

NATURAL GAS & ELECTRICITY SUPPLY AGREEMENT
Customer Data

NAME _____ SS#/TAX ID _____

ADDRESS _____ TELEPHONE (HOME) _____

(BUSINESS) _____

E-MAIL ADDRESS _____

GAS
ACCOUNT NAME
ACCOUNT NUMBER(S)
SERVICE ADDRESS
NGDC (UTILITY)

ELECTRIC
ACCOUNT NAME
ACCOUNT NUMBER(S)
SERVICE ADDRESS
EDC (UTILITY)

Price: You will pay Palmco Power PA, LLC ("Palmco Power") a price for electric generation service ("Electric Service") and/or Palmco Energy PA, LLC ("Palmco Energy") a price for natural gas commodity service ("Gas Service") that will vary from month to month. If you receive Electric Service, the price you pay will be based on a monthly zonal locational marginal price determined on a day ahead or real time basis, and include any supply and agency functions that Palmco Power performs for you, include certain transmission, capacity, ancillary, and administrative costs incurred by Palmco Power, and be based on other prevailing market conditions. Your starting price for Electric Service will be _____ per kWh. If you receive Gas Service, the price you pay will be based on the applicable monthly NYMEX closing price for natural gas, include interstate transportation costs, the cost of any supply and agency functions that Palmco Energy performs for you, and be based on other prevailing market conditions. Your starting price for Gas Service will be _____ per CCF. There is no ceiling price for Electric Service or Gas Service. Your Electric Service and/or Gas Service charges will include the estimated applicable total state taxes, but will exclude Pennsylvania state sales and county tax, if applicable. You are also responsible for paying and reimbursing Palmco Power and/or Palmco Energy for all other applicable taxes (if any), and any other government fees, assessments, and charges, however designated, relating to the service provided under this Agreement. If you are tax exempt, you must furnish Palmco Power and/or Palmco Energy an appropriate exemption certificate before your Electric Service and/or Gas Service commences.

This is an agreement between Palmco Power and you for Electric Service, and/or Palmco Energy and you for Gas Service, at each of the account addresses listed above (or in an addendum). You agree to purchase Electric Service from Palmco Power and/or Gas Service from Palmco Energy in the amounts required to service each of the accounts listed above (or in any addendum) (in each case the "Purchase Quantity") at a variable price, as described above and on the reverse side in the General Terms and Conditions of this Agreement.

Palmco Power is licensed by the Pennsylvania Public Utility Commission ("PUC") to offer and supply Electric Service in Pennsylvania. Our PUC license number is A-2009-2108338. Palmco Power sets the generation prices and charges that you pay. Palmco Energy is licensed by PUC to offer and supply Gas Service in Pennsylvania. Our PUC license number is A-2009-2100320. Palmco Energy sets the commodity prices and charges that you pay. The PUC regulates distribution prices and services. The Federal Regulatory Commission regulates transmission prices and services.

Right of Rescission — You may cancel this Agreement at any time before midnight of the third business day after you receive a copy of this Agreement by calling Palmco at (877) 726-5862, by sending an e-mail to Palmco Power (Electric Service) and/or Palmco Energy (Gas Service) at the following address: customerservice@palmcoenergy.com, or by writing Palmco Power and/or Palmco Energy at 1350 60th Street, Brooklyn, NY 11219.

– You acknowledge that you are the named customer on each of the account(s) listed above (or in any addendum), or that you are the spouse of the named customer on the account(s), or that you are over 18 years old and authorized to make decisions concerning the account(s).

– You acknowledge and understand that: **(A)** Any Palmco Power or Palmco Energy sales representative with whom you have spoken represents Palmco Power or Palmco Energy and is not from your EDC or NGDC and is not affiliated with your EDC or NGDC; **(B)** There is no cost to switch to Palmco Power as your electricity supplier or Palmco Energy as your gas supplier, or to enroll in Palmco Power's "Power Choice Program" or in Palmco Energy's "Natural Gas Choice Program"; **(C)** your EDC will continue to deliver your electricity and send you your electricity generation service bills and your NGDC will continue to deliver your gas and send you your gas bills; **(D)** Savings are not guaranteed; and **(E)** There are no cancellation fees.

You authorize Palmco Power and/or Palmco Energy to initiate service to the accounts listed above (or in any addendum), to begin your enrollment, and to obtain historical billing data, credit and other information about you ("Customer Information") from your EDC and/or NGDC and credit agencies, so that Palmco Power and/or Palmco Energy can start and continue its service to you. Palmco Power and Palmco Energy reserve the right to refuse to provide service to you under this Agreement if either is unable to obtain the necessary Customer Information or obtains Customer Information that is unsatisfactory.

FOR DOOR-TO-DOOR SALES ONLY

YOU, THE BUYER, MAY CANCEL THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

By signing below, you also acknowledge that you have received two copies of the "Notice of Cancellation" that is part of this Agreement. **(Applicable only to door to door sales)**

By signing below, you agree to the terms and conditions of this Agreement, including the General Terms and Conditions on the reverse side.

FOR _____
Palmco Energy PA, LLC
Palmco Power PA, LLC

FOR _____
BUYER'S NAME (PRINT)

BY _____
SIGNATURE

BY _____
BUYER'S SIGNATURE

DATE _____

GENERAL TERMS AND CONDITIONS

DEFINITIONS: "Generation Charge" means the charge for the production of electricity. "Transmission Charge" means the charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company (EDC). "Commodity Charge" means the charge for the natural gas product that is sold, measured either in cubic feet, CCF, therms, or dekatherms (Dth).

LENGTH OF AGREEMENT AND RENEWAL PROVISION. You will buy your Electric Service from Palmco Power and/or your Gas Service from Palmco Energy for the street address(es) listed on the first page (or in any addendum) beginning on a date set by your EDC for Electric Service and/or your NGDC for Gas Service ("Starting Date") and will continue to purchase your Electric Service from Palmco Power and/or your Gas Service from Palmco Energy for an initial period of one month from the Starting Date. Thereafter, your purchase of Electric Service and/or Gas Service will continue automatically on a month-to-month basis under the same terms and conditions, or with changes to your benefit, unless you or Palmco Power, or you or Palmco Energy, terminates this Agreement by giving at least 30 days advance written notice to the other before the end of any one month term.

CHANGE IN AGREEMENT TERMS. If Palmco Power or Palmco Energy proposes to change the terms of service in a way that does not benefit you, Palmco will send you written notices at about 90 days and 60 days before the effective date of the proposed changes, in separate mailings. Palmco Power and/or Palmco Energy will explain your options in these two advance notices. If Palmco Power or Palmco Energy seeks to change the terms and conditions in a way that does not benefit you as part of such renewal, the change(s) will not go into effect without your prior agreement.

AGENCY AND POINT OF SALE. Electric Service: If you are receiving Electric Service, you hereby designate Palmco Power as your agent for the purpose of arranging, contracting for, and administering transmission services (including those provided by your EDC) for the delivery of electricity. The Sales Point(s) for the electricity will be at a point or points located outside the city, municipal and county limits of your service address location, selected from time to time by Palmco Power to assure service reliability. The Delivery Point(s) for electricity will be one or more points at which Palmco Power, as your agent, has arranged for the delivery of electricity to a third party (such as your EDC) for your account or to your premises.

Gas Service: If you are receiving Gas Service, you hereby designate Palmco Energy as your agent to: (a) arrange and administer contracts and service arrangements between you and your NGDC, and between you and the interstate pipeline transporters of your gas; (b) nominate and schedule with the interstate pipeline(s) the transportation of your gas from the Sales Point(s) to the Delivery Point(s), and with your NGDC for the transportation of your gas from the Delivery Point(s) to the your premises; and (c) aggregate your gas with the gas supplies of Palmco Energy's other customers in order for you to qualify for transportation service and to address and resolve imbalances (if any) during the term of this Agreement. As your agent, Palmco Energy will schedule the delivery of a quantity of gas at the Sales Point(s) necessary to meet your city gate requirements based on the consumption and other information that Palmco Energy receives from your NGDC. The Sales Point(s) for the gas will be a point or points located outside of Pennsylvania selected from time to time by Palmco Energy to assure service reliability. The Delivery Point(s) for gas transported by interstate pipelines will be the city gate station(s) of your NGDC. Palmco Energy, as your agent, will arrange for the transportation of gas from the Sales Point(s) to the Delivery Point(s), and from the Delivery Point(s) to your premises.

BILL PAYMENT/CANCELLATION. You will be billed and will pay Palmco Power for Electric Service and/or Palmco Energy for Gas Service based on meter readings and consumption information that Palmco Power receives from your EDC and/or Palmco Energy receives from your NGDC (in each case, the "Billing Quantity"). Palmco Power and/or Palmco Energy will have the option, on notice to you, to adjust the Billing Quantity for fuel and distribution/line loss retained by your EDC, NGDC or any interstate transporters from the Purchased Quantities. You will receive a single bill from your EDC and/or NGDC which contains both Palmco Power's and your EDC's charges, and/or Palmco Energy's and your NGDC's charges. Your payment to Palmco Power and/or Palmco Energy is due no later than 20 days after your bill is mailed. If your payment is not received from you when due, Palmco Power and/or Palmco Energy may, after 10 days written notice to you, cancel this Agreement; provided that you will still remain obligated to pay for all Electric Service and/or Gas Service sold to you prior to such cancellation. You may cancel this Agreement if you move from the street addresses written on the first page by providing Palmco Power and/or Palmco Energy at least 30 days advance written notice; but the cancellation shall apply only to the street address you move from, and not any other service addresses that may be listed. You shall pay a late payment charge on any unpaid amounts (including arrears and unpaid late payment charges) not received by Palmco Power and/or Palmco Energy within 25 days of the date the bill is mailed at the rate of 1.5% per month or the maximum amount permitted by law, whichever is lower. You shall also pay Palmco Power's and/or Palmco Energy's reasonable attorneys' fees and expenses incurred by either of them in attempting to collect any payment from you.

TITLE, RISK OF LOSS, ETC. You and Palmco Power and/or you and Palmco Energy agree that title to, control of, and risk of loss of the Purchase Quantities supplied under this Agreement will transfer from Palmco Power and/or Palmco Energy to you at the Sales Point(s). Palmco Power and/or Palmco Energy and you agree that transactions under this Agreement are originated and consummated outside the jurisdictional limits of the city, municipality, county, or other taxing authority where your service address is located. If a taxing authority determines that a gross receipts tax or other tax is applicable to the sale of Electric Service or Gas Service under this Agreement, you agree to pay such tax, as invoiced.

DISPUTE PROCEDURES AND QUESTIONS CONCERNING YOUR SERVICE. If you are receiving Electric Service from Palmco Power, you should contact Palmco Power if you have any questions or complaints concerning your Electric Service. If your question or complaint concerns your electric distribution service, billing, metering, or other services provided by your EDC, you should contact your EDC directly. If you are receiving Gas Service from Palmco Energy, you should contact Palmco Energy if you have any questions or complaints concerning your Gas Service. If your question or complaint concerns your gas distribution service, billing, metering, or other services provided by your NGDC, you should contact your NGDC directly. You can call the PUC if you are not satisfied after discussing such matters with Palmco Power or Palmco Energy.

CONTACT INFORMATION. Electric Service: Electric Generation Supplier Name: Palmco Power PA, LLC; Electric Generation Supplier Street Address: 1350 60th Street, Brooklyn, NY 11219; Electric Generation Supplier Phone Number: (877)726-5862; Electric Generation Supplier Internet Address: <http://www.PalmcoEnergy.com/>. Electric Distribution Company Name: _____; Default Service Provider Name: _____; Default Service Provider Address: _____; _____; Default Service Provider Phone Number: _____; Public Utility Commission (PUC) address: P.O. Box 3265, Harrisburg, PA. 17105-3228; Electric Competition Hotline Number: 1-888-782-3228; Universal Service Program Name: _____; Universal Service Program Phone Number: _____. **Gas Service:** Gas Supplier Name: Palmco Energy PA, LLC; Gas Supplier Street Address: 1350 60th Street, Brooklyn, NY 11219; Gas Supplier Phone Number: (877)726-5862; Gas Supplier Internet Address: <http://www.PalmcoEnergy.com/>. Natural Gas Distribution Company Name: _____; Supplier of Last Resort Name: _____; _____; Supplier of Last Resort Address: _____; Supplier of Last Resort Phone Number: _____; Public Utility Commission (PUC) address: P.O. Box 3265, Harrisburg, PA. 17105-3228; Natural Gas Competition Hotline Number: 1-888-782-3228; Universal Service Program Name: _____; Universal Service Program Phone Number: _____.

ENERGY INFORMATION AVAILABLE: If you are a Palmco Power customer, information on generation energy sources, energy efficiency, environmental impacts, and historical billing data is available from your EDC or Palmco Power on request. If you are a Palmco Energy customer, energy efficiency information and historical billing data is available from your NGDC or Palmco Energy on request.

APPLICABLE LAWS, ETC. This Agreement is subject to all applicable local, state and federal laws, and the orders, rules and regulations of governmental agencies having jurisdiction over the subject matter of this Agreement, including the PUC. Services provided by your EDC and or NGDC are subject to all applicable state and federal laws, orders, rules, and regulations.

FORCE MAJEURE. Neither Palmco Power, Palmco Energy nor you will be liable for a breach of this Agreement if such breach is due to a force majeure event. A "force majeure event" means a material, unavoidable occurrence beyond a party's control, such as a fire, act of god or public enemy, labor strike, lockout or other industrial disturbance, act of terrorism, government action, EDC action, NGDC action, storm, hurricane, flood, explosion, shortage or unavailability of transmission facilities, and other events that cannot be prevented or overcome by ordinary due diligence. A force majeure event does not include an inability to pay any amount owing pursuant to this Agreement.

LIMITATION OF LIABILITY. If you are receiving Electric Service from Palmco Power, as between Palmco Power and you, you will be deemed to be in exclusive control of the electricity and responsible for any damage, injury, charges, transportation fees, costs or losses (collectively, "Losses") at and after the Sales Point(s), including, without limitation, any Losses that Palmco Power incurs that result from having to resell, or its inability to resell, to another party electricity supplies allocated for you. As between Palmco Power and you, Palmco Power will be deemed in exclusive control of the electricity and responsible for any Losses until the electricity is delivered to the Sales Point(s); provided, however, that in no event shall Palmco Power's liability under this Agreement exceed the difference between the reasonable price of replacing any undelivered electricity and the price of Electric Service under this Agreement.

If you are receiving Gas Service from Palmco Energy, as between Palmco Energy and you, you will be deemed to be in exclusive control of the natural gas and responsible for any Losses at and after the Sales Point(s), including, without limitation, any Losses that Palmco Energy incurs that result from having to resell, or its inability to resell, to another party gas supplies allocated for you. As between Palmco Energy and you, Palmco Energy will be deemed in exclusive control of the gas and responsible for any Losses until the gas is delivered to the Sales Point(s); provided, however, that in no event shall Palmco Energy's liability under this Agreement exceed the difference between the reasonable price of replacing any undelivered gas and the price of Gas Service under this Agreement.

NEITHER PALMCO POWER NOR PALMCO ENERGY WILL BE LIABLE TO YOU, AND YOU WILL NOT BE LIABLE TO EITHER PALMCO POWER OR PALMCO ENERGY, FOR ANY CONSEQUENTIAL, EXEMPLARY, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES ARISING FROM A BREACH OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR LOST REVENUES.

NO WARRANTIES. NEITHER PALMCO POWER NOR PALMCO ENERGY MAKES ANY WARRANTIES, AFFIRMATIONS OF FACT OR PROMISES, EXPRESS OR IMPLIED, THAT EXTEND BEYOND THE FACE OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

MISCELLANEOUS. This Agreement is the entire understanding between you and Palmco Power and/or you and Palmco Energy with respect to the subject matter hereof and there are no promises, covenants or undertakings other than those expressly set forth in this Agreement. Except as otherwise provided herein, this Agreement can only be amended by a writing signed by you and Palmco Power and/or you and Palmco Energy. You may not assign this Agreement without the prior written consent of Palmco Power and/or Palmco Energy. Palmco Power and/or Palmco Energy may sell, transfer, pledge, or assign the accounts, revenues, or proceeds hereof, in connection with any financial agreement and may assign this Agreement to another energy supplier, energy services company or other entity in accordance with the PUC rules and procedures, if any, governing such transactions. This Agreement will inure to and be binding upon the successors and assignees of the parties. **THIS AGREEMENT WILL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH PENNSYLVANIA LAW, WITHOUT REGARD TO PRINCIPLES RELATING TO CONFLICTS OF LAW.**

EMERGENCIES. IF YOU ARE RECEIVING ELECTRIC SERVICE FROM PALMCO POWER UNDER THIS AGREEMENT, IN THE EVENT OF AN EMERGENCY, ELECTRIC OUTAGE, OR SERVICE INTERRUPTION, YOU SHOULD IMMEDIATELY CONTACT YOUR EDC. IF YOU ARE RECEIVING GAS SERVICE FROM PALMCO ENERGY UNDER THIS AGREEMENT, IN THE EVENT OF AN EMERGENCY, GAS OUTAGE, OR SERVICE INTERRUPTION, YOU SHOULD IMMEDIATELY CONTACT YOUR NGDC.