

# Ambit Northeast, LLC

## Pennsylvania Service Area

### Sales Agreement and Terms of Service

**EFFECTIVE: MARCH 31, 2014**

The following is your Terms of Service Agreement (“Agreement”) with Ambit Northeast, LLC, d/b/a Ambit Energy, a wholly owned subsidiary of Ambit Energy Holdings (“Ambit Energy” or “Ambit”) for the purchase of energy 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 Electric Distribution Company (EDC) or your Natural Gas Distribution Company (NGDC). Ambit Energy is an Electric Generation Supplier (EGS) and a Natural Gas Supplier (NGS), and will supply energy and/ or natural gas for your residence 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 electric and/or natural gas 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. Please retain this Agreement and Disclosure Statement for your records.

Ambit Energy is defined by the Pennsylvania Public Utilities Commission (PUC) as an Electric Generation Supplier (EGS PA PUC License #A-2010-2190276) and a Natural Gas Supplier (NGS PA PUC License #A-2012-2289779).

#### **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](http://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 AM - 7:00 PM EST

Saturdays 11:00 AM - 6:00 PM EST

**In the event of a power outage or gas leak, please contact your Electric Distribution Company or Natural Gas Distribution Company:**

Columbia Gas of Pennsylvania (888) 460-4332

Duquesne Light (888) 393-7000

Met-Ed (800) 545-7741

National Fuel Gas (800) 444-3130

PECO (Electric and Gas) (800) 841-4141

Penelec (800) 545-7741

Penn Power (800) 720-3600

Peoples Natural Gas (800) 764-0111

PPL Corporation (800) 342-5775

West Penn Power (800) 686-0021

UGI Gas (800)-276-2722

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

PO Box 3265

Harrisburg, PA 17105-3265

Utility Choice Hotline: (800) 692-7380

**SERVICE TERM AND PRODUCT SELECTION:** Depending on which plan you have selected, your service under this Agreement is provided under either a fixed-rate (“term”) product or a variable rate (“month-to-month”) product, as specified in the Disclosure Statement. Unless otherwise agreed to in writing or other form as authorized by the PUC, your minimum term will be disclosed to you in your Disclosure Statement, along with any applicable monthly recurring fees. The product selected at time of enrollment will become effective on the day your service begins with Ambit Energy, which coincides with the date your meter is read by your EDC or your NGDC. Because this date is determined by your EDC or your NGDC, Ambit Energy is not able to commit to a specific date for the commencement of service. Product changes should be submitted 2 weeks prior to your meter read to take effect at the start of your next billing period. Any requests made less than 2 weeks in advance may delay the start of the new product until the following billing period.

Variable Rate Products shall commence for a one (1) month term (“Initial Term”) and thereafter rates are subject to change at the discretion of Ambit Energy. This Agreement shall automatically renew for successive one (1) month periods (“Renewal Term”) unless either party notifies the other party of its desire not to renew, at least thirty (30) days prior to the next meter read date. Variable rate products are subject to change without notice and may change due to current and predicted weather patterns, retail competition, wholesale commodity energy cost, fluctuations in energy supply and demand, industry regulations, pricing strategies, costs to serve customers, among many factors.

Fixed Rate Products shall commence for a term as specified in the Disclosure Statement. A contract-expiration notice will be sent to you at least ninety (90) days, sixty (60) days and thirty (30) days prior to the end of your contract term. 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.

**Guaranteed Savings Plan is not available for UGI Utilities’ customers.** Ambit’s Guaranteed Savings Plan is a variable rate product which assures an annual savings of at least 1% compared to the EDC and NGDC’s published rates for the same 12-month period provided you receive service from Ambit for twelve consecutive months, beginning on the meter read date after you enroll in this Plan. Please see your Disclosure Statement for plan-specific savings and other details. The guaranteed savings calculation is inclusive of all Ambit credits (such as customer referral credits), and will be compared to the EDC and NGDC’s published supply rates for the same 12-month period that you are enrolled in the Guaranteed Savings Plan. The customer is responsible for all applicable taxes and EDC or NGDC charges. The annual evaluation and notification of savings will typically be completed within 3 months following

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the twelfth consecutive billing cycle on the plan. A renewal notice will be sent to you prior to your Guaranteed Savings expiration. You must renew your Guaranteed Savings Plan to continue to receive your annual savings guarantee. If you fail to take action, 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. Savings guarantees only apply to products that have "Guaranteed Savings Plan" in the product name.

Customer understands and acknowledges that product selection at enrollment is subject to Ambit Energy approval, based upon the premise type and/or service class that was previously assigned to Customer's account by Customer's EDC or your NGDC. If the information received from the EDC or your NGDC does not match the requested Ambit Energy product, Customer agrees that Ambit Energy may switch the product type to match information received from the EDC or your NGDC, if such a product is currently offered by Ambit Energy. Customer understands that if the product is changed to one which matches the correct premise/ service class type, 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)

You may renew online by logging onto your account management site at [www.ambitenergy.com](http://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 the product that you would like to renew, 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 Keystone State Variable - Electric plan (for electric customers) or the Keystone State Select Variable - Gas plan (for gas customers).

**RESCISSION PERIOD:** You may rescind this agreement within three (3) business days of receiving the written Terms of Service by calling Ambit Energy at (877) 282-6248 from 9:00 a.m. to 7:00 p.m. (ET), Monday - Friday and 11:00 a.m. to 6:00 p.m. (ET), Saturday or by in writing at P.O. Box 864589, Plano, TX 75086. If rescission is in writing, please provide your name, address, phone number and statement that you are rescinding your Agreement under the three (3) day Right of Rescission.

**CANCELLATION AND SWITCHING PROCEDURES:** Customer or Ambit may cancel a variable rate Agreement, for reasons other than non-payment, at any time, by telephone at (877) 282-6248 or in writing at P.O. Box 864589, Plano, TX 75086 to the other party at least (30) days prior to the intended date of termination. If Customer enrolled under a fixed-rate product, you agree to remain a Customer of Ambit Energy until the term expires or you may be subject to an early termination fee, if 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 provider or returned to the EDC or your NGDC for service. Your cancellation will not be effective until the next regularly scheduled meter reading date following the date on which Ambit Energy gives the EDC or NGDC notice of your cancellation request.

Ambit Energy and/or your EDC or NGDC reserves the right to cancel this Agreement (i) if your EDC or NGDC is unable to read your meter for three (3) consecutive months; (ii) if at any you request separate bills from your EDC or your NGDC and Ambit Energy; or (iii) if the EDC or your NGDC removes you from their

consolidated billing program and requires that Ambit Energy bill you separately for your energy supply. If this occurs, we will notify both you and your EDC or your NGDC of the cancellation of this agreement at least thirty (30) days prior to the effective date of cancellation. It may take up to sixty (60) days for Customer's account(s) to be returned to the EDC or your NGDC depending on the EDC or your NGDC cancellation procedures. Customer may cancel the Agreement without penalty, if you move to another service location and provide evidence that you are moving, along with a forwarding address.

**BILLING AND PAYMENT:** Your EDC or your NGDC will continue to issue you a monthly bill and the bill will include Ambit Energy supply charges, as well as applicable EDC or your NGDC charges, surcharges, state and local taxes, and any other charges incurred in accordance with this Agreement. Bills will continue to be based on actual or estimated meter readings. Customer will make payment directly to the EDC or your NGDC in accordance with the payment terms stated in the EDC or your NGDC's tariffs, unless otherwise provided herein. Customer will pay each monthly bill in full within twenty (20) days of the invoice date or be subject to a late payment charge of 1.5% per month, if applicable. 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. Customer may obtain additional information by contacting the PA PUC PO Box 3265 Harrisburg, PA 17105-3265.

**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.

**ENERGY ASSISTANCE PROGRAMS:** Your EDC and/or NGDC has programs available to customers who are on a limited income to assist them with utility bills. For Universal Service Programs such as CAP Rate, Customer Assistance & Referral Evaluation Services (CARES) and Matching Energy Assistance Fund (MEAF) call (800) 774-7040. For Low Income Home Energy Assistance Program (LIHEAP), call (800) 344-3574. For Low Usage Reduction Program (LIURP), call (800)675-0222.

**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 Ambit in writing at P.O. Box 864589, Plano, TX 75086, or by telephone at (877) 282-6248. A dispute or complaint relating to a customer account may be submitted by either party at any time to the PA PUC pursuant to its consumer complaint process. If after discussing your problem with Ambit Energy or the EDC or your NGDC and you remain dissatisfied, you may file a complaint with the Public Utility Commission of Pennsylvania (PA PUC) by calling the Utility Choice Hotline at (800) 692-7380 or by writing to the following address: Pennsylvania Public Utility Commission, PO Box 3265, Harrisburg, Pennsylvania 17120.

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**ELIGIBILITY:** Ambit Energy does not deny energy 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.

**INFORMATION RELEASE AUTHORIZATION:** Customer acknowledges that customer billing and payment information may be provided to Ambit Energy from your EDC or your NGDC. This information includes, but is not limited to, Customer's account number, meter reading data, rate class and electric and/or gas usage. This may include Customer's address(es) and telephone number, and Customer's budget billing plan or payment arrangement preference. Customer further understands that the EDC or NGDC is required by the PUC to communicate with Customer following a notice of change of EGS or NGS to confirm the change was authorized. Ambit will not give or sell customer information to any unaffiliated party without consent from the customer unless Ambit is required to do so by law or it is necessary to enforce this agreement.

**AGENCY:** Customer appoints Ambit as its agent to acquire the supply necessary to meet your energy needs, contract for and administer transportation, transmission and related services over interstate facilities and those of the EDC or your NGDC needed to deliver energy and/or gas to the Customer's premises. These services are provided on an arm's-length basis and market-based compensation is included in the price noted in your Disclosure Statement.

**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.

**DELAYS 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.

**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 cancel this Agreement upon failure of Customer to maintain satisfactory credit standing as determined by Ambit, or to meet minimum or maximum threshold consumption levels 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, sixty (60) days and ninety (90) days prior to the effective date thereof. Upon receipt of written notice of a material change, customer may terminate this Agreement prior to the date such change becomes effective without penalty.

**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 your NGDC 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 Energy Supplier. 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 natural gas service under this agreement will meet the applicable EDC or your NGDC'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:** Venue for any lawsuit brought to enforce any term or condition contained herein shall be exclusively in the State of Texas. This Agreement shall be governed by, enforced and performed in accordance with the rules of the PA PUC. 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) days' notice to the customer. Upon receipt of written notice of a material change, customer may terminate this agreement prior to the date such change becomes effective without penalty.