

Champion Energy Services, LLC New Jersey Residential Terms of Service and Customer Agreement



This **RESIDENTIAL ENERGY SALES AGREEMENT** ("Agreement") is entered into and made by and between Champion Energy Services, LLC ("Champion") and the buyer of retail electricity identified herein ("Buyer"). Champion and Buyer may be individually referred to as "Party" or collectively as "Parties."

Agreement Effective Date: 12/11/2013

Customer Information

Customer Name:

Residential/Service Address:

Utility Account Number:

The Parties hereby agree as follows:

1. **Purpose:** The purpose of this Agreement is to authorize Champion to change Buyer's electric supplier and, by signing below, Buyer authorizes Champion to undertake whatever steps are necessary to accomplish Buyer's switch. Champion will begin providing electric generation service to Buyer on the next applicable meter read date after the Utility processes Buyer's enrollment and Buyer's service will continue throughout the term of this Agreement. Champion's electric energy service will be delivered to Buyer's residence using utility's electricity distribution wires. Buyer represents and warrants that the electricity supply being purchased under this Agreement is to be used solely for residential purposes. Champion's obligations under this Agreement are conditioned on Buyer providing complete and accurate information and on Buyer remaining a Utility distribution customer throughout the Term under the applicable residential electric rate class.

2. **Rescission:** Buyer will receive notice from Utility confirming Buyer's selection of Champion as its electric power supplier and Buyer will have seven (7) calendar days from the date of the confirmation notice to contact the Utility and rescind its selection. This Agreement is not binding until the fourteen (7) day rescission period has expired and Buyer has not rescinded the selection of Champion as its electric power supplier. Please contact Champion at **888.653.0093** if you have any questions regarding rescission.

3. **Purchase and Sale:** Champion shall sell and Buyer shall purchase electric energy for Buyer's residence. The location of Buyer's residence and any fixed price applicable to the contemplated sale are specified in your confirmation email. If no fixed price is specified, then Champion will sell and Buyer will purchase electric energy at a Monthly Contract Price, set pursuant to the following formula: **Monthly contract price = kWh usage multiplied by the Real Time Locational Marginal Price for the zone in which your account is located as published by PJM Interconnection, L.L.C. plus a retail service charge and any applicable taxes.** The electric energy will be delivered to Buyer's meter(s) whereupon Buyer shall be deemed to have full possession and control of such energy. Your **Fixed Price** will be \$ 0.098 per kWh.

4. **Billing and Payment:** The cost of Buyer's electric energy service will be included on Buyer's bill from the Utility, and is due and payable at the address provided by the Utility when Buyer's Utility bill is due. Buyer will be invoiced for the Champion charges under this Agreement at the applicable price set forth in the "Purchase and Sale" section in Paragraph 3 above, multiplied by Buyer's electricity usage as measured by Utility in kWh during the applicable billing period and pursuant to Paragraph 5 below. Supplying Buyer under this Agreement is conditioned on Utility accepting Champion's enrollment of Buyer's account for consolidated billing. If Buyer is not eligible for consolidated billing, Buyer must remedy that restriction with Utility before Champion can serve Buyer. If Utility should cease providing consolidated billing for Buyer's account and/or commence billing Champion for any charges relating to

Buyer, Champion will bill Buyer and Buyer will pay Champion for all such charges. Buyer will be billed additional charges, including taxes and charges to transmit and distribute the electricity to Buyer's home from Utility consistent with its filed tariffs. Buyer is responsible for paying any new or increased taxes, fees or other charges imposed on Champion or Buyer regarding transmission or distribution of the electricity during the Term of this Agreement. Champion will notify Buyer if any new or increased taxes, fees or other charges are imposed. Champion reserves the right to change billing methods.

5. Metering: Buyer agrees to accept the measurements as determined by Utility for the purposes of accounting for the electric power supplier under this Agreement. If Utility is unable to read Buyer's meter, Utility will estimate Buyer's usage and Buyer's charges will be calculated accordingly and adjusted on a future bill. Buyer may adjust invoices for any usage errors in accordance with applicable Utility rules. Champion cannot guarantee a switch of Buyer's account to Champion will occur by a specific date and Champion will not be liable for delays in the process.

6. Net Metering Program: Buyer agrees to accept the measurements as determined by Utility for the purposes of accounting for the electric power supplier under this Agreement. If Utility is unable to read Buyer's meter, Utility will estimate Buyer's usage and Buyer's charges will be calculated accordingly and adjusted on a future bill. Buyer may adjust invoices for any usage errors in accordance with applicable Utility rules. Champion cannot guarantee a switch of Buyer's account to Champion will occur by a specific date and Champion will not be liable for delays in the process.

7. Fees: Champion may charge Buyer the fees described in this Paragraph 7. Champion will not charge Buyer for starting or stopping this Agreement if accomplished within the terms of this Agreement. This does not prohibit an early termination fee or other penalty for failure to adhere to this Agreement. Broker or Consultants Fees: If a broker or consultant was involved in the negotiation of this Agreement, such broker or consultant will receive a fee or commission. Late Fees: When Utility issues Buyer a consolidated bill, all invoiced balances not paid in full by the due date are subject to Utility's late payment policies and procedures. If Champion directly invoices Buyer, Buyer must pay Champion's invoices within fifteen (15) days from the invoice date and Champion reserves the right to charge Buyer interest for any past due invoice amount at 1.5% per month or the highest amount permissible under applicable law, whichever is less. Returned Check Fees: Champion charges \$25.00 for each returned check (or ACHs). Collection Fees: Buyer shall be responsible for any and all collection costs incurred by Champion.

8. Disputed Amounts: If there is a good faith dispute by Buyer regarding any invoice, Buyer will pay the undisputed amount of any invoice by the applicable due date and the Parties will attempt to expeditiously resolve the dispute. Notice of any dispute by Buyer must be provided to Champion not more than six (6) months from the date of such invoice.

9. Credit: Champion reserves the right to determine if Buyer's credit standing is satisfactory for originating or continuing electric energy service under this Agreement. If Champion determines, in its sole reasonable discretion, that Buyer's creditworthiness has become unsatisfactory, Champion may require to provide collateral in the form of cash or other security in form and amount acceptable to Champion ("Performance Assurance"). Consistent with applicable law, Champion uses uniform income, deposit and credit requirements in determining whether to offer service to its customers.

10. Term: This Agreement shall commence on the first available switch date, and shall continue in effect for unless sooner terminated as otherwise provided in this Agreement. Champion will notify Buyer at least thirty (30) days prior to the end of this Agreement of the date upon which the service contract term ends. After the initial term and unless terminated by Champion or the Buyer pursuant Paragraphs 15 and 16 below, this Agreement will automatically renew on a month-to-month basis at the non-fixed price set forth in Paragraph 3 above.

11. Assignment and Binding Effect: Champion may, without consent of Buyer, (a) assign or delegate all or any part of its rights and/or obligations under this Agreement to any affiliate or to any party succeeding to a substantial portion of the assets of Champion, or (b) pledge or otherwise collaterally assign its rights under this Agreement to any entity providing extensions of credit to Champion. Buyer may not assign any of Buyer's rights, obligations or responsibilities under this Agreement without the prior written consent of Champion. Any assignment in violation of this Paragraph shall be void. If Buyer moves, this Agreement will terminate and Buyer will be required to return to

Utility service for at least one month for service at Buyer's new address after which period Champion would welcome the opportunity to serve Buyer under a new Agreement at Buyer's new address. Buyer will be responsible for paying all electricity supplied to Buyer's old address until the date this Agreement is terminated in accordance with its terms.

12. Change in Pricing and Other Terms Notwithstanding any other provision of this Agreement, this Agreement may be changed by Champion upon the occurrence of any event beyond its reasonable control that increases the obligations of Champion or the cost of performing such obligations under this Agreement. If Champion requests such a change, Champion will provide Buyer with notice of the changed prices and/or terms and conditions and Buyer will have an opportunity to terminate this Agreement without any further obligation by notifying Champion in writing within thirty (30) days after receiving notice of the new prices and/or terms and conditions. If Buyer terminates under the terms of this Paragraph 12, buyer's electric energy service will terminate effective as of the next meter read date after the expiration of the required notice period. Buyer will remain responsible for payment of all electricity supplied by Champion prior to such termination date but Champion will not assess a termination payment.

13. Information Release Authorization: Throughout the term, Buyer authorizes Champion to obtain information from Utility that includes, but is not limited to, account name, account number, billing address, service address, telephone number, standard offer service type, historical and future electricity usage, rate classification, meter readings, characteristics of electricity service and, when charges hereunder are included on Buyer's bill from Utility, billing and payment information from Utility. Buyer authorizes Champion to release such information to third parties that need to know such information in connection with Buyer's electric generation service and to Champion's affiliates and subcontractors. These authorizations shall remain in effect as long as this Agreement is in effect. Buyer may rescind these authorizations at any time by either calling or providing written notice to Champion. Champion reserves the right to reject Buyer's enrollment or terminate this Agreement in the event these authorizations are rescinded, Buyer fails to meet or maintain satisfactory credit standing as determined by Champion, or Buyer fails to meet minimum or maximum threshold consumption levels as determined by Champion. If Buyer fails to remit payment in a timely fashion, Champion may report the delinquency to a credit-reporting agency.

14. Event of Default: An "Event of Default" means (a) a representation or warranty made by a Party to this Agreement proves to have been false or misleading in any material respect when made or ceases to remain true during the Term; (b) the failure of a Party to perform any covenant set forth in this Agreement which is not excused by Force Majeure or cured within thirty (30) business days after written notice thereof; or (c) Buyer is late in the payment of two (2) or more invoices in any six (6) month period; (d) the failure of Buyer to provide Performance Assurance in accordance with Paragraph 9 within three (3) Business Days of Champion's reasonable request; or (e) during the Term of this Agreement, the failure of Buyer to utilize Champion as its sole supplier of electric energy for its meter (s) (including but not limited to a switch of Buyers electric service to another provider); or (f) a Party makes an assignment or any general arrangement for the benefit of creditors or otherwise becomes bankrupt or insolvent. The Party alleged to have taken, caused or been affected by any of the actions set forth above shall be considered the "Defaulting Party" and the other Party shall be considered the "Non-Defaulting Party." Where there exists an Event of Default, the Non-Defaulting Party may terminate this Agreement upon notice to the other Party (a "Termination"). Upon Termination, Champion reserves the right to provide an invoice to Buyer for the sum of (i) any remaining amounts due under this Agreement pursuant to Paragraph 4;

15. Champion's Termination Rights: Champion may terminate this Agreement for any non-payment or any other breach of this Agreement upon thirty (30) days prior written notice to Buyer of such termination. If Buyer fails to cure the non-payment or for breach within the thirty (30) day notice period, Champion may terminate the Agreement even if Buyer subsequently cures the non-payment or breach after such period has expired. Champion may also terminate this Agreement upon thirty (30) days prior written notice to Buyer if Buyer is no longer eligible for consolidated billing by Utility or if, due to a change in law or other act beyond Champion's reasonable control, Champion is no longer able to serve Buyer. Either Buyer or Champion may terminate this Agreement during a month-to-month renewal period upon thirty (30) days written notice effective as of the end of the next applicable meter read date after expiration of the required notice period.

16. Buyer's Termination Rights: If Buyer (a) moves, (b) becomes disabled and/or is no longer able to pay for Champion's services, this Agreement may be terminated without penalty by giving Champion forty-eight (48) hours prior written notice.

17. Force Majeure: Champion does not transmit or deliver electricity, and causes or events out of Champion's control ("Force Majeure Events") may result in interruptions in service. Champion will not be liable for any such interruptions or any other failure to perform under this Agreement caused by a Force Majeure Event. Champion is not and will not be liable for damages caused by Force Majeure Events, including acts of God; acts of any governmental authority; accidents; strikes; labor disputes; required maintenance work; inability to access Utility's system; non-performance by the Utility, including, but not limited to, a facility outage on its distribution lines; changes in laws, rules or regulations of any governmental authority; or any cause beyond Champion's control. Force Majeure shall not excuse Buyer's failure to make payments in a timely manner for electricity supplied by Champion before a Force Majeure event or during a Force Majeure event provided electricity is delivered and received by Buyer pursuant to the terms of this Agreement.

18. Governing Law/Counterparts: This Agreement will be interpreted in accordance with the substantive and procedural laws of the State of New Jersey without giving effect to laws and rules governing conflicts of laws. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and be deemed binding through the use of facsimile signatures.

19. Limitation of Remedies, Liability, Damages & Disclaimer of Warranties: Buyer agrees that neither Champion nor any of its affiliates or subcontractors shall be liable for any damages or claims for matters within the control of Utility or the ISO-controlled electricity grid, which include maintenance of electric lines and systems, service interruptions, loss or termination of service, deterioration of electric services, meter readings or injury to persons or damage to property caused by the delivery or supply of electricity. Neither Champion nor any of its affiliates or subcontractors will be responsible for any failure or delay in enrolling Buyer with Utility. Champion's liability shall be limited to direct actual damages only, which will not exceed the amount of Buyer's single largest monthly invoice during the preceding twelve (12) months. In no event shall Champion or any of its affiliates or subcontractors be liable for any punitive, incidental, consequential, exemplary, indirect, third-party claims or other damages whether based on contract, warranty, tort, negligence, strict liability or otherwise, or for lost profits arising from any breach or nonperformance of this Agreement. Nothing contained in this Agreement shall constitute waiver of any rights Buyer has under New Jersey or Federal consumer protection laws. Champion expressly disclaims and makes no warranties, whether written or oral, with respect to the electricity supplied under this Agreement, including express, implied, or statutory warranties of merchantability or fitness for a particular purpose.

20. No Third Party Beneficiaries; Relationship of the Parties: There are no third party beneficiaries to this Agreement. Champion will not provide, and nothing herein will be construed as the provision of, advice regarding the value or the advisability of trading in "commodity interests" which would cause Champion or an affiliate to be considered a commodity trading advisor under the Commodity Exchange Act, 7 U.S.C. § 1-25, et seq., as amended.

19. Survival: Any payments due under this Agreement, and all provisions relating to the payment and collection thereof, shall survive termination for any reason.

20. Severability: If any provision of this Agreement is held to be invalid, its invalidity shall not affect the validity of any other provision of the Agreement.

21. Entirety of Agreement; Modification of Agreement: It is the intention of the Parties that this Agreement contains all terms, conditions, and protections in any way related to, or arising out of, the sale and purchase of the electricity, and supersedes all prior agreements, written or oral. No statement, promise or inducement made by either Party not contained in this Agreement shall be valid or binding. Any alteration, deletion or addition to the Agreement shall be effective only if made in a written amendment executed by both Parties. No amendment or modification shall be made to this Agreement by course of performance, course of dealing or consumption of trade, or by the failure of a Party to object to a deviation from the terms of this Agreement.

CONTACT INFORMATION**Champion Energy Services, LLC****Address:** 1500 Rankin Road, Suite 200, Suite 250Houston, Texas 77073Tel: 281.653.5090 *Toll Free: 888.653.0093 *Fax: 281.653.5080E-mail: info@championenergyservices.comCertificate of Authority New Jersey Electric Power Supplier License No. ESL-0082

Dispute Resolution: If Buyer has a billing or other dispute involving Champion's services, please contact Champion at the phone number provided herein. As set forth in Paragraph 8 above, Buyer still must pay the undisputed portion of the invoice and may deduct the specific amount in dispute while the charges remain in dispute. If the dispute cannot be resolved within forty-five (45) days, a complaint or request for an Alternate Dispute Resolution procedure may be submitted by either Party by contacting the New Jersey Board of Public Utilities TOLL FREE at 1.800.624.0241 and their website address is <http://www.nj.gov/bpu/assistance/complaints/>.

Utility: For emergencies relating to your electric service, such as a power outage, please call your utility:

- **Atlantic City Electric:** 1-800-642-3780
- **Jersey Central Power & Light:** 1-800-662-3115
- **Orange Rockland Electric:** 1-877-434-4100
- **PSE&G:** 1-800-436-7734

Champion Energy Services, LLC
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