually and upon request.