

	<p align="center"> <b>YEP ENERGY – NATURAL GAS SAVINGS PLANS FIXED PRICE &amp; VARIABLE PRICE (VERSION No. V.PAGASDUAL010915) FOR PENNSYLVANIA RESIDENTS &amp; BUSINESSES WITH AGGREGATE REGISTERED CONSUMPTION OF LESS THAN 300 MCF PER YEAR. TERMS &amp; CONDITIONS PORTION OF THE DISCLOSURE STATEMENT</b> </p>
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**1. General Terms and Conditions and Components of your Agreement.**

Your agreement for natural gas supply service, between you and North Star Gas Company, LLC d/b/a YEP Energy ("YEP"), includes the following components: (i) your Terms and Conditions Portion of Disclosure Statement and any attachments thereto ("**Terms & Conditions**"); (ii) your Enrollment Authorization; (iii) your Contract Summary; and (iv) any welcome or renewal letter, each as may be amended or restated from time-to-time (your "**Agreement**" or "**Disclosure Statement**"). These terms are conditioned upon YEP accepting you as a customer. The Agreement is intended solely for residential and Small Business Customers in Pennsylvania who submitted applications (or enrolled for natural gas services) under any YEP fixed price or variable price plan. Please refer to the other components of your Agreement for more information about your specific price, plan, and Term. Your applicable version of the Terms and Conditions (and its attachments) is the specific version of the Terms and Conditions (and its attachments) made available to you when you applied for service and selected your natural gas plan.

**2. Background and Important General Terms.** YEP is a natural gas supplier or provider ("NGS") licensed by the Pennsylvania Public Utility Commission (the "**PUC**" or "**The Commission**") to offer and supply natural gas supply services in Pennsylvania under License No. A-2013-2380092. YEP Energy agrees to sell and deliver (or cause to be delivered) to the citygate(s) as specified in your Enrollment Application, and you agree to receive and purchase, natural gas for all of your natural gas requirements for the Service Address(es) enrolled with YEP Energy in accordance with the terms of this Agreement and the applicable natural gas distribution company ("**NGDC**") Rules. The delivery of natural gas will be on a firm basis subject to the terms of this Agreement, but you acknowledge and agree that YEP Energy is not responsible for the delivery of natural gas directly to the Service Address(es) and has no obligations, duties, responsibilities or liabilities to you after natural gas is delivered to the applicable NGDC at the Delivery Point. The NGDC is solely responsible for the delivery of natural gas from the Delivery Point to each of the Service Address(es). The applicable NGDC will continue to deliver your natural gas, read your meter(s), maintain its facilities, and respond to your system concerns. In case of odors, emergency, or suspected leaks, you should contact the applicable NGDC. The title to and responsibility for natural gas and the associated risk of loss passes from YEP Energy to you at the Delivery Point. The Commission (defined in Section 3 below) regulates delivery prices and services. The Federal Energy Regulatory Commission may also regulate transportation prices and services. You will continue to receive a single bill from your NGDC (as defined in Section 3 below) that will contain NGDC charges and YEP Commodity Charges (defined in Section 3 below) and any other YEP charges separately, except to the extent your NGDC may otherwise require and except where YEP elects to do "dual billing" (in which case you will receive a bill from your NGDC for your NGDC charges and a bill from YEP for all other charges) or consolidated billing where NGDC bills you for all charges directly. YEP reserves the right to change billing methods. Subject to YEP's acceptance of this Agreement and enrollment by your NGDC, you agree to become a YEP customer and appoint YEP as your limited agent to take such actions as YEP deems necessary to serve as your NGS to perform the necessary tasks associated with your natural gas supply service and fulfill the terms of this Agreement. You also designate YEP as an authorized recipient of your current and historical billing and usage data. YEP may research your credit history. YEP shall have no responsibility for any debts owed by you to any prior NGS. By enrolling for service or by accepting natural gas supply service from YEP, you agree to be bound by the Agreement, and

you acknowledge that switching to YEP is not mandatory and you have the option to remain with the NGDC for basic natural gas supply services.

**3. Definitions.** The definitions below are incorporated herein. For more information, please refer to the Pennsylvania Public Utility Commission's Consumers Dictionary for Natural Gas Competition, located on the Commission's website:

[https://www.puc.pa.gov/general/consumer\\_ed/pdf/gas\\_terms\\_book.pdf](https://www.puc.pa.gov/general/consumer_ed/pdf/gas_terms_book.pdf)

**3.1 Agreement.** – Your "Agreement" with YEP, which is also sometimes referred to as your "Disclosure Statement," includes the following components: (i) these Terms and Conditions and any attachments hereto; and (ii) your signed and submitted Enrollment Application and Switch Authorization for Natural Gas Supply (or other Enrollment Authorization as defined below); (iii) your Contract Summary; and (iv) any welcome or renewal letter, each component as may be amended or restated from time-to-time.

**3.2 Burner Tip.** – The point at which natural gas is used such as a furnace, water heater or range.

**3.3 Ccf.** – 100 cubic feet of gas. This is a measure of gas usage.

**3.4 Chapter 56.** - The PUC regulations that govern metering, billing and collections for residential gas and electricity service.

**3.45 Change in Law.** - If the PUC, NGDC, or other State or Federal agency adopts, passes, or enacts any regulation, rules, tariff, protocol or law (or if there occurs any other changes, adoptions, and/or implementations of regulations, rules, tariffs, protocols or laws) that alter any of the costs or charges incurred by YEP in providing services under this Agreement or otherwise alter YEP's abilities to perform the services provided under this Agreement.

**3.46 City Gate.** – The point where interstate pipelines deliver gas into NGDC facilities.

**3.5 The Commission or PUC.** - The Pennsylvania Public Utility Commission: The State regulatory agency that provides oversight, policy guidance and direction to public utilities and suppliers.

**3.6 Commodity Charges.** – The charges for basic gas supply service which is sold either by volume (Ccf or Mcf) or heating value (dekatherms). Commodity Charges do not include Taxes, as defined below.

**3.7 Customer Charge.** - Monthly charge to cover NGDC costs such as maintaining the gas lines, meter reading, and NGDC billing.

**3.8 Default Service Provider.** – The company providing gas services to those who do not choose another supplier, are unable to find a supplier willing to serve them, or, for some reason, no longer receive natural gas services from another supplier. Your Default Service Provider can be found on your Contract Summary.

**3.85 Disclosure Statement.** – Your Agreement with YEP as described in Section 3.1 above.

**3.9 Distribution Charges.** – The charges for the delivery of natural gas from the point of receipt into the NGDC's system, and any other charges from your NGDC.

**3.10 Dth (Dekatherm).** – A measure of the heat content value of gas. Gas usage is determined by multiplying the Mcf used by the heat content value of the gas.

**3.11 Early Cancellation Fee**

a. **Residential Customers** – Unless otherwise stated in your Contract Summary, your Early Cancellation Fee equals \$10.00 times the number of months remaining in your Agreement's Initial Term. There is no Early Cancellation Fee if you cancel your Agreement within 30 days prior to the expiration of your Agreement's Initial Term.

b. **Small Business Customers** – Unless otherwise stated in your Contract Summary your Early Cancellation Fee equals the total price paid by you under your Agreement in cents/Mcf or CCF or therm, as applicable, multiplied by your highest monthly usage (as may be reasonably forecasted by YEP in any given month) and times the remaining months in the Initial Term, not to exceed three (3) months if your remaining term is 12 months or fewer, and not to exceed six (6) months if your remaining term is 13 months or more. The Early Cancellation Fee shall not be less than \$150.00. There is no Early Cancellation Fee if you

cancel your Agreement within 30 days prior to the expiration of your Agreement's Initial Term.

**3.12 Enrollment Authorization.** - Your Enrollment Authorization is your signed written Application for Enrollment and Switch Authorization form if you enrolled in writing, electronic Internet Application for Enrollment and Switch Authorization if you enrolled online, or recorded telephonic Application for Enrollment and Switch Authorization if you enrolled telephonically.

**3.13 Mcf.** - 1,000 cubic feet of gas. This is a measure of gas usage.

**3.14 Initial Notice.** - The first written notice YEP sends to you about ninety (90) days prior to the expiration of your Initial Term, if you are enrolled in a fixed term plan, or if we propose to change the terms of service in any type of agreement.

**3.15 Initial Term.** - This is the initial time period during which you will be bound to this Agreement (as you selected in your Enrollment Authorization) and receive the price set forth in your Enrollment Authorization and/or your Contract Summary, as applicable. For customers on a variable price plan, your Initial Term is the first month of natural gas services.

**3.16 NGDC.** - Natural Gas Distribution Company - A state regulated natural gas utility which owns the gas lines and equipment necessary to delivery natural gas to the consumer. (Formerly called local distribution company).

**3.17 NGDC Gas Cost Adjustment Charge.** - The amount billed or credited each month to account for differences between projected and actual gas supply costs of the NGDC.

**3.18 Options Notice.** - The second written notice we send you at about sixty (60) days prior to the expiration of your Initial Term if you are enrolled in a fixed term plan. The purpose of your Options Notice is to notify you of your right to renew, terminate, or renegotiate your Agreement.

**3.19 Other Fees.** - Other charges include charges for NGDC services (generally, Distribution Charges and utility fees and billing fees), and federal, state, and local taxes (including without limitation state gross receipts tax).

**3.20 Price to Compare.** - The dollar amount charged by the NGDC used by consumers to compare prices and potential savings with other NGSS.

**3.21 PUC.** - The abbreviation for the Pennsylvania Public Utility Commission.

**3.22 Retail Service Charges.** - Charges as set forth in Section 5.

**3.23 Small Business Customer.** - The term refers to a person, sole proprietorship, partnership, corporation, association or other business entity that receives natural gas service under a small commercial, small industrial or small business rate classification, and whose aggregate maximum registered annual consumption with the NGDC was less than 300 Mcfs, or the equivalent, over the last 12 months

**3.24 Supplier (Natural Gas Supplier or NGS).** - An entity, licensed by the PUC, that sells or arranges to sell natural gas to customers that is delivered through the distribution lines of an NGDC.

**3.25 Taxes.** Taxes include all state taxes applicable to any service rendered by YEP including but not limited to state sales tax, county taxes, city taxes and gross receipts tax.

**3.26 Transmission.** The moving of natural gas through the interstate pipeline system for delivery to the NGDC.

**3.27 Transmission Charges.** - Part your service charges for transporting natural gas from the source of supply to the natural gas distribution company. The Federal Energy Regulatory Commission regulates retail transmission prices and services. This charge will vary with your source of supply.

**3.28 YEP** YEP Energy, a Texas limited liability company, or its assignee or successor.

**4. Right of Rescission.** You may cancel this Agreement at any time before midnight of the third federal business day after receiving this Terms & Conditions by calling YEP at (855) 363-7736, by writing YEP at 1275 Glenlivet Drive, Suite 100, Allentown, PA 18106, or by emailing YEP at [yepgas@yepenergypa.com](mailto:yepgas@yepenergypa.com). When contacting YEP, please include your request for rescission, name, address, phone number, & account number.

**5. Basic Service Prices.** YEP endeavors to offer you its most competitive prices possible in its fixed price and variable price plans. Prices for our fixed price and variable price plans include Transmission Charges but exclude

"Other Fees," which include charges for NGDC services (generally, Distribution Charges and utility fees), billing fees, and federal, state, and local taxes (including without limitation state gross receipts tax). These Other Fees are in addition to your price set forth on your Enrollment Authorization. There is no charge for entering into this Agreement. There is also no charge for terminating this Agreement solely to the extent permitted by the cancellation provisions described in Section 8 below, and under certain other circumstances, you will be responsible for payment of the Early Cancellation Fee defined in Section 3 above. The price charged for natural gas supply service under this Agreement is intended to be reflective of competitive market conditions in most cases and was not set or approved by the Commission. Depending on your NGDC's billing practices, your price during the billing cycle may be applied pro rata, resulting in a blended rate of the previous month and the current month price.

**5.1 Fixed Price Plans.** THIS SECTION 5.1 IS ONLY APPLICABLE TO CUSTOMERS ON A FIXED PRICE PLAN. If enrolled in a fixed price plan, you agree to pay the price for natural gas supply and the Other Fees as set forth above in Section 5 and in your Enrollment Authorization for the term you selected in your Enrollment Authorization. You are signing up for price protection during your Initial Term as stated on your Enrollment Authorization. AT YOUR INITIAL TERM'S END, IF YOU DO NOT RENEW OR IF YOU OTHERWISE DISCONTINUE SERVICE WITH YEP, YOUR PRICE AND PLAN WILL AUTOMATICALLY CONVERT TO A VARIABLE MONTHLY PRICE TO BE GOVERNED BY SECTION 5.2.

**5.2 Variable Price Plans.** THIS SECTION 5.2 IS ONLY APPLICABLE TO CUSTOMERS ON A VARIABLE PRICE PLAN (which also includes customers whose fixed price plan has expired without renewal and whose plan has therefore been converted into a variable price plan pursuant to Section 5.1). If you selected a variable price plan, the price for natural gas supply for your first month of service is set forth in your Enrollment Authorization, and the price you pay for natural gas after your first month of service (your Commodity Charge) will vary each month based on YEP's prevailing market costs of energy, capacity, Transmission Charges, the amount of your "Retail Service Charge" in addition to the Other Fees as set forth above in Section 5. If you had enrolled in a fixed price plan and your term has expired without renewal such that you've been placed on a variable price plan pursuant to Section 5.1, then the price you pay for natural gas (your "Commodity Charge") will vary each month based on YEP's prevailing market costs of the above listed items. For all variable plans, any and all taxes and Distribution Charges and billing fees will be passed through to you at YEP's cost. Retail Service Charges include capacity, commodity, basis, fuel losses, ancillary service charges, and a reasonable profit margin determined by us from time to time in good faith. The Retail Service Charge may change for each billing period, and there is no limit or cap on this charge. Your variable price may vary on a monthly basis with no advance notice, but as a form of low price assurance, and because YEP values your loyalty, if you are ever unsatisfied with your plan during the variable period, you will have the right to cancel this Agreement without penalty in accordance with the procedures for cancellation set forth in Section 8 below. To learn your current variable price, please call us at (855) 363-7736.

**5.3 Price Comparisons.** If you enrolled in a fixed price plan, please note that your NGDC's tariff rates likely will change from time to time, as will YEP's prices during any and all renewal periods, and therefore YEP cannot guarantee savings over the NGDC's rates during the entire (or portions of the) term of this Agreement or any renewals. If you enrolled in a variable price plan, or if you had enrolled in a fixed price plan and your term has expired without renewal such that you've been placed on a variable price plan pursuant to Section 5.1, then your price during all such variable pricing periods will reflect market conditions, YEP's Retail Service Charges, and supply costs, and in addition, the NGDC's tariff rates likely will change from time to time; YEP's price therefore may be higher or lower than your NGDC's price during all such variable pricing periods. You may also consult your NGDC's Price to Compare shown on your monthly invoice for consideration.

## **6. Term of Agreement**

**6.1 Fixed Price Plans.** You will buy your natural gas services from YEP, for the street address(es) specified in your Enrollment Authorization, beginning on the Effective Date through and until the expiration of your Initial Term. You will buy your natural gas services from YEP, for the street address(es) specified in your Enrollment Authorization, after your Initial Term to the extent set forth in Section 5.1 and 5.2, which natural gas services after your Initial Term will be at a variable price that will no longer be fixed.

**6.2 Variable Price Plans.** You will buy your natural gas service from YEP, for the street address(es) specified in your Enrollment Authorization,

beginning on the Effective Date through the date upon which you cancel your Agreement. After your first month of service, your service with YEP will continue on a month-to-month basis until cancelled by you or YEP as described in Section 12.2 below.

## **7. Plant-A-Tree Plans.**

If you enrolled in a Plant-a-Tree Plan please refer to your Plant-a-Tree Contract Summary that was made available to you upon your enrollment for more information and a description of how such plan works. The Plant-a-Tree Contract Summary is a part of your Agreement.

## **8. Cancellation.**

**8.1. Cancellation Initiated by Customer.** Subject to the terms herein, you may cancel your Agreement to purchase natural gas by providing 30 (thirty) days advance written notice to YEP. You will be responsible for all charges incurred by you up to the date of cancellation. In addition, if you are enrolled in a fixed price plan with us and you cancel the Agreement after the three (3) day rescission period expires but before the end of your Initial Term, you will also be responsible for the Early Cancellation Fee (as defined in Section 3 above). After you notify YEP your cancellation will not be effective until the next regularly scheduled meter-reading date following the date on which YEP gives notice to the NGDC of your request.

**8.2. Non-Payment.** If your natural gas service is terminated by your NGDC, then this Agreement is cancelled on the date that your natural gas service is terminated by the NGDC. You will owe us for amounts unpaid for our charges for natural gas service up to the date of termination. In addition, if you have a fixed price agreement with us and this Agreement is cancelled before the end of your Initial Term, you will also be responsible for the Early Cancellation Fee.

**8.3. YEP Initiated Cancellation.** If we cancel this Agreement for any reason other than for your non-payment, we will follow applicable rules in providing notice to you. If for any reason performance of this Agreement becomes materially uneconomical to YEP, if you fail to pay any deposit that may be due pursuant to this Agreement or if YEP is otherwise unable to continue this Agreement, YEP can cancel this Agreement after giving you at least fourteen (14) days advance written notice, unless prohibited by applicable law. If YEP cancels this Agreement, you remain responsible for all invoices, services rendered, and other charges incurred through the date you are switched to another supplier or returned to the NGDC for service. You affirm to YEP that you have provided YEP with your correct and complete name, address, and contact information and you do not have any outstanding balance with us for any property, premise, or meter previously or presently within your controls or possession. If, in YEP's sole discretion YEP determines any of these statements are or become untrue, or you otherwise provide fraudulent or misrepresented information, YEP can cancel this Agreement immediately.

**8.4. Customer Move.** If you move from the service address provided during your enrollment, the Agreement will automatically terminate and you will not be subject to the Early Cancellation Fee, solely and to the extent required by applicable law. If you are moving, please contact YEP via phone, email, or in writing and provide a forwarding address to receive any remaining invoice(s). You shall remain responsible for all charges incurred prior to any cancellation of this Agreement.

**9. Penalties, Fees, and Exceptions.** IF YOU HAVE A FIXED PRICE PLAN WITH YEP AND YOU CANCEL THIS AGREEMENT AFTER THE THREE (3) DAY RESCISSION PERIOD REFERENCED ABOVE AND BEFORE THE END OF YOUR INITIAL TERM, WE WILL CHARGE YOU THE EARLY CANCELLATION FEE AS "EARLY CANCELLATION FEE" IS DEFINED AND DESCRIBED IN SECTION 3 ABOVE. YEP will not charge an early cancellation fee if you cancel within 30 days prior to the end of your Initial Term or if you permanently move prior to the end of your Initial Term. In any event, you will be responsible for all payments due hereunder until the cancellation of YEP's natural gas service is complete. Such cancellation fee shall also be assessed on those customers that have their agreements cancelled due to non-payment.

**10. Taxes.** Except as otherwise provided in this Agreement or required by law, all Taxes of whatsoever kind, nature and description, including without limitation sales tax, gross receipts tax and county taxes, will be paid by you in addition to the commodity charge. If you are tax exempt, it is your

responsibility to provide YEP with sufficient documentation needed to provide your tax exempt status. Even if tax exempt, you may be responsible for possibly other types of taxes depending on the scope of your exemption.

**11. Proposed Changes to Terms.** Regardless of any other provision in this Agreement, except as may be prohibited by applicable law, this Agreement (including for example, your price) may be changed by YEP upon the occurrence of any event beyond its reasonable control that increases the obligations of YEP or the costs of performing such obligations under this Agreement, except for a Change in Law (as defined in Section 3 above), which are governed by Section 14. If we request such a change, YEP will provide you notice of the changed prices and/or terms and conditions and you will have an opportunity to terminate this Agreement without any further obligation by notifying us in writing within thirty (30) days after receiving notice of the new prices and/or terms and conditions, in which case your natural gas services will terminate effective as of the next meter read date after expiration of the required notice period. You will remain responsible for any unpaid balance as of the termination date but we will not assess a termination penalty. No changes or edits to your Agreement will be valid unless duly approved in a signed writing by YEP.

**12. Renewal / Agreement Expiration.** This section shall only apply to customers who enrolled in a fixed term or variable price plan from YEP and are currently receiving service pursuant to a YEP agreement under such plan. This section shall not apply to any instance where you are placed on a default month-to-month product after the end of your Initial Term (for customer's enrolled in a fixed price plan) or after the first month of service (for customers enrolled in a variable price plan).

**12.1 Fixed Price Products.** If you are currently enrolled in a fixed price plan and the expiration of your Initial Term is approaching we will send an Initial Notice and an Options Notice (both defined in Section 3 above). If you do not respond to the notices prior to the end of your Initial Term, you will be placed on a month-to-month product upon expiration of your Initial Term, at YEP's then-present prices for natural gas in the applicable region of the Pennsylvania market.

**12.2 Variable Price Products.** If you are currently enrolled in a variable price plan your plan will automatically renew on a month-to-month basis at the end of the first month and you will pay a variable price per ccf with no cancellation fee thereafter. While receiving service at a variable rate, YEP will charge you for all natural gas services billed by your NGDC at a variable price per Mcf or CCF or therm, as applicable, based upon our then-present prices for natural gas in applicable region of the Pennsylvania market. If you are currently enrolled in a variable rate plan you may switch to a fixed term plan by contacting a YEP Customer Service Representative, in which case your new fixed rate should typically appear on the next full billing cycle after YEP receives your request.

**12.3 Notices.** (Applicable to "fixed price" plans upon changes to terms and expiration). If you have a fixed price agreement with us and it is approaching the expiration date or whenever we propose to change our terms of service in any type of agreement, you will receive written notification from us in each of our last three bills for supply charges or in corresponding separate mailings that precede either the expiration date or the effective date of the proposed changes. We will explain your options to you in these three advance notifications.

**12.4 Price Comparisons.** Please refer to Section 5.3 above for important information regarding any and all comparisons of your price to the Price to Compare.

**13. Access to Customer Information.** You understand that by enrolling for service with YEP, YEP will be provided, and you hereby agree for your NGDC to provide, certain basic account information from your NGDC, including but not limited to account number, meter read information, customer rate class and natural gas usage, your address and phone number, and whether or not you are on a budget billing plan or other payment arrangement or as otherwise approved by the PUC Bureau of Consumer Services. You further understand that the NGDC is required by the PUC to communicate with you following a notice of change of NGS to confirm the change was authorized. YEP will not sell or otherwise provide your personal information to any unaffiliated party without your consent, except as may be required by law or as necessary to enforce this Agreement.

**14. Change in Law.** Regardless of any other provision in this Agreement to the contrary, and to the fullest extent permitted by law, YEP may change the terms of this Agreement upon the occurrence of a "Change in Law" (as defined in Section 3) in order to adapt the provisions of this Agreement that are impacted by such Change in Law, except that YEP will not seek to modify a fixed price unless you provide your consent as noted below in this Section Specifically, if there occurs a Change in Law that results in YEP proposing

to modify this Agreement (except for changes to your price under a Fixed Price plan), YEP may: (i) adjust the Terms of this Agreement solely to reflect such additional or modified obligations, by giving two advance written notices in separate mailings between 45 and 90 days before the proposed effective date of such change explaining the proposed modifications to your existing Agreement and your rights with respect to such proposed modifications; or (ii) to the fullest extent permitted by law, and after giving notice to you as required under applicable law, terminate or cancel the Agreement at no cost to YEP. However, if you're enrolled in a Fixed Price plan, then to the fullest extent permitted by law, if there occurs a Change in Law that results in YEP incurring additional charges or modified obligations with respect to the services being or to be provided under this Agreement, YEP may, upon your consent, adjust your price and other charges solely to reflect such additional or modified obligations, by giving two advance written notices in separate mailings between 45 and 90 days before the proposed effective date (a) explaining the proposed modifications to your existing Agreement and your rights with respect to such proposed modifications, and (b) also seeking your affirmative consent to such adjustments and changes. Or, to the fullest extent permitted by law, if you're enrolled in a Fixed Price plan and if there occurs a Change in Law that results in YEP incurring additional charges or modified obligations with respect to the services being or to be provided under this Agreement, YEP may terminate or cancel the Agreement at no cost to YEP.

**15. Right to Cancel.** IF YOU DO NOT PAY YOUR INVOICE(S), YOUR SERVICE MAY BE DISCONNECTED BY THE NGDC. Your NGDC will provide you notice in the time frame prescribed by the Commission prior to disconnection of your service. The NGDC may also disconnect your service immediately, and without notice, in certain urgent situations, including: (i) existence of a known dangerous condition; (ii) where service is connected without authority by a person who has not made an application for service; (iii) where service is reconnected without authority after disconnection for nonpayment; (iv) where there is evidence of tampering of equipment or theft of service. This Agreement will be cancelled immediately if and when the NGDC returns you to the incumbent or default NGDC.

**16. Dispute Procedures.** Please contact YEP if you have questions or concerns regarding your Agreement. YEP's friendly and knowledgeable representatives are trained to research and resolve your customer inquiries, and YEP will work hard to make sure your problem is handled and that you are pleased with YEP's service. If, after you have discussed the terms of service of your Agreement with YEP, you are not satisfied, you may contact the Commission at the Utility Choice Hotline: 1-800-692-7380.

**16.1 Arbitration.** If you have billing questions or would like to make an inquiry about YEP's terms of service, you may contact YEP as indicated in Section 14. In the event of a dispute or a disagreement under this Agreement, the parties will use their best efforts to resolve the dispute. If you are not fully satisfied after discussing your dispute with YEP, you may contact the Pennsylvania Public Utility Commission at 1-800-692-7380 or in writing to PO Box 3265, Harrisburg, PA 17105-3265. Regardless of whether you choose to pursue your dispute with the Pennsylvania Public Utility Commission, your right to pursue individual arbitration with YEP will not be impacted under this Agreement as set forth below.

You and YEP both agree to resolve Disputes (as defined below) only by arbitration or in small claims court (for qualifying claims), subject to specific exceptions listed herein. There is no judge or jury in arbitration, the procedures may be different, and is subject to very limited review by a court. An arbitrator, however, can award you the same damages and relief, and must honor the same terms in this Agreement, as a court would. If the law allows for an award of attorneys' fees, an arbitrator can award them too. In addition, you and YEP also both agree that: (a) "Disputes" are any claims or controversies against each other related in any way to, or arising from YEP's services, this Agreement, or any related agreements, including but not limited to, billing, services and practices, policies, contract practices (including enforceability), service claims, privacy, or advertising, even if it arises after your services with YEP have terminated. Disputes include any claims that: (a) you bring against YEP or any of its employees, agents, affiliates, or other representatives; (b) you bring against a third party that are based on, relate to, or arise from YEP's services, this Agreement or any related agreements; or (c) that YEP brings against you. It also includes, but is not limited to, claims related in any way to, or arising from any aspect of the relationship between you and YEP, whether based in contract, tort, statute, fraud, misrepresentation, or any other legal theory. (b) Except as otherwise provided under Section 14(f) below, the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.* (the "FAA") applies exclusively to this agreement to arbitrate, and this agreement to arbitrate is intended to be broadly interpreted. The

arbitrator's decision and award is final and binding, with some exceptions under the FAA, and judgment on the award may be entered in any court with jurisdiction. (c) Prior to initiating arbitration, a party must first send to the other, by certified mail, a written notice of dispute ("Dispute Notice"). The Dispute Notice to YEP should be addressed to the Notice Address listed in Section 14. The Dispute Notice must (a) describe the nature and basis of the claim or dispute; and (b) set forth the specific relief sought ("Demand"). If YEP and you do not reach an agreement to resolve the claim within 30 days after the Dispute Notice is received, you or YEP may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by YEP or you shall not be disclosed to the arbitrator. (d) Unless we each agree otherwise, the arbitration will be conducted by a single neutral arbitrator and will take place in the county (or parish) of the Service Address. (e) The arbitration will be conducted by: (a) a neutral third party arbitrator mutually agreed upon by you and YEP; or (b) the American Arbitration Association (the "AAA"). The arbitration will be governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules") of the AAA, as modified by this Agreement. Where the terms of this agreement to arbitrate conflict with the AAA Rules, the terms of this agreement to arbitrate shall override and govern. The AAA Rules are available online at [adr.org](http://adr.org), by calling the AAA at 1-800-778-7879, or by writing to the Notice Address for YEP, which is listed in Section 14. The arbitrator is bound by the terms of this agreement to arbitrate. 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. 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. Upon your request, and you supplying appropriate documentation, YEP will reimburse your administrative costs for the arbitration over and above the costs associated with filing a case in court. 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. However, nothing in this paragraph will require or allow you or YEP to arbitrate on a class-wide, representative or consolidated basis. An arbitration award and any judgment confirming it apply exclusively to the specific case. The arbitration award and judgment cannot be used for any other case except to enforce the award itself.

**You and YEP each agree that arbitration will only be pursued on an individual basis, and will not be pursued on a classwide, representative or consolidated basis. This Agreement does not allow class, representative or collective arbitrations even if the AAA procedures or rules would. If for any reason any court or arbitrator holds that this restriction is unconscionable or unenforceable, then this agreement to arbitrate does not apply and the dispute must be brought in court.** (f) You and YEP agree that notwithstanding this agreement to arbitrate, either party may bring qualifying claims in a small claims court. In addition, this arbitration provision does not prevent you from bringing your dispute to the attention of federal, state, or local government agencies (including the Pennsylvania Public Utility Commission), and if the law allows, they can seek relief against YEP on your behalf. (g) If for any reason a claim proceeds in court rather than through arbitration, you and YEP agree that there will not be a jury trial. You and the Company unconditionally waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating in any way to this Agreement or the services provided by YEP. In the event of litigation, this paragraph may be filed to show a written consent to a trial by the court.

**17. Non-Discrimination.** YEP proudly discloses that it does not discriminate, deny service, or require a prepayment or deposit for service based on a customer's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location in an economically distressed geographic area, or

qualification for low income or energy efficiency services. Additionally, YEP does not use credit scores, credit history, or NGDC payment history as the basis for determining price for natural gas customers.

**18. Usage.** YEP will seek to provide, and you shall pay for, all the natural gas to satisfy all the natural gas requirements for each service address that you enroll with YEP, as specified in your Enrollment Authorization. You may not resell any portion of such natural gas to any third party.

**19. Notice of NGDC Interruptions.** You shall promptly notify YEP of any and all curtailment or interruption orders and all related notices when your NGDC requires that your service be interrupted or curtailed as to any property, premise, or meter served under this Agreement. You shall reimburse YEP for any and all reasonable costs imposed upon or otherwise incurred by YEP resulting from such curtailment of services.

**20. Role of your NGDC.** Your NGDC is solely responsible for the transmission, distribution and pipeline system along with all interruptions in the delivery of service. Regardless of any other provision or statement to the contrary, you agree and acknowledge that YEP is not in any way liable or responsible for any interruption or disruption in your service or related services caused wholly or partially by interruption, deterioration, or problems on the NGDC's systems or otherwise. YEP will have no liability and is not responsible for any of the NGDC's acts or failures to act, and you agree that you shall be solely responsible for all amounts due to the NGDC for their services rendered in connection with the natural gas services provided to your service address(es).

**21. Collections, Referral to Credit Agency.** If you fail to make any payments due under your Agreement, YEP may: (i) assign your indebtedness to YEP's internal collections group; (ii) place your debt with an attorney or collection agent for collection; or (iii) refer any unpaid amounts to a credit agency for reporting.

**22. Force Majeure.** NGS's do not procure your natural gas, nor do NGS's transport it from the city gate to you or otherwise transport your gas themselves. YEP will endeavor to provide service in a commercially reasonable manner, but YEP cannot guarantee a continuous supply of natural gas. Events outside YEP's control, called "force majeure" events, may result in interruptions in service, for which YEP will not be liable. Therefore, regardless of any representation or any other part of your Agreement or other document to the contrary, you agree that YEP is not responsible for damages or liability caused wholly or in part by force majeure events, which include, without limitation, acts of God, acts of any governmental authority, including the Commission, acts of any pipeline, accidents, strikes, labor trouble, required maintenance work, problems with or acts of the NGDCs, problems with (or acts of) suppliers, scheduling entities, unlawful or negligent actions of other NGS's, delay of market availability or changes in laws, rules, regulations, and practices or procedures of any governmental entity, or utility, or any other cause beyond YEP's control. You acknowledge that YEP does not have care, control, or custody of your property or premises, or of any natural gas facilities, including but not limited to, pipelines, compression stations, or the meter, located on or next to your property or premises. You further acknowledge that you are in exclusive control (and responsible for any damages or injury caused thereby) of natural gas at and from such meter.

**23. Limitations of Liability.** YEP'S LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE (INCLUDING, WITH RESPECT TO YOUR AGREEMENT) SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, AND SUCH DIRECT ACTUAL DAMAGES SHALL BE YOUR SOLE AND EXCLUSIVE REMEDY REGARDLESS OF THE CAUSE OF ACTION OR THEORY OF RECOVERY. You irrevocably waive all other remedies at law or in equity. Without limitation to the foregoing, neither party will be liable to the other for consequential, incidental, punitive, exemplary, or indirect damages. These limitations apply without regard to the cause of any liability or damage for any reason. There are no third party beneficiaries to this Agreement. If any provision of your Agreement is held unenforceable, the remaining provisions shall remain valid. YEP shall have no responsibility for any charges you owe to any prior NGS, and you may not withhold payments to YEP pending any refunds or other settlement of billing from any other NGS.

**24. Representations & Warranties.** The natural gas sold under your Agreement will be supplied from a variety of sources. YEP makes no representations or warranties other than those expressly set forth in your Agreement. YEP expressly disclaims all other warranties, express or implied, including warranties of merchantability, conformity to models or samples, and fitness for a particular purpose.

**25. Agreement Subject to Change Upon Information Verification.** This Agreement is intended solely for residential and small business customers

whose maximum registered usage was 300 Mcf or below within the last 12 months. If it is determined that your usage is greater than 300 Mcf, at YEP's sole discretion, YEP may, upon ten (10) days prior notice require you to sign a new and different form of agreement for large commercial customers before accepting you as a customer or continuing to serve as your NGS.

**26. Assignment.** You may not assign your Agreement, in whole or in part, or any of its rights or obligations hereunder without the prior written consent of YEP. YEP may, and you hereby grant your express written consent permitting YEP to: (a) transfer, sell, pledge, encumber or assign your Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial agreement or arrangement; (b) transfer or assign your Agreement to any past, present, or future affiliate of YEP or to a party who supplies (or seeks to provide) wholesale natural gas or qualified scheduled entity services to YEP; (c) transfer or assign your Agreement to any person or entity succeeding to all or a portion of the assets or control of YEP; and/or (d) transfer or assign your Agreement to another NGS. In the case of (b), (c), or (d), any such assignee shall agree in writing to be bound by the terms and conditions hereof, and after an assignment by YEP, YEP will have no further obligations under this Agreement. This Agreement shall inure to the benefit of, and be binding upon, YEP and your respective successors and permitted assigns.

**27. Governing Law.** Your Agreement shall be governed by Pennsylvania law, without regard to its conflict of law principles. The provisions of the Uniform Commercial Code shall apply to your Agreement, and natural gas shall be a "good" for purposes of the UCC.

**28. Miscellaneous.** This Agreement sets forth all understandings between you and YEP, and any prior or contemporaneous representations, understandings, price quotes, and inducements are fully merged into and superseded by this Agreement. The terms of this Agreement shall survive any cancellation, termination or expiration of this Agreement at least until all of such meter(s) are either switched from YEP or disconnected and until your balance and all amounts outstanding are paid in full. All terms of the Agreement which must, in order to give full force and effect to the parties' rights and obligations, survive the cancellation, termination or expiration of this Agreement, shall so survive, including without limitation your payment obligations. No waiver by any party of any default by the other in the performance of any of this Agreement's terms will be construed as a waiver of any other default. Any changes to the Agreement must be set forth in a signed writing. If any provision of this Agreement is held to be invalid by a court or a regulatory body, such provision shall be construed, as nearly as possible, to reflect the parties' intentions with the other provisions remaining in full force and effect.

**29. Notices.** All notices or consents hereunder must be in writing (including fax) and sent to YEP Energy at the address or fax number in Section 31.

**30. Title and Risk of Loss.** You acknowledge that YEP does not have care, custody, or control of your property or premises, or of any natural gas facilities, including but not limited to pipelines, compression stations, or the meter, located on or near your property or premises. You shall be deemed to be in exclusive control (and responsible for any damages or injury caused thereby) of the natural gas at and after receipt at the meter(s). Title to natural gas and risk of loss and liability related to natural gas shall transfer from YEP to you at such meter(s). Title to the natural gas will pass from YEP to you when it is delivered to your NGDC's delivery point. YEP will cease to have title to and risk of loss related to the natural gas when it is delivered to the delivery point for your NGDC.

**Section 31. - Contact Information**

<p><b>Natural Gas Supplier:</b>                  YEP Energy                  1275 Glenlivet Drive, Suite 100                  Allentown, PA 18106</p> <p>Toll Free: 1-855-363-7736                  Fax: 1-855-204-8967                  Email: <a href="mailto:yepgas@yepenergy.com">yepgas@yepenergy.com</a>                  Website: <a href="http://www.yepenergyPA.com">www.yepenergyPA.com</a>                  Hours of Operation: M-F 9:30am to 6:30pm, EST (not open on holidays)</p>	<p><b>Pennsylvania Utilities - NGDC and Providers of Last Resort:</b>                  For Emergencies, Outages, and Equipment Service, please contact your NGDC.</p>		
<p><b>Public Utility Commission:</b>                  Pennsylvania PUC                  PO BOX 3265                  Harrisburg, PA 17105-3265                  Utility Choice Hotline: 1-800-692-7380  <a href="http://www.puc.state.pa.us">www.puc.state.pa.us</a>  <a href="http://www.paqasswitch.com">www.paqasswitch.com</a></p>	<p><b>Columbia Gas of Pennsylvania</b>                  P.O. Box 742510                  Cincinnati, OH 45274-2510 1-888-460-4332  <a href="http://www.columbiagaspa.com/home">www.columbiagaspa.com/home</a></p>	<p><b>PECO Gas</b>                  2301 Market Street                  Philadelphia, PA 19101                  1-800-841-4141  <a href="http://www.peco.com">www.peco.com</a></p>	<p><b>Universal Utility Assistance Programs:</b>                  Programs provided by your NGDC for customer on a limited or fixed income to assist them with utility bills.                  Contact:  <b>CGP</b> at 1-888-460-4332  <b>PECO</b> at 1-800-841-4141  <b>UGI Utilities, Inc. &amp; UGI Penn Natural Gas</b> at (800) 276-2722  <b>UGI Central Penn Gas</b> at (800) 652-0550</p>
<p><b>UGI Utilities, Inc.</b>                  P.O. Box 15523                  Wilmington, DE 19886-5523</p> <p><b>UGI Central Penn Gas</b>                  P.O. Box 15426                  Wilmington, DE 19886-5426</p> <p><b>UGI Penn Natural Gas</b>                  P.O. Box 15533                  Wilmington, DE 19886-5533</p> <p><b>UGI Utilities &amp; UGI Penn Natural Gas:</b> (800) 276-2722  <b>UGI Central Penn Gas:</b> (800) 652-0550  <a href="http://www.ugi.com/portal/page/portal/UGI/Home">http://www.ugi.com/portal/page/portal/UGI/Home</a></p>			