

**THIRD PARTY SUPPLIER RESIDENTIAL AND SMALL NON-RESIDENTIAL  
SALES AGREEMENT**



*This notification is for illustrative purposes only, you will receive your personalized Contract Summary with your welcome packet upon the acceptance of your enrollment*

**CONTRACT SUMMARY**

<p><b>Third Party Supplier Information</b></p> <p><b>By entering into this contract, you are agreeing to purchase your electric supply from this supplier.</b></p>	<p><b>State of New Jersey License Number: ESL-0155</b>  <b>Residents Energy, LLC, PO Box 400, Jamestown, NY 14702</b>  <b>1-888-828-7374, <a href="mailto:contactus@residentsenergy.com">contactus@residentsenergy.com</a> <a href="http://www.residentsenergy.com">www.residentsenergy.com</a></b></p> <p>You have chosen Residents Energy as your third party supplier (TPS). Residents Energy is not affiliated with your electric distribution company (EDC). Residents Energy is responsible for your electric supply. The charges for the electricity supplied by Residents Energy will appear on the bills rendered to you by your EDC, separate and apart from your EDC's charges for delivering the electricity.</p>
<p><b>Price Structure</b></p>	<p>This is a Variable Rate Agreement. The rate for the electricity supplied may vary based on numerous factors, including the ones detailed in the Terms &amp; Conditions. There is no cap on the rate.</p>
<p><b>Generation/ Supply Price</b></p>	<p>The rate for the first billing cycle will be <b>«RATE»</b> /kWh.</p>
<p><b>Statement Regarding Savings</b></p>	<p>The rate may be higher or lower than the EDC's rate in any month. There is no guaranty of savings.</p>
<p><b>Amount of time required to change from TPS back to default service or to another TPS</b></p>	<p>If you cancel your Residents Energy service to return to your EDC or to switch to another TPS, the change will take effect on the next available billing cycle date in accordance with your EDC's rules. It may take one or two billing cycles from the submission of the cancellation request.</p>
<p><b>Incentives</b></p>	<p><b>Rebate Programs:</b> From time-to-time Residents Energy may offer a rebate program for new customers who enroll with Residents Energy and maintain active accounts with Residents Energy for a specified period of time. To be eligible to earn a rebate under any such rebate program, Customer will have 60 days to complete a validation process in accordance with the instructions that will be provided to Customer.</p>
<p><b>Right to Cancel/Rescind</b></p>	<p>If you are a residential customer you may rescind your selection of Residents Energy by contacting your EDC (or by calling Residents Energy at 1-888-828-7374) within seven days of the date of the EDC's confirmation notice.</p>
<p><b>Contract Start Date</b></p>	<p>You will begin receiving electric supply service from Residents Energy as of the next available billing cycle date as determined by your EDC.</p>
<p><b>Contract Term/Length</b></p>	<p>This Agreement will continue until either you or Residents Energy provides 30 days' notice of termination to the other.</p>
<p><b>Cancellation/Termination Fees</b></p>	<p>There are no termination fees for termination of this Agreement.</p>
<p><b>Renewal Terms</b></p>	<p>This Agreement will continue until either party terminates it.</p>
<p><b>Distribution Company Information</b></p>	<p>The EDC will continue to deliver the electricity to you and you will continue to make payments to the EDC for this service. In the event of any emergencies or outages you should call the EDC.</p>

**See the back of this form for complete terms of the Sales Agreement**

**Residents Energy, LLC (“Residents Energy”) Variable Rate Terms and Conditions - V.09012017**  
**State of New Jersey Electric License Number: ESL-0155**

**1) SCOPE.** This is an agreement (“Agreement”) between you (also referred to as “Customer”) and Residents Energy, an independent third-party electricity supplier, under which you authorize enrollment of your electric account(s) with Residents Energy for electricity supply. These terms and conditions apply to the purchase by you and sale by Residents Energy, of electric generation supply service as specified herein.

**2) AGENCY.** Customer designates Residents Energy as its agent for receiving customer billing information from the local electric distribution company (the “EDC”), and for procuring and scheduling the transmission and ancillary services necessary to deliver the electricity purchased by you to your EDC’s system.

**3) PRICE. This is a Variable Rate Agreement, which means that the rate for electricity supplied during the term of the Agreement may change from time-to-time based on various factors, including weather fluctuations. This is not a Fixed Rate Agreement. Under a Fixed Rate Agreement the rate for electricity supplied will remain the same each month during the term of the Agreement.** The rate for the electricity supplied pursuant to this Agreement will vary based on the following factors including, but not limited to, conditions on the PJM wholesale electricity market, the actual and estimated cost of obtaining electricity from all sources, capacity costs, settlement costs, costs of ancillary services, hedging costs, balancing costs, line loss costs, costs to comply with any applicable Renewable Portfolio Standards, Residents Energy’s expenses and margins, and all applicable taxes, fees, or assessments. This rate may be higher or lower than your EDC’s rate in any particular month. For each monthly billing cycle, the price for the electricity supplied will be calculated by multiplying: (i) the variable rate for electricity, by (ii) the amount of electricity consumed as provided by your EDC’s actual or estimated meter reads.

**Rebate Programs:** From time-to-time Residents Energy may offer a rebate program for new customers who enroll with Residents Energy and maintain active accounts with Residents Energy for a specified period of time. To be eligible to earn a rebate under any such rebate program, Customer will have 60 days to complete a validation process in accordance with the instructions that will be provided to Customer. Customer will also have to be an active customer of Residents Energy, in good standing, at the time the rebate is to be issued in order to qualify for the rebate. Rebate amounts appearing in Residents Energy’s advertising materials or presented orally to potential customers are merely examples of rebate amounts that customers might be eligible to receive. The actual amount of any rebate will be computed by reference to Customer’s actual usage over the term of this Agreement, which may vary substantially from any estimate provided. Any rebate earned by Customer will be sent to Customer at the address provided by Customer during the validation process. Rebates can be issued in a variety of forms including, but not limited to, checks, stored-value cards, or electronic gift cards. Stored-value cards and electronic gift cards will be issued by an issuing bank, pursuant to a direct relationship between Customer and the issuing bank, and will be subject to the terms and conditions of a Cardholder Agreement. Stored-value cards and electronic gift cards will expire 6 months after issuance.

**Renewable/Green Energy Option:** Renewable/Green Energy refers to energy that is generated from renewable resources, such as solar, wind, water or biomass. If a customer chooses the Renewable/Green Energy Option, Residents Energy will ensure that 100% of the customer’s electricity usage is matched with renewable energy certificates or renewable energy attributes. Residents Energy shall have up to 24 months from the end of each calendar year to address any deficiency that may have arisen in the renewable content of electricity sold under this Agreement during such calendar year. If you have chosen the Renewable/Green Energy Option, your rate will be comprised of the variable rate plus an “adder” of up to 3 cents per kWh. Customer can cancel the Renewable/Green Option of this Agreement by calling Residents Energy at 1-888-828-7374.

**4) BILLING and PAYMENT.** You will normally receive one bill each month for your energy supply, issued either by your EDC or by Residents Energy. If your EDC issues the bill, you will pay the EDC in accordance with the payment terms of the EDC’s tariff. If Residents Energy issues the bill, payment of the full amount billed is due 25 days after the date the bill is mailed. Late payments or partial payment balances will be subject to collection fees and/or reasonable attorney’s fees and court cost, as allowed by law. All accounts which are overdue may be referred to a collection agency consistent with New Jersey law. Your bill will be based on scheduled meter readings and/or estimates provided by your EDC. The parties agree to accept, for purpose of accounting for the electricity delivered under this Agreement, the quantity, quality, and measurement determined by your EDC. A twenty- dollar (\$20) fee will be charged for all returned checks.

**5) TITLE and TAXES.** Under this Agreement, title to the electricity shall pass from Residents Energy to you prior to delivery to your EDC. Residents Energy’s rate includes applicable sales taxes.

**6) TERM and TERMINATION.** You will receive a confirmation notice from your EDC to confirm your choice of

**7) ASSIGNMENT.** Residents Energy may assign or transfer its rights or obligations under this Agreement after first informing you in writing of such transfer or assignment. You may not assign or transfer your rights or obligations under this Agreement.

**8) CHOICE OF LAW.** This Agreement shall be construed in accordance with, and be governed by, the laws of the State of New Jersey with regard to the conflicts of law provisions thereof.

**9) NO WARRANTIES.** THERE ARE NO WARRANTIES OR REPRESENTATIONS OTHER THAN THOSE EXPRESSLY SET FORTH HEREIN, AND NO OTHERS SHALL BE HONORED. Should any part of the Agreement be declared invalid for any reason, such decision shall not in any manner affect the validity of the remaining portions of this Agreement, which shall remain in full force and effect as if the part determined to be invalid has not been contained herein at the time of the execution of this Agreement. If at some future date there is a change in a law, rule, or regulation, whereby Residents Energy is prevented, prohibited or frustrated from carrying out the terms of this Agreement, then at the sole discretion of Residents Energy, this Agreement may be cancelled. If at some future date, there is a change in a federal or state approved tariff affecting Residents Energy's cost to purchase electricity required to provide your service, then, at the sole discretion of Residents Energy, this Agreement may be modified to reflect those costs, in which case Residents Energy will provide you with written notice of such modifications.

**10) FORCE MAJEURE.** Except as otherwise set forth herein, force majeure is the only excuse for non-performance and all other excuses (at law or in equity) are waived. Except from payment obligations, a force majeure event will, upon notice, excuse both parties' performance during the event. "Force Majeure" means those events not reasonably anticipated on the effective date hereof and outside the control of the claiming party and include force majeure events associated with your EDC or the commodity supplier or other entity used to deliver electricity to Customer's residence.

**11) LIMITATION OF LIABILITY.** In no event shall Residents Energy or Customer be liable to the other or to any third party for any indirect, incidental, consequential, punitive, reliance or special damages, including without limitation, damages for lost profits, advantage, savings or revenues of any kind or increased cost of operations, whether or not Residents Energy or Customer has been advised of the possibility of such damages. Customer acknowledges that Residents Energy is not responsible for the delivery of electricity to Customer and as such is not responsible for any damages caused by any service outage, defect or failure. Residents Energy's liability for other claims arising in connection with any service under this Agreement, if not otherwise limited by another provision of this Agreement, shall be limited to proven direct damages, if any.

**12) INDEMNIFICATION.** Customer is responsible for the indemnification of Residents Energy against any and all liabilities resulting from Customer's failure to fully comply with the Agreement, and damage or injury caused by the electricity after its delivery to Customer's residence, except liability resulting from the negligence of Residents Energy.

**13) ENTIRE AGREEMENT.** This Agreement, including the Contract Summary, constitutes the entire agreement between you and Residents Energy. You acknowledge that you are not relying on any advice, statements, recommendations or representations of Residents Energy or its sales personnel other than those made in this Agreement, and that you have made your own decision to enter into this Agreement. Customer has caused this Agreement to be executed pursuant to the methods authorized by BPU regulations at N.J.A.C 14:4-2.3.

**14) DISPUTE RESOLUTION, MANDATORY ARBITRATION** You agree to contact Residents Energy in writing and attempt to resolve all billing disputes or service problems directly in good-faith. All disputes regarding transmission, distribution, power outages, and bills from your ED should be directed to your EDC. Any claim for damages arising out of, or related to, the provision of Residents Energy's services under this Agreement that is not resolved directly between the parties (collectively, the "Claims"), shall be resolved by arbitration before the American Arbitration Association ("AAA") conducted under the AAA Commercial Rules and, if Customer is a residential customer, the Consumer-Related Disputes Supplementary Procedures.

BY ENTERING INTO THIS AGREEMENT, YOU ARE GIVING UP YOUR RIGHTS TO SEEK MONETARY DAMAGES IN COURT, AND THE RIGHT TO A JURY TRIAL. THE ABILITY TO CONDUCT DISCOVERY IN ARBITRATION IS LIMITED AND THE ARBITRATOR'S DECISION IS SUBJECT TO VERY LIMITED REVIEW BY COURTS. ARBITRATORS CAN AWARD THE SAME DAMAGES AND RELIEF THAT A COURT CAN AWARD. THE AAA SHALL HAVE THE POWER TO RULE ON ANY CHALLENGE TO ITS OWN JURISDICTION OR TO THE VALIDITY OR ENFORCEABILITY OF ANY PORTION OF THIS ARBITRATION PROVISION.

**15) PROTECTION OF CUSTOMER RIGHTS.** Residents Energy hereby provides notice that its services are governed by the terms of this Agreement, the rules and regulations issued by your EDC, and the Board of Public Utilities (BPU). The BPU Bureau of Consumer Relations can be contacted at 1-800-624-0241. Your EDC's