Ambit New York, LLC
New York Service Area

Sales Agreement and Terms of Service

VERSION DATE: JULY 10, 2015

The following is your Terms of Service Agreement ("Agreement") with Ambit New York, LLC, d/b/a/ Ambit Energy, a wholly owned subsidiary of Ambit Energy Holdings ("Ambit Energy" or "Ambit") for the purchase of electricity and/or natural gas service. Ambit Energy agrees to sell and Customer agrees to buy the quantity of electricity and/or gas delivered to you, as measured or estimated by your Local Delivery Utility (LDU). Ambit Energy is an Energy Services Company (ESCO) and will supply electricity and/or gas for your residence or business address enrolled under this Agreement, as specified in the Disclosure Statement which is hereby made an integral part of the Agreement. By enrolling for service with Ambit Energy, you agree to be bound by this Agreement and pay for the energy service Ambit Energy provides to you 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.

Important Information Regarding Your Ambit Plan

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

Ambit Energy
Internet Address: www.ambitenergy.com
P.O. Box 864589
Plano, TX 75086

Customer Service	(877) 282-6248
Fax	(877) 805-5606
Operating Hours:	
Monday – Friday	9:00 a.m. – 7:00 p.m. ET
Saturdays	11:00 a.m. – 6:00p.m. ET

In the event of an electricity or gas emergency, outage or service interruption, you should immediately contact your LDU:

Con Edison
Electricity & Gas (877) 262-6633

National Grid (Formerly Keyspan & Niagara Mohawk)
Electricity (800) 867-5222
Gas (800) 892-2345

NYSEG
Electricity (800) 572-1131
Gas (800) 572-1121

Orange & Rockland
Electricity (877) 434-4100
Gas (800) 533-5325

RG&E
Electricity (800) 743-1701
Gas (800) 743-1702

Central Hudson
Electricity (800) 527-2714
Gas (800) 942-8274

National Fuel Gas
Gas (800) 444-3130

New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223
(800) 342-3377

Service Term: Variable Month-to-Month
Unless specified otherwise, the term shall commence as of the date the change of provider to Ambit is deemed effective by the incumbent utility and shall commence for a one (1) month term ("Initial Term"). This Agreement shall automatically renew for successive one (1) month periods ("Renewal Term") unless either party notifies the other party in writing of its desire not to renew, at least thirty (30) days prior to the next meter read date. The Customer has the right to cancel this agreement within three business days after its receipt ("Rescission Period").

Published Supply Rate: The electricity Rate includes, but is not limited to, the cost of electricity, including energy, capacity, settlement, ancillaries, related transmission and distribution charges and other market-related factors. Customer is responsible for all applicable taxes, fees, charges, costs, expenses and margins. The natural gas Rate includes, but is not limited to, the cost of natural gas commodity, capacity, storage, balancing, transportation to the delivery point, and agency services. Customers are responsible for all applicable taxes, fees, charges, costs, expenses and margins. Variable product rates are subject to change without notice and may change based on current and predicted weather patterns, retail competition, wholesale commodity energy costs, fluctuations in energy supply and demand, industry regulations, pricing strategies, costs to serve Customers, among many factors.

PLANS: (ELECTRIC & GAS)

Ambit Energy's Guaranteed Savings Plan:
Ambit's Guaranteed Savings Plan is a variable product which assures you an annual savings of at least 1% compared to the LDU's published rates for the same 12-month period provided you receive service from Ambit for twelve (12) consecutive months, beginning from the meter read date after you enroll in this plan. Please see your Disclosure Statement for plan-specific savings and other details. Your supply rate will be set at a competitive variable market rate that will result in an annual savings of at least one percent (1%). The guaranteed savings calculation is inclusive of all Ambit credits (such as Customer referral credits), and will be compared to the LDU's published supply rates for the same 12-month period that you are enrolled in the Guaranteed Savings Plan. Due to variations in meter read schedules, some Customers Guaranteed Savings Plan calculation periods may exceed twelve (12) months. The Customer is responsible for all applicable taxes and LDU charges. The annual evaluation and notification of savings will typically be completed within three (3) months following the twelfth consecutive month on the plan. Savings guarantees only apply to products with "Guaranteed Savings Plan" in the name.

New York Select Variable Plans: New York Select Variable for electric and New York Select Variable Natural Gas plans are competitive month-to-month variable rate plans.

Product selection: Customer understands and acknowledges that Product selection at enrollment is subject to Ambit Energy approval, based on the premise type/service class/zone or any other identifying factors that were previously assigned to Customer's account by Customer's Utility. If the information received from the Utility does not match the requested Ambit Energy product, Customer agrees that Ambit Energy may switch the product type to match information received from the Utility, if one is currently offered by Ambit Energy. Customer understands that if the product is changed to one which matches the correct premise/service class type/zone, rates may vary. You will receive written notice of the product's terms and will have the ability to exercise your right of rescission as described below. (See Rescission Period)

AMBITENERGY®

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Late Payment Fee: 1.5% of the past due balance per invoice per month.

Rescission Period: You may rescind this agreement within five (5) business days of receipt of your Terms of Service. To rescind this Agreement, please call Ambit at (877) 282-6248 or fax your rescission to (877) 805-5606. You are required to sign and date the fax as well as affirmatively state that you would like to rescind this Agreement within the five (5) business day rescission period.

Cancellation: If you would like to cancel your service with Ambit, please contact Ambit at (877) 282-6248. You can also contact your LDU to initiate a change back to the utility. Please see the "Switching Procedures" Section of this Agreement for more information.

Switching Procedures: Customer or Ambit may cancel a variable-rate Agreement at any time, by providing written notice to the other party at least thirty (30) days prior to the intended date of termination. If Customer fails to notify Ambit as set forth above, Customer shall remain liable to pay Ambit for energy acquisitions made by Ambit to serve Customer under this Agreement at the price set forth above. It may take up to sixty (60) days for Customer's account(s) to be returned to the LDU depending on LDU cancellation procedures, and Customer is responsible for all Ambit supply charges until Customer returns to the LDU or goes to another supplier. A final bill will be rendered within twenty (20) days after the final scheduled meter reading or if meter access is unavailable, an estimate of consumption will be used in the final bill, which will be trued up subsequent to the final meter reading. Pursuant to HEFPA, Customer's distribution service may be suspended if Customer fails to pay Ambit's outstanding balance.

Renewal: This Agreement shall automatically renew for successive one (1) month periods unless either party notifies the other party in writing of its desire not to renew. See "Term" Section of this Agreement for more information.

Guaranteed Savings Plan Renewal: A renewal notice will be sent to you at least thirty days (30) prior to the end of your guaranteed savings expiration. You must renew your Guaranteed Savings Plan to continue to receive the annual savings guarantee. If you fail to take action to ensure the continued receipt of retail energy service upon the contract's expiration, you will automatically continue to be served by Ambit Energy pursuant to a default variable rate product on a month-to-month basis unless you select another product or retail energy supplier. You always have the option to choose another plan should this occur.

Budget Billing: (NYSEG, RGE, Keyspan Customers)

To qualify for Budget Billing, Ambit Energy must have at least 6 months of historical or actual usage from the LDU to process the request. The account will continue to invoice under conventional billing until the account qualifies for Budget Billing. Your account will be reviewed periodically over the Budget Billing term period. During the review if it is determined that the monthly budget billing charge is too high or too low, it may be adjusted to accommodate a credit or debit balance accumulating on the account. Upon termination of the Budget Billing plan the entire variance, if any, will be applied to the account on your next invoice.

You may renew online by logging on to your account management site at www.ambitenergy.com, calling Customer care at (877) 282-6248 or by faxing your request to renew your plan to (877) 805-5606. Please state that you would like to renew your Guaranteed Savings Plan, include your account number and sign the fax. If Ambit Energy does not receive a request to renew your plan, your service will continue on the New York Select Variable plan (for electric Customers) or the New York Select Variable Natural Gas plan (for gas Customers).

Consumer Protections: The services provided by Ambit are protected by the terms and conditions of this Agreement and the Home Energy Fair Practices Act ("HEFPA"). Ambit will provide at least fifteen (15) calendar days' notice prior to any cancellation of service to Customer. In the event of non-payment of any charges owed to Ambit, Customer may be subject to termination of commodity service and the suspension of distribution service under procedures approved by the New York State Public Service Commission ("PSC"). Customer may obtain additional information by contacting the PSC at (800) 342-3377, the Department's ESCO hotline at (888) 697-7728, or by writing to the PSC at: Office of Consumer Services, New York State Department of Public Service, Three Empire State Plaza, Albany, New York 12223, or through its website at: http://www.dps.ny.gov.

For Energy Assistance such as Low Income Home Energy Assistance Program (LIHEAP), call (800) 510-3102. For Fuel Fund, contact the United Way at (845) 457-4774.

Information Release Authorization: Customer acknowledges that Customer billing and payment information will be provided to Ambit Energy from your LDU. This information includes, but is not limited to, Customer's account number, meter reading data, rate class and energy usage. This may include Customer's address(es) and telephone number, and Customer's budget billing plan or payment arrangement preference.

Billing and Payment: Customer may receive a single bill for both commodity and delivery costs from either Ambit or the LDU, or each of the LDU and Ambit may invoice separately. Customer payments remitted in response to a consolidated bill shall be pro-rated in accordance with procedures adopted by the PSC. In the event of failure to remit payment when due, Ambit will have the right to terminate commodity service and to seek suspension of distribution service in conformance with HEFPA. Customer will pay each monthly bill in full in accordance with regulatory requirements of the New York State Public Service Commission or be subject to a late payment charge calculated in accordance with the Commission's rules.

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.

Delay or Failure to Exercise Rights: No partial performance, delay or failure on the part of Ambit 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.

Taxes and Laws: Except as otherwise provided in this Agreement or by law, all taxes of whatsoever 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.

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. Ambit reserves the right to reject Customer or to cancel this Agreement upon failure of Customer to maintain satisfactory credit standing as determined by Ambit. Ambit 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. However, any amendment of the Dispute Resolution, Binding Arbitration Clause and Class Action Waiver shall not apply retroactively to any claim initiated or accrued prior to the date of amendment. Any such claim shall be governed by the terms of the Dispute Resolution, Binding Arbitration Clause and Class Action Waiver in effect on the date the claim accrued.

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 LDU 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.

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 certified ESCO. 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.

Representations and Warranties: The electricity and/or gas sold under this agreement will meet the applicable LDU's standards and may be supplied from a variety of sources. Ambit Energy makes no representations or warranties other than those expressly set forth in this agreement, and Ambit Energy expressly disclaims all other warranties, express or implied, including warranties of merchantability and fitness for a particular purpose.

Governing Law: This Agreement shall be governed by, enforced and performed in accordance with the rules of the New York State Public Service Commission. If at some future date there is a change in any law, rule, regulation or pricing structure, or there is a regulatory or judicial ruling or decision which shall have a detrimental economic impact upon Ambit's performance under this Agreement, or in the event that compliance with such change, ruling or decision shall result in a material change in the way prices are calculated under this Agreement, or a material change in the level of components of pricing under this Agreement, Ambit shall have the right to change this Agreement with thirty (30) to sixty (60) days' notice to the Customer.

DISPUTE RESOLUTION BY BINDING ARBITRATION:
PLEASE READ THIS CAREFULLY. IT AFFECTS YOUR RIGHTS.

Summary:
Most Customer concerns can be resolved quickly and to the Customer's satisfaction by calling our Customer Care department at (877) 282-6248. Customer can also contact Ambit in writing at P.O. Box 864589 Plano, TX 75086. Also, the Customer dispute or complaint may be submitted by either party at any time to the PSC pursuant to its Complaint Handling Procedure. Payment obligation for disputed amounts may be withheld until such dispute is resolved through mutual agreement or as warranted by PSC decision. **THE PARTIES EXPRESSLY ACKNOWLEDGE THAT RESIDENTIAL CUSTOMERS HAVE HEFPA RIGHTS, INCLUDING THE RIGHT TO SUBMIT A COMPLAINT TO AMBIT OR THE PUBLIC SERVICE COMMISSION, AS PROVIDED BY THE DISPUTE RESOLUTION PROCEDURES IN HEFPA. TO WAIVE THESE HEFPA RIGHTS, THE RESIDENTIAL CUSTOMER MUST DO SO IN WRITING, DULY NOTARIZED, AND SUCH WRITING SHALL INCLUDE A STATEMENT THAT THE RESIDENTIAL CUSTOMER DISCUSSED ITS HEFPA RIGHTS WITH PSC OFFICE OF CONSUMER SERVICES PRIOR TO THE WAIVER. FOR THE AVOIDANCE OF DOUBT, ABSENT THIS NOTARIZED WAIVER WITH THE MANDATORY LANGUAGE, NOTHING IN THIS AGREEMENT SHALL BE INTERPRETED TO DIMINISH ANY RIGHTS A RESIDENTIAL CUSTOMER MAY HAVE UNDER HEFPA AND THE NOTARIZED WAIVER SHALL BE THE EXCLUSIVE AND ONLY MEANS OF ADDRESSING A COMPLAINT OUTSIDE OF HEFPA.**

For those disputes not resolved by either submitting a complaint to Ambit or the Public Service Commission under the dispute resolution procedures in HEFPA for the reason that the waiver process set forth above was invoked as the exclusive and only means of addressing a complaint outside of HEFPA, the Parties agree that such disputes shall be resolved by arbitration, rather than a lawsuit, in accordance with the procedures specified below. The Parties further agree to be bound by the class action waiver specified below. Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury, allows for more limited discovery than in court, and is subject to very limited review by courts. Arbitrators can award the same damages and relief that a court can award. **ANY ARBITRATION UNDER THIS AGREEMENT WILL TAKE PLACE ON AN INDIVIDUAL BASIS; CLASS ARBITRATIONS AND CLASS ACTIONS ARE NOT PERMITTED.** For any non-frivolous claim that does not exceed $75,000, Ambit will pay all costs of the arbitration. Moreover, in arbitration you are entitled to recover attorneys' fees from Ambit to at least the same extent as you would be in court.

In addition, under certain circumstances (as explained below), Ambit will pay you more than the amount of the arbitrator's award and will pay your attorney (if any) twice his or her reasonable attorneys' fees if the arbitrator awards you an amount that is greater than what Ambit has offered you to settle the dispute.

ARBITRATION AGREEMENT

(1) Ambit and you agree to arbitrate **ONLY THOSE DISPUTES AND CLAIMS** between us **REMAINING AFTER WAIVER OF THE HEFPA PROCESS** set forth above. This agreement to arbitrate is intended to be interpreted as **SUBJECT TO THE HEFPA WAIVER PROCESS**, but following waiver would include:

- claims arising out of or relating to any aspect of the relationship between us, whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory;
- claims that arose before this or any prior Agreement (including, but not limited to, claims relating to advertising);
- claims that are currently the subject of purported class action litigation in which you are not a member of a certified class; and
- claims that may arise after the termination of this Agreement.

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References to "Ambit," "you," and "us" include our respective subsidiaries, affiliates, agents, employees, predecessors in interest, successors, and assigns, as well as all authorized or unauthorized users or beneficiaries of services or Devices under this or prior Agreements between us. Notwithstanding the foregoing, either party may bring an individual action in small claims court. This arbitration agreement does not preclude you from bringing issues to the attention of federal, state, or local agencies, including, for example, the Federal Trade Commission. Such agencies can, if the law allows, seek relief against us on your behalf. **YOU AGREE THAT, BY ENTERING INTO THIS AGREEMENT, YOU AND AMBIT ARE EACH WAIVING THE RIGHT TO A TRIAL BY JURY OR TO PARTICIPATE IN A CLASS ACTION.** This Agreement evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This arbitration provision shall survive termination of this Agreement.

(2) A party who intends to seek arbitration must first send to the other, by certified mail, a written Notice of Dispute ("Notice"). The Notice to Ambit should be addressed to: Legal Department, Ambit Energy, 1801 North Lamar Street, Suite 600, Dallas, TX 75202. ("Notice Address"). The Notice must (a) describe the nature and basis of the claim or dispute; and (b) set forth the specific relief sought ("Demand"). If Ambit and you do not reach an agreement to resolve the claim within 30 days after the Notice is received, you or Ambit may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by Ambit or you shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or Ambit is entitled. You may download or copy a form Notice and a form to initiate arbitration at ww2.ambitenergy.com/arbitration-forms.

(3) After Ambit receives notice at the Notice Address that you have commenced arbitration, it will promptly reimburse you for your payment of the filing fee, unless your claim is for greater than $75,000. (The filing fee currently is $200 for claims under $10,000 but is subject to change by the arbitration provider. If you are unable to pay this fee, Ambit will pay it directly upon receiving a written request at the Notice Address.) The arbitration will be governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. The AAA Rules are available online at adr.org, by calling the AAA at (800) 778-7879, or by writing to the Notice Address. (You may obtain information that is designed for non-lawyers about the arbitration process at ww2.ambitenergy.com/arbitration-information.) The arbitrator is bound by the terms of this Agreement. All issues are for the arbitrator to decide, except that issues relating to the scope and enforceability of the arbitration provision are for the court to decide. Unless Ambit and you agree otherwise, any arbitration hearings will take place in the county (or parish) of your billing address. If your claim is for $10,000 or less, we agree that you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If your claim exceeds $10,000, the right to a hearing will be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. Except as otherwise provided for herein, Ambit will pay all AAA filing, administration, and arbitrator fees for any arbitration initiated in accordance with the notice requirements above. If, however, the arbitrator finds that either the substance of your claim or the relief sought in the Demand is frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), then the payment of all such fees will be governed by the AAA Rules. In such case, you agree to reimburse Ambit for all monies previously disbursed by it that are otherwise your obligation to pay under the AAA Rules. In addition, if you initiate an arbitration in which you seek more than $75,000 in damages, the payment of these fees will be governed by the AAA rules.

(4) If, after finding in your favor in any respect on the merits of your claim, the arbitrator issues you an award that is greater than the value of Ambit's last written settlement offer made before an arbitrator was selected, then Ambit will:

- pay you the amount of the award or $10,000 ("the alternative payment"), whichever is greater; and
- pay your attorney, if any, twice the amount of attorneys' fees, and reimburse any expenses (including expert witness fees and costs) that your attorney reasonably accrues for investigating, preparing, and pursuing your claim in arbitration ("the attorney premium").

If Ambit did not make a written offer to settle the dispute before an arbitrator was selected, you and your attorney will be entitled to receive the alternative payment and the attorney premium, respectively, if the arbitrator awards you any relief on the merits. The arbitrator may make rulings and resolve disputes as to the payment and reimbursement of fees, expenses, and the alternative payment and the attorney premium at any time during the proceeding and upon request from either party made within fourteen 14 days of the arbitrator's ruling on the merits.

(5) The right to attorneys' fees and expenses discussed in paragraph (4) supplements any right to attorneys' fees and expenses you may have under applicable law. Thus, if you would be entitled to a larger amount under the applicable law, this provision does not preclude the arbitrator from awarding you that amount. However, you may not recover duplicative awards of attorneys' fees or costs. Although under some laws Ambit may have a right to an award of attorneys' fees and expenses if it prevails in an arbitration, Ambit agrees that it will not seek such an award.

(6) The arbitrator may award declaratory or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. **YOU AND AMBIT AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING.** Further, unless both you and Ambit agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding. If this specific provision is found to be unenforceable, then the entirety of this arbitration provision shall be null and void.

(7) Notwithstanding any provision in this Agreement to the contrary, we agree that if Ambit makes any future change to this arbitration provision (other than a change to the Notice Address) during the term of your Agreement, you may reject any such change by sending Ambit written notice within thirty (30) days of change to the Notice Address provided above. By rejecting any future change, you are agreeing that you will arbitrate any dispute between Ambit in accordance with this provision.