



PENNSYLVANIA - FIXED PRICE NATURAL GAS CONTRACT SUMMARY V.09012017

This document summarizes the key terms of your contract with Residents Energy, Inc. (“RESI”)

Natural Gas Supplier Information	<p>Residents Energy, LLC, PO Box 400, Jamestown, NY 14702 888-828-7374 www.residentsenergy.com</p> <p>You have chosen RESI as your natural gas supplier. RESI is not affiliated with your natural gas distribution company (“NGDC”). RESI is responsible for the natural gas distribution charges on your bill. These charges will appear on your NGDC bill separate and apart from your NGDC’s distribution charges for delivering your natural gas.</p>
Price Structure	<p>With RESI’s Fixed Rate (ResiSure) plan, your rate will be effective starting with your first date of service with RESI and will remain fixed for the first 12 billing cycles. This rate may be higher or lower than the NGDC’s rate.</p>
Natural Gas Supply Price	<p>Your Natural Gas supply rate with RESI during the Initial Term will be _____ per CCF/Therm.</p>
Statement Regarding Savings	<p>RESI’s rate for Natural Gas supply may be higher or lower than your NGDC’s rate, there is no guarantee of savings.</p>
Deposit Requirements	<p>RESI does not require any deposit.</p>
Contract Start Date	<p>Your RESI Natural Gas supply service will begin on the date set by your NGDC.</p>
Contract Duration/Length	<p>The Initial Term of this contract is 12 billing cycles.</p>
Cancellation/Early Termination Fees	<p>You may cancel your RESI natural gas supply service at any time, with no cancellation fees.</p>
Incentives	<p>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.</p>
End of Contract	<p>You will receive an initial notice within 60 to 75 days before the expiration of the Initial Term. Also, you will receive an options notice approximately 45 days prior to the expiration of the Initial Term advising you of your renewal options. If you do not respond to the notifications, your service with RESI will continue and this Agreement will automatically rollover to another fixed term, or to month-to-month terms, as set forth in the notifications.</p>

See the Disclosure Statement for complete terms and conditions

RESIDENTS ENERGY – PENNSYLVANIA NATURAL GAS DISCLOSURE STATEMENT – V.09012017

This is an agreement (“Agreement”) for natural gas supply services, between Residents Energy, LLC (“Residents Energy”) and

«FIRST_NAME» «LAST_NAME» (“Customer” or “you”)
«ADDRESSLINE1» «CITY», «STATE» «ZIP»

BACKGROUND

Residents Energy is licensed by the Pennsylvania Public Utility Commission to offer and supply natural gas in Pennsylvania. Residents Energy’s PUC license number is A-2014-2432600.

Your commodity prices and charges will be set by Residents Energy. The Public Utility Commission regulates distribution or delivery prices and services.

You will continue to receive your gas bill from your Natural Gas Distribution Company (NGDC). It will contain the NGDC’s charges and Residents Energy’s charges. Your NGDC will continue to provide all emergency repairs and services.

Right of Rescission - You may cancel this Agreement at any time before midnight of the third business day after receiving this Disclosure Statement. To do so, you may contact Residents Energy at PO Box 400, Jamestown, NY 14702, by phone at 1.888.828.7374, or by email at contactus@residentsenergy.com.

DEFINITIONS

Commodity Charges: The charges for basic gas supply service which is sold either by volume (Ccf or Mcf) or heating value (Dekatherms).

TERMS OF SERVICE

1. Price - For each billing cycle, the price for the natural gas supplied pursuant to this Agreement will be calculated by multiplying (i) the agreed-upon variable or fixed rate for the natural gas, by (ii) the amount of natural gas consumed, as determined by the NGDC’s actual or estimated meter reads. The rate for natural gas, whether a variable rate or fixed rate, does not include the NGDC’s charges and fees.

Fixed Rate Product: If your Contract Summary indicates that you have chosen a Fixed Rate (ResiSure) natural gas product, the rate for the natural gas supplied pursuant to this Agreement during the Initial Term (defined in your Contract Summary) will be the rate set forth on the Contract Summary. This rate includes natural gas Commodity Charges and estimated total state taxes but excludes applicable state and local Sales Tax. This rate will be effective starting with your first date of service with Residents Energy and will remain fixed for the Initial Term.

Variable Rate Product: If your Contract Summary indicates that you have chosen a Variable Rate (ResiFlex) natural gas product, the rate for the natural gas supplied pursuant to this Agreement during the first billing cycle will be the rate set forth on the Contract Summary. Thereafter, the rate will fluctuate at Residents Energy’s discretion. When setting rates, Residents Energy will consider numerous factors including, but not limited to, current conditions on the NYMEX commodity exchange, the wholesale cost of natural gas, capacity costs, storage costs, balancing costs, cost of transportation of gas to the delivery point, Residents Energy’s expenses and margins and all applicable taxes, fees, or assessments. The rate includes natural gas Commodity Charges and estimated total state taxes but excludes applicable state and local Sales Tax. **There is no limit on how much the rate may change from one billing cycle to the next. The rate may be higher or lower than the NGDC’s rate in any particular billing cycle. There is no cap on the rate.** You will receive notice of variable rate changes when you receive the bill with that rate. More information about this variable rate product, including what the rate has been for the past 24 months, can be found at www.residentsenergy.com or you can call 1.888.828.7374. However, please remember that past rates do not indicate present or future rates.

2. Length of Agreement – Fixed Rate Product: For the Fixed Rate (ResiSure) product, this Agreement shall commence as of the date Customer’s enrollment with Residents Energy is deemed effective by the NGDC, and it shall continue until the conclusion of the Initial Term (defined in your Contract Summary). The Agreement may renew at that juncture as described in the **Renewal Provisions/Agreement Expiration/Change in Terms** section below.

Variable Rate Product: For the Variable Rate (ResiFlex) product, this Agreement shall commence as of the date Customer’s enrollment with Residents Energy is deemed effective by the NGDC, and it shall continue until either Residents Energy or Customer provides 15 days’ notice of termination to the other. Customer may cancel this agreement by contacting Residents Energy at PO Box 400, Jamestown, NY 14702, by phone at 1.888.828.7374, or by email at contactus@residentsenergy.com. In the event such notice is given, the NGDC will complete the termination on the next available date in accordance with its rules.

3. Special Terms and Conditions – 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.

4. Late Payment and Early Termination Fees - All regular payments are to be made to your NGDC. Any unpaid amounts may be subject to late payment charges in accordance with your NGDC’s tariff.

Variable Rate Product: There are no early termination fees for termination of a Variable Rate (ResiFlex) Agreement.

Fixed Rate Product: For the Fixed Rate (ResiSure) product (unless your Contract Summary indicates that this provision is waived), if either (i) you terminate the Agreement prior to the end of the Initial Term, or (ii) Residents Energy terminates the Agreement prior to the end of the Initial Term due to your breach, you shall pay Residents Energy, in addition to any other applicable charges, an early termination fee for each terminated account, equal to: \$10.00 for each month, or portion thereof, remaining in the Initial Term. The parties acknowledge and agree that the actual damages that Residents Energy will suffer as a result of Customer’s early termination or breach are difficult to assess, the early termination fee described herein is a reasonable estimate of such damages and such early termination fee constitutes liquidated damages rather than a penalty.

5. Cancellation Provisions – Customer may terminate this Agreement by contacting Residents Energy or the NGDC. However, see previous Section (4. Late Payment and Early Termination Fees) for details on if/when Customer will be subject an Early Termination Fee. If you fail to meet your obligations under this Agreement, or if there is a material adverse change in your business or financial condition (as determined by Residents Energy in its discretion), then, in addition to any other remedies that it may have, Residents Energy may terminate the Agreement. If Residents Energy terminates the Agreement for any reason other than for your non-payment, Residents Energy will follow applicable rules in providing notice to you. Non-Payment – If your natural gas service is terminated by your NGDC, then this Agreement will be cancelled on the date that your natural gas service is terminated. You will owe us for amounts unpaid for our charges for natural gas supply up to the date of termination. Customer Move – If Customer moves from the address listed above, this Agreement is cancelled.

6. Renewal Provisions/Agreement Expiration/Change in Terms – If you have a fixed duration contract approaching the expiration date, or whenever Residents Energy proposes to change the terms of service, you will receive two separate written notifications, the first approximately 60 to 75 days in advance and the second 45 days in advance of either the expiration date or the effective date of the proposed changes. These notifications will explain your options going forward. If you do not respond to the notifications, your service with Residents Energy will continue and this Agreement may automatically rollover to another fixed term (“Renewal Term”) or to month-to-month terms, as set forth in the notifications.

7. Dispute Procedures - Contact Residents Energy with any questions concerning the terms of service at 1.888.828.7374. If you are not satisfied after discussing your terms of service with Residents Energy you may call or write to the **Public Utility Commission (PUC), Bureau of Consumer Services, PO Box 3265, Harrisburg, PA 17105-3265, 1.800.692.7380.**

8. Mandatory Arbitration and Class Action Waiver - Any dispute, controversy or claim arising out of, or related to, Residents Energy’s services under this Agreement that is not resolved directly between the parties or by the PUC (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 REMEDIES 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.

THE PARTIES AGREE THAT ALL CLAIMS INCLUDING STATUTORY, STATE OR FEDERAL CLAIMS, MAY BE MADE SOLELY ON AN INDIVIDUAL BASIS, AND THAT THIS AGREEMENT DOES NOT PERMIT CLASS ACTIONS, EITHER IN ARBITRATION OR THROUGH AN ADMINISTRATIVE OR COURT PROCEEDING. FURTHER, CUSTOMER WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A REPRESENTATIVE CAPACITY OR AS A MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. AAA MAY NOT CONSOLIDATE MORE THAN ONE PERSON'S CLAIMS, AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF A REPRESENTATIVE OR CLASS

PROCEEDING. IN THE EVENT THE PROHIBITION ON CLASS ARBITRATION IS DEEMED INVALID OR UNENFORCEABLE, THEN THE REMAINING PORTIONS OF THIS ARBITRATION PROVISION WILL REMAIN IN FORCE. JUDGMENT ON THE ARBITRATOR'S AWARD CAN BE ENTERED IN ANY COURT HAVING JURISDICTION. 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.

9. Entire Agreement - This Agreement, including the Contract Summary and any attached enrollment form, 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 the written statements in this Agreement and that you have made your own decision to enter into this Agreement.

10. 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. The terms of this Agreement will remain unchanged after such assignment. You will receive prior notification of any subsequent assignment. You may not assign or transfer your rights or obligations under this Agreement.

11. Choice of Law. This Agreement shall be construed in accordance with and be governed by the laws of the Commonwealth of Pennsylvania without regard to the conflicts of law provisions thereof.

12. No Warranties. Customer acknowledges and agrees that no warranty, duty or remedy, whether expressed, implied or statutory, is given or intended to arise out of this Agreement except as otherwise expressly stated herein, and Residents Energy specifically disclaims all other warranties, expressed or implied including any warranty of merchantability or fitness for a particular purpose or use.

13. SEVERABILITY. Should any part of this 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 had not been contained herein at the time of the execution of this Agreement.

14. FORCE MAJEURE. Residents Energy will make commercially reasonable efforts to provide natural gas hereunder but does not guarantee a continuous supply of natural gas to Customer. Certain causes and events out of the control of Residents Energy ("Force Majeure Events") may result in interruptions in service. Residents Energy will not be liable for any interruptions caused by a Force Majeure Event, and Residents Energy is not, and shall not be, liable for damages caused by Force Majeure Events. Force Majeure Events shall include acts of God, fire, flood, storm, terrorism, war, civil disturbance, acts of any governmental authority, accidents, strikes, labor disputes or problems, required maintenance work, inability to access the local distribution utility system, non-performance by the NGDC (including, but not limited to, a facility outage on its distribution system), or any other cause beyond Residents Energy's control.

15. 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. Residents Energy's liability and Customer's exclusive remedies against Residents Energy, for any damages caused by any service outage, defect or failure shall be the termination provisions set forth above in the Termination section above. Residents Energy's liability for other claims arising in connection with any service or this Agreement, if not otherwise limited by another provision of this Agreement, shall be limited to proven direct damages not to exceed per claim (or in the aggregate during any 12-month period), the total net payments made by Customer for the applicable service during the 12 month's preceding the month in which the damage occurred.

16. INDEMNIFICATION. Customer is responsible for, and will indemnify Residents Energy against, any and all liabilities resulting from Customer's failure to fully comply with this Agreement, and damage or injury caused by the natural gas after its delivery to Customer's residence or place of business, as applicable.

17. CHANGE IN LAW. If at some future date there is a change in any law, rule, or regulation whereby Residents Energy is prevented, prohibited or frustrated from carrying out the terms of the 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 costs to purchase the natural gas required to provide your service, then, at the sole discretion of Residents Energy, this Agreement may be modified to reflect those costs.

Contact Information:

Supplier: Residents Energy, LLC, PO Box 400, Jamestown, NY 14702, 1.888.828.7374, www.residentsenergy.com

Information about shopping for a natural gas supplier is available from:

Pennsylvania Public Utility Commission (PUC)

400 North Street, Harrisburg, PA 17120

1-800-692-7380

www.pagasswitch.com

