

IN THE UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF PENNSYLVANIA

AMY SILVIS, on behalf of herself
and all others similarly situated,

No: 2:14-cv-05005-ER

Plaintiff,

CLASS ACTION COMPLAINT

vs.

JURY TRIAL DEMANDED

AMBIT ENERGY, L.P.;
AMBIT ENERGY, L.P., i/t/d/b/a
AMBIT TEXAS, LLC; AMBIT TEXAS, LLC;
AMBIT NORTHEAST, LLC;
AMBIT NORTHEAST, LLC, i/t/d/b/a
AMBIT ENERGY; AMBIT ENERGY;
AMBIT ENERGY HOLDINGS; AMBIT ENERGY
HOLDINGS i/t/d/b/a AMBIT NORTHEAST, LLC;
AMBIT HOLDINGS, LLC; AMBIT HOLDINGS, LLC
i/t/d/b/a AMBIT ENERGY HOLDINGS, LLC;
AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a
AMBIT ENERGY; and AMBIT ENERGY
HOLDINGS, LLC, i/t/d/b/a AMBIT,

Defendants.

AMENDED CLASS ACTION COMPLAINT

AND NOW, Plaintiff Amy Silvis brings this action individually and on behalf of all others similarly situated (the Proposed Class), and alleges as and for their Amended Class Action Complaint against: Ambit Energy, L.P.; Ambit Energy, L.P., i/t/d/b/a Ambit Texas, LLC; Ambit Texas, LLC; Ambit Northeast, LLC; Ambit Northeast, LLC, i/t/d/b/a Ambit Energy; Ambit Energy; Ambit Energy Holdings i/t/d/b/a Ambit Northeast, LLC; Ambit Holdings, LLC; Ambit Holdings, LLC i/t/d/b/a Ambit Energy Holdings, LLC; and Ambit Energy Holdings, LLC, i/t/d/b/a Ambit Energy; and Ambit Energy Holdings, LLC, i/t/d/b/a Ambit (hereafter collectively referred to as Defendants), upon personal knowledge as to herself and her own acts, and as to all

other matters upon information and belief, based upon, *inter alia*, the investigation made by her attorneys, as follows:

INTRODUCTION

1. This is a proposed class action brought by Plaintiff on behalf of herself and other similarly situated customers of Defendants. Defendants have in the past and continue to promise customers competitive market-based rates and savings on their electric energy bills if they switch from their local utilities or other energy suppliers to Ambit Northeast, LLC, a/k/a and/or d/b/a: Ambit Energy; Ambit Energy Holdings; and/or Ambit (Hereafter referred to collectively as Ambit).

2. However, despite these promises, an Ambit customer may end up paying two to three times more for electricity than what he or she paid before converting to Ambit. Instead of benefitting from switching to Ambit, a typical customer loses hundreds or even thousands of dollars per year. Thus, Defendants deceptively cause their customers to pay considerably more for energy than they should have, and otherwise would have, paid. Defendants' acts and/or omissions, as set forth herein, in connection with their energy supply activities constitute breach of contract, breach of the covenant of good faith and fair dealing and unjust enrichment, and warrant declaratory relief.

PARTIES

3. Plaintiff Amy Silvis is an adult individual and a resident of Oil City, Venango County, Pennsylvania. Ms. Silvis began receiving electric supply service from Defendant Ambit on February 17, 2013.

4. Ambit Energy, L.P., is a Texas Limited Partnership with its principle place of business located at 1801 North Lamar Street, Suite 200, Dallas, Texas 75202. Ambit GenPar,

Inc., a citizen of Texas, is Ambit Energy, L.P.'s general partner and also has an address of 1801 North Lamar Street, Suite 200, Dallas, Texas 75202. On or about August 15, 2011, Ambit Energy L.P. merged with Ambit Texas, LLC. The President of Ambit Energy, L.P. is Jere W. Thompson, Jr., a citizen of Texas, whose office is located at the same address as Ambit Energy, L.P. It is believed and therefore averred that Ambit Energy, L.P. is a residential and commercial retail energy supplier and/or electric generation supplier that is also a citizen of Texas. It is further believed and therefore averred that at all times relevant to the instant action, Ambit Energy, L.P. systematically and continuously conducted business throughout the Commonwealth of Pennsylvania under the name and/or doing business as Ambit Northeast, LLC, Ambit Energy, Ambit Energy Holdings and/or Ambit.

5. Ambit Texas, LLC, is a limited liability company organized in the State of Texas with its principle place of business located at 1801 North Lamar Street, Suite 200, Dallas, Texas 75202. Ambit Texas, LLC's sole member is Ambit Energy Holdings, LLC. Ambit Energy Holdings, LLC was formed in Texas. Ambit Energy Holdings, LLC's sole member is Ambit Holdings, LLC and, to the best of Plaintiff's knowledge, none of Ambit Holdings, LLC's members is a citizen of Pennsylvania.¹ It is believed and therefore averred that Ambit Texas, LLC, is a residential and commercial retail energy supplier and/or electric generation supplier. It is believed and therefore averred that at all times relevant to the instant action, Ambit Texas, LLC, systematically and continuously conducted business throughout the Commonwealth of

¹ See *Defendants' Evidence Establishing Jurisdiction* at Case 1:12-cv-03488-JG-JO Document 103 Filed 10/15/14 Page 5 of 16 Page ID #: 1314 in United States District Court for the Eastern District of New York: *Aleph Towers, LLC, Yuri (Uri) Kasparov v. Ambit Texas, LLC and Steven Thompson* wherein Defendant Ambit Texas, LLC discusses its citizenship and the citizenship of Ambit Energy Holdings, LLC and Ambit Holdings, LLC. (*Defendants' Evidence Establishing Jurisdiction* is attached hereto as Exhibit "A" and is incorporated as if set forth fully herein).

Pennsylvania under the name and/or doing business as Ambit Northeast, LLC, Ambit Energy, Ambit Energy Holdings and/or Ambit.

6. Ambit Northeast, LLC, is a limited liability company formed in Delaware with a principle place of business located at 1801 North Lamar Street, Suite 200, Dallas, Texas 75202. It is believed and therefore averred that Ambit Energy Holdings, LLC, owns 100% of Ambit Northeast, LLC. It is believed and therefore averred that Ambit Northeast, LLC, is a residential and commercial retail energy supplier and/or electric generation supplier. It is believed and therefore averred that at all times relevant to the instant action, Ambit Northeast, LLC, systematically and continuously conducted business throughout the Commonwealth of Pennsylvania under the name and/or doing business as Ambit Northeast, LLC, Ambit Energy, Ambit Energy Holdings and/or Ambit.

7. Ambit Energy is a fictitious name registered in Pennsylvania and is owned by Defendant Ambit Northeast, LLC. However, on July 18, 2008, Ambit Energy Holdings, LLC, filed an Assumed Name Certificate with the Texas Secretary of State to conduct business or provide professional services under the name Ambit Energy. Ambit Energy's registered agent is Jere W. Thompson, Jr., with a registered office address of 1801 North Lamar Street, Suite 200, Dallas, Texas 75202. It is believed and therefore averred that Ambit Northeast, LLC and Ambit Energy Holdings, LLC, are residential and commercial retail energy suppliers and/or electric generation suppliers. It is believed and therefore averred that at all times relevant to the instant action, Ambit Northeast, LLC and Ambit Energy Holdings, LLC, systematically and continuously conducted business throughout the Commonwealth of Pennsylvania under the name and/or doing business as Ambit Northeast, LLC, Ambit Energy, Ambit Energy Holdings and/or Ambit.

8. Ambit Holdings, LLC, is a Texas limited liability company with a principle place of business located at 1801 North Lamar Street, Suite 200, Dallas, Texas 75202, and is a citizen of Texas. Ambit Holdings, LLC, is the sole member of and manages Ambit Energy Holdings, LLC. It is believed and therefore averred that, at all times relevant to the instant action, Ambit Holdings, LLC, was a residential and commercial retail energy supplier and/or electric generation supplier. It is further believed and therefore averred that, at all times relevant to the instant action, Ambit Holdings, LLC, systematically and continuously conducted business throughout the Commonwealth of Pennsylvania under/doing business as Ambit Northeast, LLC, Ambit Energy and/or Ambit.

9. Ambit Energy Holdings, LLC, is a Texas limited liability company with its principal place of business located at 1801 North Lamar Street, Suite 200, Dallas, Texas 75202, and is a citizen of Texas. It is believed and therefore averred that Ambit Energy Holdings, LLC, does business in the Commonwealth of Pennsylvania under the names: Ambit Energy Holdings; Ambit Energy; and/or Ambit. Ambit Energy Holdings, LLC, is managed by its sole member Ambit Holdings, LLC, which is also located at 1801 North Lamar Street, Suite 200, Dallas, Texas 75202. On July 18, 2008, Ambit Energy Holdings, LLC filed an Assumed Name Certificate with the Texas Secretary of State to conduct business or provide professional services under the name Ambit. Further, it is believed and therefore averred that Ambit Energy Holdings, LLC, owns 100% of Ambit Northeast, LLC. It is believed and therefore averred that, at all times relevant to the instant action, Ambit Energy Holdings, LLC, was a residential and commercial retail energy supplier and/or electric generation supplier that systematically and continuously conducted business throughout the Commonwealth of Pennsylvania under/doing business as Ambit Northeast, LLC, Ambit Energy and/or Ambit

10. At all times relevant herein, Defendants were collectively engaged in the business of marketing, advertising and selling electric utility services to consumers in Pennsylvania. As it is Plaintiff's belief that all Defendants were acting collectively, they will hereafter be referred to collectively as "Ambit".

JURISDICTION AND VENUE

11. This Court has jurisdiction over the claims asserted herein pursuant to 28 U.S.C. § 1332(d)(2)(A) in that the amount in controversy exceeds the sum or value of \$5,000,000.00, exclusive of interest and costs, and is a class action in which there is minimal diversity: members of the putative Class are citizens of States different from at least some of the Defendants.

12. No administrative or other non-judicial adjudicative body in the Commonwealth of Pennsylvania has jurisdiction or authority to hear the disputes raised in this litigation regarding Plaintiff's and the proposed class' claims against Defendants. As Defendants state in their *Sales Agreement and Terms of Service*: "Ambit Energy sets the Electric Generation Service Charge and the Natural Gas Supply charge while the Public Utilities Commission (PUC) regulates electric and natural gas distribution prices and services. The Federal Energy Regulatory Commission (FERC) regulates electric and natural gas transmission prices and services." (Defendants' *Sales Agreement and Terms of Service* is attached hereto as Exhibit "B").

13. Venue is proper pursuant to 15 U.S.C. § 80b-14 and 28 U.S.C. § 1391. Defendants regularly transact and solicit business in this District.

OVERVIEW

14. In 1996, Pennsylvania deregulated energy supply in the Commonwealth. Energy deregulation has enabled consumers to purchase their energy supply from an Energy Services Company, like Defendants, of their choice. The intent of the deregulation law was to provide

consumer choice and allow competition to drive down customer rates. Since deregulation, the utility company is no longer the only option for energy supply. Customers may now purchase electricity through ESCOs while continuing to obtain delivery from their local public utilities.

15. Ambit was founded in 2006 by Jere Thompson, Jr., and Chris Chambless. Ambit now serves over 1 million electric and natural gas customers, the vast majority of whom are residential customers like Plaintiff. While claiming on its website that, “[f]rom the big cities to the small markets, we know our Customers can count on us for the best electricity value in Pennsylvania,”² Defendants neglect to mention that by choosing Ambit, customers will end up increasing rather than decreasing their energy costs each year.

16. Defendants’ practices emerge from, and take advantage of, the deregulation of the energy supply markets in Pennsylvania and other states where Defendants do business - including California, Connecticut, Delaware, Illinois, Maryland, Massachusetts, New Hampshire, New jersey, New York, Rhode Island, Texas, Virginia and Washington D.C. Under these States' deregulation laws, in theory, customers can freely shop around for the best price for their energy. Through their actions, Defendants subvert the consumer-friendly purpose of the laws and prevent their customers from making a free, informed choice. In reality, most customers would be far better off staying with their local utilities or another supplier than switching to Ambit.

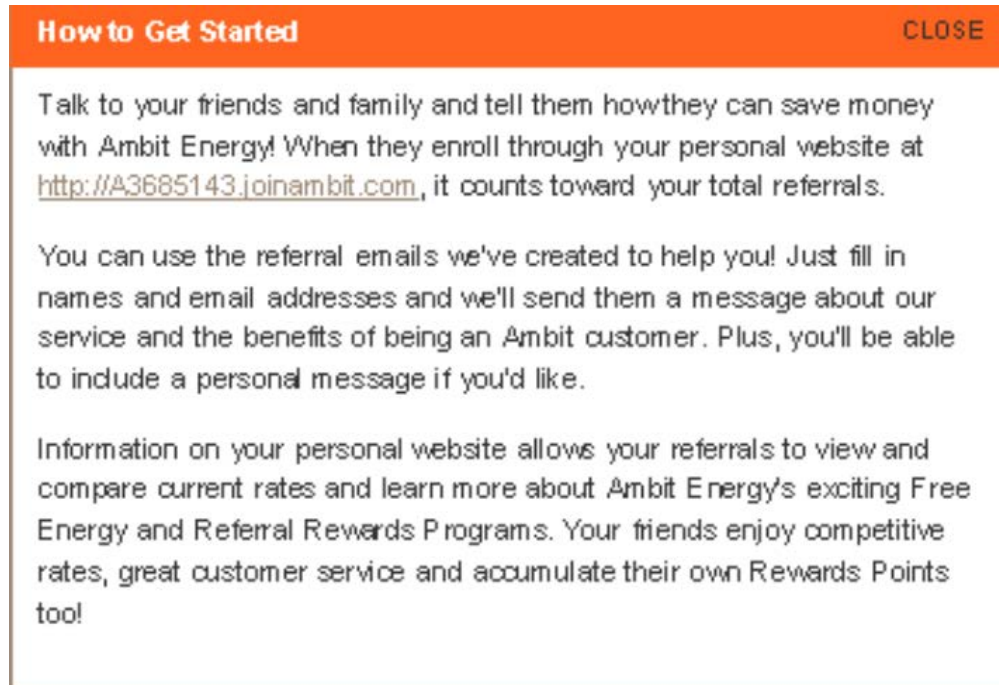
17. Defendants’ challenged actions are as follows: Defendants offer a standard service contract to residents of Pennsylvania with an initial competitive “teaser” rate that is then replaced by a variable rate which Defendant promises will continue to be competitively keyed to market factors. However rather than provide such competitive rates, after the initial “teaser”

² <http://ww2.ambitenergy.com/rates-and-plans/service-areas/pennsylvania-energy-providers>

rate, Defendants charge customers an exorbitant monthly rate far out of line with the competition or market factors.

18. Continuing in the same vein of promises, Defendant's *Residential Disclosure Statement* makes clear that the promised competitive rate, while variable, is based on the "energy and capacity markets, plus all applicable taxes." (The *Residential Disclosure Statement* is attached hereto as Exhibit "C"). This is not how Defendants set their price. The rates Defendants actually charged Plaintiff and the Proposed Class did not continue to track to the energy and capacity markets as the initial "teaser" rate had and included an amount in excess of applicable taxes.

19. Further, Defendants promises are reflected below where they illustrate their attempts to have Plaintiff and other customers recruit new customers. Defendants encouraged Plaintiff to "[t]alk to your friends and family and **tell them how they can save money** with Ambit Energy!" Defendants again promise that "[y]our friends enjoy **competitive rates**, great customer service and accumulate their own Rewards Points too!" (Emphasis added).



20. Notwithstanding the aforementioned promises, Defendants' rates (after the initial "teaser" rate) are not competitive with other suppliers, other wholesale market services, or in line with genuine market-related factors. Customers who switch to Ambit will pay as much as up to almost three times the going rate in their area. Defendants' customers regularly complain that their rates far exceed that of any other supplier, that their rates have more than doubled after the first few months, and that they are often being overcharged by up to 200% or 300% as compared to remaining with their local utilities (the old monopolies).

21. Defendants' acts and/or omissions, as set forth herein, in connection with their energy supply activities constitute breach of contract and/or a breach of the covenant of good faith and fair dealing, unjust enrichment and warrant declaratory relief.

22. Defendants knew (or but for their reckless indifference would have known) prior to agreeing to supply electricity to Plaintiff and other customers that they would be unable or unwilling to provide the savings and/or competitive rate that they agreed/promised to provide.

23. Defendants knew (or but for their reckless indifference would have known) prior to agreeing to act as Plaintiff's and other customer's agent in acquiring sufficient energy supplies to meet Plaintiff's and other customer's needs in the energy supply market that Defendant would be incapable, unable or unwilling to timely, skillfully, knowledgeably, reliably and/or honestly make the necessary and/or appropriate energy purchases to provide the savings and/or competitive price that they contracted/promised to provide.

24. It is clear that Plaintiff and other customers on the one hand and Defendants on the other did not deal with each other on equal terms due to Defendants' purported skill and experience in purchasing electric energy supplies timely, skillfully, knowledgeably, reliably, honestly and efficiently in the open market and Plaintiff and other customers depended on and trusted Defendants to do so.

25. By making promises and contracts they did not intend honor and by engaging in unfair dealings, Defendants subvert the consumer-friendly purpose of the deregulation of utilities in Pennsylvania and prevent their customers from receiving the benefits they were promised by Defendants. In reality, most customers would be far better off staying with their local utilities or another supplier rather than switching to Ambit.

26. Upon information and belief, the proposed class consists of thousands to tens of thousands of current and former customers with variable rate plans in Pennsylvania, each of whom has sustained damages of as much as hundreds or even thousands of dollars annually.

27. Plaintiff brings this class action to recover damages, penalties and other relief for herself and the Proposed Class who have suffered damages from Defendants' imposition of unreasonable and exorbitant energy rates in violation/breach of the Defendants' *Residential Disclosure Statement, Energy Facts Label, Sales Agreement and Terms of Service* and

representations. Only a class action will provide Plaintiff and the Class with any possibility of relief. Plaintiff and the Class are therefore entitled to a class-wide remedy.

PLAINTIFF'S ALLEGATIONS

28. Plaintiff and the Class incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

29. Based upon information Ms. Silvis was provided/received from Defendants, Ms. Silvis converted her electric service to Ambit and began receiving service from Defendants on February 17, 2013. Plaintiff would not have enrolled in Ambit's program but for Defendants' promises of savings and rates competitive with the market. Had Plaintiff known that the rates she would be charged by Defendants would be substantially higher than the rates she would have paid with her previous energy supplier, Penelec, she would not have agreed to receive Defendants' services.

30. Because of Defendants' conduct, as discussed herein, Ms. Silvis has incurred significant overcharges on her electrical service. Ms. Silvis' April 15, 2014, bill shows that Defendants charged her \$0.1369 per kilowatt hour (Kwh), which was almost twice the rate that Plaintiff's local energy provider, Penelec, would have charged her during the same time period at \$0.0771 per kwh. Additionally, Ms. Silvis' May 13, 2014, electric bill shows that Defendants again charged her \$0.1369 per Kwh, which was again almost twice the rate that Plaintiff's local energy provider, Penelec, would have charged her during the same time period at \$0.0771 per kwh.

31. Plaintiff was unable to cancel her service without penalty as she was still responsible for the outrageous bills she incurred as a result of Defendants' conduct as discussed herein which caused her to sign up with Defendants in the first place.

32. Defendants' failed to abide by their own *Residential Disclosure Statement, Energy Facts Label, Sales Agreement and Terms of Service* and representations as discussed herein. Given knowledge of the relevant facts regarding Defendants' exorbitant rates when compared to their local energy supplier, no reasonable consumer would choose Defendants as an energy supplier.

CLASS ACTION ALLEGATIONS

33. Plaintiff brings all claims herein as class claims pursuant to Fed. R. Civ. P. 23. The requirements of Fed. R. Civ. P. 23(a), (b)(2) and (b)(3) are met with respect to the class defined below.

A. Class Definition(s)

34. The (b)(2) Injunctive Relief Class consists of: All persons who contracted with Defendants to act as their electric supplier.

35. Excluded from the Class(es) are: Defendants, any entities in which they have a controlling interest, any of their parents, subsidiaries, affiliates, officers, directors, employees and members of such person's immediate families and the presiding judge(s) in this case and his, her or their immediate family.

B. Numerosity

36. At this time, Plaintiff does not know the exact size of the Class; however, due to the nature of the trade and commerce involved, Plaintiff believes that the Class members are so numerous that joinder of all members is impracticable. The number and identities of Class members is administratively feasible and can be determined through appropriate discovery.

C. Commonality

37. There are questions of law or fact common to the class, including at least the following:

- a. What Defendants' contractual rate term was;
- b. Whether Defendants breached the rate term of their contract in setting the actual rate charged to its customers;
- c. Whether Defendants breached the covenant of good faith and fair dealing in making the promises they did regarding the promised rate;
- d. Whether Defendant breached the covenant of good faith and fair dealing in setting the actual rate charged;
- e. Whether and the amount to which Plaintiff and other members of the Class have been damaged;
- f. Whether Defendants were unjustly enriched by their conduct; and
- g. The amount of Defendants unjust enrichment at the expense of the class.

D. Typicality

38. Plaintiff has the same interests in this matter as all other members of the Class, and her claims are typical of all members of the class.

E. Adequacy

39. Plaintiff is committed to pursuing this action and has retained competent counsel experienced in the prosecution and successful resolution of consumer class actions. Plaintiff will fairly and adequately represent the interests of the Class members and does not have interests adverse to the Class.

F. The Prerequisites of Rule 23(b)(2) are Satisfied

40. The prerequisites to maintaining a class action for injunctive and equitable relief pursuant to Fed. R. Civ. P. 23(b)(2) exist as Defendants have acted or refused to act on grounds

generally applicable to the Class thereby making final injunctive and equitable relief appropriate with respect to the Class as a whole.

41. The prosecution of separate actions by members of the Class would create a risk of establishing incompatible standards of conduct for Defendants. For example, one court might decide that the challenged actions are illegal and enjoin them, while another court might decide that those same actions are not illegal. Individual actions may, as a practical matter, be dispositive of the interest of Class members, who would not be parties to those actions.

42. Defendants' actions are generally applicable to the Class as a whole, and Plaintiff seeks, inter alia, equitable remedies with respect to the Class as a whole.

43. Defendants' systemic policies and practices make declaratory relief with respect to the class as a whole appropriate.

G. The Prerequisites of Rule 23(b)(3) are Satisfied

44. This case satisfies the prerequisites of Fed. R. Civ. P. 23(b)(3). The common questions of law and fact enumerated above predominate over questions affecting only individual members of the Class, and a class action is the superior method for fair and efficient adjudication of the controversy. The likelihood that individual members of the Class will prosecute separate actions is remote due to the extensive time and considerable expense necessary to conduct such litigation, especially when compared to the relatively modest amount of monetary, injunctive and equitable relief at issue for each individual Class member. This action will be prosecuted in a fashion to ensure the Court's able management of this case as a class action on behalf of the Class defined above.

CAUSES OF ACTION

COUNT I

(BREACH OF CONTRACT UNDER AGENCY THEORY)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT ENERGY, L.P., and AMBIT ENERGY, L.P., i/t/d/b/a
AMBIT TEXAS, LLC., DEFENDANT**

45. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

46. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting for Defendant with Defendant's direct knowledge and/or at Defendant's direction to further the interests of Defendant regarding energy supply services in Pennsylvania.

47. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and accepted the undertaking of acting/working for Defendant to further the interests of Defendant regarding its energy supply services in Pennsylvania.

48. Defendant maintained control over the endeavor regarding its retail energy supply services in Pennsylvania.

49. In this regard, Defendant, by and through Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit entered into valid and enforceable agreements as discussed herein with Plaintiff and the Proposed Class

Members which included specific terms relating to the rate to be charged for the electricity sold by Defendant to Plaintiff and the Proposed Class.

50. Defendant breached its agreements with Plaintiff and the Proposed Class Members by charging rates that did not meet the contractual obligation to provide a competitive rate based on market factors.

51. Defendant's breach of its agreement caused harm to Plaintiff and the Proposed Class Members in the form of lost money by having to pay increased, non-competitive and/or non-market based electric bills.

52. Defendant otherwise participated in the creation of the contract, acquired the energy and established the retail price for that energy and was an intended beneficiary of the contract and profits therefrom.

53. Where the relevant agreements between Defendant and Plaintiff and the Proposed Class Members do not specify the applicable price, to prevent the contract from being too indefinite or from placing Plaintiff and the Proposed Class Members at Defendant's mercy, the agreements should be deemed to contain an implied contractual term mandating a reasonable price. In this case, a reasonable price would be the rate of \$0.0699 cents per kwh offered by Defendant in its *Residential Disclosure Statement*.

54. Defendant breached this implied contractual term by failing to deliver savings on Plaintiff's and the Proposed Class Members' electric bills and by charging unreasonable, noncompetitive and/or exorbitant prices not based on market factors.

COUNT II

(BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING UNDER AGENCY THEORY)

AMY SILVIS, ON BEHALF OF HERSELF AND

ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,

vs.

AMBIT ENERGY, L.P., and AMBIT ENERGY, L.P., i/t/d/b/a
AMBIT TEXAS, LLC., DEFENDANT

55. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

56. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting for Defendant with Defendant's direct knowledge and/or at Defendant's direction to further the interests of Defendant regarding energy supply services in Pennsylvania.

57. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and accepted the undertaking of acting/working for Defendant to further the interests of Defendant regarding its energy supply services in Pennsylvania.

58. Defendant maintained control over the endeavor regarding its retail energy supply services in Pennsylvania.

59. Defendant created in Plaintiff and the Proposed Class Members, directly and through its agents as discussed herein, the reasonable expectation that Defendant would provide savings on Plaintiff's and the Proposed Class Members' electric bills and set rates that were competitive in the marketplace and that were otherwise keyed to market factors.

60. Defendant, directly and through its agents as discussed herein, was entrusted by Plaintiff and the Proposed Class Members to purchase electricity at competitive rates in the

wholesale marketplace and, in turn, resell electricity to them at competitive rates in the retail marketplace.

61. In violation of its duty to act in good faith under its agreement with the Plaintiff and the Proposed Class Members and by its course of unfair dealing with Plaintiff and the Proposed Class Members as set forth above, Defendant caused Plaintiff and the Proposed Class Members financial harm from lost savings and increased electric bills.

COUNT III

(UNJUST ENRICHMENT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT ENERGY, L.P., and AMBIT ENERGY, L.P., i/t/d/b/a
AMBIT TEXAS, LLC., DEFENDANT**

62. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

63. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting with Defendant's direct knowledge and/or at Defendant's direction to further the interests of Defendant.

64. Because of Defendant's wrongful activities, including promising Plaintiff and Proposed Class Members savings on their electric service if they switch to Ambit and in knowingly and intentionally permitting and/or directing its agents: Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit to charge Plaintiff and the Proposed Class Members exorbitant rates grossly out of line with market

conditions, Defendant has wrongfully received money belonging to Plaintiff and the Proposed Class Members.

65. By knowingly and intentionally permitting and/or directing its agents: Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit to collect exorbitant and unreasonable rates from Plaintiff and the Proposed Class Members, Defendant has benefited from receipt of the excessive rates, and under principles of equity and good conscience, Defendant should not be permitted to keep this money.

66. Through the above conduct, Defendant has reaped improperly obtained profits and unjustly enriched itself at the expense of Plaintiff and the Proposed Class Members.

67. As a result of Defendant's imposition of these excessive and unreasonable energy rates, Defendant must account to Plaintiff and the Proposed Class Members for such unjust enrichment and disgorge its improperly obtained profits as restitution to Plaintiff and the Proposed Class Members.

68. Plaintiff seeks to obtain a pecuniary benefit for the Proposed Class Members in the form of all reimbursement, restitution and disgorgement from Defendant. Plaintiff's counsel are entitled to recover their reasonable attorneys' fees and expenses as a result of the conference of a pecuniary benefit on behalf of the Proposed Class Members, and will seek an award of such fees and expenses at the appropriate time.

69. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

COUNT IV

(DECLARATORY RELIEF)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY, L.P., and AMBIT ENERGY, L.P., i/t/d/b/a
AMBIT TEXAS, LLC., DEFENDANT

70. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

71. Defendant has acted in a uniform manner, directly and/or by and through its agents as discussed herein, under the standard and common terms relating to the price of its electricity it has agreed to with Plaintiff and the Proposed Class Members as discussed above.

72. Defendant has acted or refused to act, directly and/or by and through its agents as discussed herein, on grounds that apply generally to the declaratory relief of Plaintiff and the Proposed Class Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Proposed Class as a whole within the meaning of Fed.R.Civ.P. 23(b)(2).

73. Plaintiff and the Proposed Class Members seek a declaration of Defendant's obligations to them under the agreements regarding the pricing of its electricity.

COUNT V

(BREACH OF CONTRACT UNDER AGENCY THEORY)

AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,

vs.

AMBIT TEXAS, LLC, DEFENDANT

74. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

75. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting for Defendant with Defendant's direct knowledge and/or at Defendant's direction to further the interests of Defendant regarding energy supply services in Pennsylvania.

76. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and accepted the undertaking of acting/working for Defendant to further the interests of Defendant regarding its energy supply services in Pennsylvania.

77. Defendant maintained control over the endeavor regarding its retail energy supply services in Pennsylvania.

78. In this regard, Defendant, by and through Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit entered into valid and enforceable agreements as discussed herein with Plaintiff and the Proposed Class Members which included specific terms relating to the rate to be charged for the electricity sold by Defendant to Plaintiff and the Proposed Class.

79. Defendant breached its agreements with Plaintiff and the Proposed Class Members by charging rates that did not meet the contractual obligation to provide a competitive rate based on market factors.

80. Defendant's breach of its agreement caused harm to Plaintiff and the Proposed Class Members in the form of lost money by having to pay increased, non-competitive and/or non-market based electric bills.

81. Defendant otherwise participated in the creation of the contract, acquired the energy and established the retail price for that energy and was an intended beneficiary of the contract and profits therefrom.

82. Where the relevant agreements between Defendant and Plaintiff and the Proposed Class Members do not specify the applicable price, to prevent the contract from being too indefinite or from placing Plaintiff and the Proposed Class Members at Defendant's mercy, the agreements should be deemed to contain an implied contractual term mandating a reasonable price. In this case, a reasonable price would be the rate of \$0.0699 cents per kwh offered by Defendant in its *Residential Disclosure Statement*.

83. Defendant breached this implied contractual term by failing to deliver savings on Plaintiff's and the Proposed Class Members' electric bills and by charging unreasonable, noncompetitive and/or exorbitant prices not based on market factors.

COUNT VI

**(BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING
UNDER AGENCY THEORY)**

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT TEXAS, LLC, DEFENDANT

84. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

85. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting for Defendant with Defendant's direct knowledge and/or

at Defendant's direction to further the interests of Defendant regarding energy supply services in Pennsylvania.

86. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and accepted the undertaking of acting/working for Defendant to further the interests of Defendant regarding its energy supply services in Pennsylvania.

87. Defendant maintained control over the endeavor regarding its retail energy supply services in Pennsylvania.

88. Defendant created in Plaintiff and the Proposed Class Members, directly and/or by and through its agents as discussed herein, the reasonable expectation that Defendant would provide savings on Plaintiff's and the Proposed Class Members' electric bills and set rates that were competitive in the marketplace and that were otherwise keyed to market factors.

89. Defendant, directly and/or by and through its agents as discussed herein, was entrusted by Plaintiff and the Proposed Class Members to purchase electricity at competitive rates in the wholesale marketplace and, in turn, resell electricity to them at competitive rates in the retail marketplace.

90. In violation of its duty to act in good faith under its agreement with the Plaintiff and the Proposed Class Members, directly and/or by and through its agents as discussed above, and by its course of unfair dealing with Plaintiff and the Proposed Class Members as set forth above, Defendant caused Plaintiff and the Proposed Class Members financial harm from lost savings and increased electric bills.

COUNT VII

(UNJUST ENRICHMENT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT TEXAS, LLC, DEFENDANT

91. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

92. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting with Defendant's direct knowledge and/or at Defendant's direction to further the interests of Defendant.

93. Because of Defendant's wrongful activities, including promising Plaintiff and Proposed Class Members savings on their electric service if they switched to Ambit and in knowingly and intentionally permitting and/or directing its agents, as discussed above, Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit to charge Plaintiff and the Proposed Class Members exorbitant rates grossly out of line with market conditions, Defendant has wrongfully received money belonging to Plaintiff and the Proposed Class Members.

94. By knowingly and intentionally permitting and/or directing its agents, as discussed above, Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit to collect exorbitant and unreasonable rates from Plaintiff and the Proposed Class Members, Defendant has benefited from receipt of the excessive rates, and under principles of equity and good conscience, Defendant should not be permitted to keep this money.

95. Through the above conduct, Defendant has reaped improperly obtained profits and unjustly enriched itself at the expense of Plaintiff and the Proposed Class Members.

96. As a result of Defendant's imposition of these excessive and unreasonable energy rates, Defendant must account to Plaintiff and the Proposed Class Members for such unjust enrichment and disgorge its improperly obtained profits as restitution to Plaintiff and the Proposed Class Members.

97. Plaintiff seeks to obtain a pecuniary benefit for the Proposed Class Members in the form of all reimbursement, restitution and disgorgement from Defendant. Plaintiff's counsel are entitled to recover their reasonable attorneys' fees and expenses as a result of the conference of a pecuniary benefit on behalf of the Proposed Class Members, and will seek an award of such fees and expenses at the appropriate time.

98. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

COUNT VIII

(DECLARATORY RELIEF)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT TEXAS, LLC, DEFENDANT

99. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

100. Defendant has, directly and/or by and through its agents as discussed above, acted in a uniform manner under the standard and common terms relating to the price of its electricity it has agreed to with Plaintiff and the Proposed Class Members.

101. Defendant has, directly and/or by and through its agents as discussed above, acted or refused to act on grounds that apply generally to the declaratory relief of Plaintiff and the Proposed Class Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Proposed Class as a whole within the meaning of Fed.R.Civ.P. 23(b)(2).

102. Plaintiff and the Proposed Class Members seek a declaration of Defendant's obligations to them under the agreements regarding the pricing of its electricity.

COUNT IX

(BREACH OF CONTRACT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT NORTHEAST, LLC; AND AMBIT NORTHEAST, LLC,
I/T/D/B/A AMBIT ENERGY, DEFENDANT**

103. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

104. Defendant entered into valid and enforceable agreements as discussed herein with Plaintiff and the Proposed Class Members which included specific terms relating to the rate to be charged for the electricity sold by Defendant to Plaintiff and the Proposed Class.

105. Defendant breached its agreements with Plaintiff and the Proposed Class Members by charging rates that did not meet the contractual obligation to provide a competitive rate based on market factors.

106. Defendant's breach of its agreement caused harm to Plaintiff and the Proposed Class Members in the form of lost money by having to pay increased, non-competitive and/or non-market based electric bills.

107. Where the relevant agreements between Defendant and Plaintiff and the Proposed Class Members do not specify the applicable price, to prevent the contract from being too indefinite or from placing Plaintiff and the Proposed Class Members at Defendant's mercy, the agreements should be deemed to contain an implied contractual term mandating a reasonable price. In this case, a reasonable price would be the rate of \$0.0699 cents per kwh offered by Defendant in its *Residential Disclosure Statement*.

108. Defendant breached this implied contractual term by failing to deliver savings on Plaintiff's and the Proposed Class Members' electric bills and by charging unreasonable, noncompetitive and/or exorbitant prices not based on market factors.

COUNT X

(BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT NORTHEAST, LLC; AND AMBIT NORTHEAST, LLC,
I/T/D/B/A AMBIT ENERGY, DEFENDANT**

109. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

110. Defendant created in Plaintiff and the Proposed Class Members the reasonable expectation that Defendant would provide savings on Plaintiff's and the Proposed Class

Members' electric bills and set rates that were competitive in the marketplace and were otherwise keyed to market factors.

111. Defendant was entrusted by Plaintiffs and the Proposed Class Members to purchase electricity at competitive rates in the wholesale marketplace and, in turn, resell electricity to them at competitive rates in the retail marketplace.

112. In violation of its duty to act in good faith under its agreement with the Plaintiff and the Proposed Class Members and by its course of unfair dealing with Plaintiff and the Proposed Class Members set forth above, Defendant caused Plaintiff and the Proposed Class Members harm from lost savings and increased electric bills.

COUNT XI

(UNJUST ENRICHMENT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT NORTHEAST, LLC; AND AMBIT NORTHEAST, LLC,
I/T/D/B/A AMBIT ENERGY, DEFENDANT**

113. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

114. Because of Defendants' wrongful activities, including promising Plaintiff and Proposed Class Members savings on their electric service if they switched to Ambit and charging Plaintiff and the Proposed Class Members exorbitant rates grossly out of line with market conditions, Defendants have wrongfully received money belonging to Plaintiff and the Proposed Class Members.

115. Defendants have benefited from receipt of the excessive rates, and under principles of equity and good conscience, Defendants should not be permitted to keep this money.

116. Through the above conduct, Defendant has reaped improperly obtained profits and unjustly enriched itself at the expense of Plaintiff and the Proposed Class Members.

117. As a result of Defendants' imposition of these excessive and unreasonable energy rates, Defendants must account to Plaintiff and the Proposed Class Members for such unjust enrichment and disgorge its improperly obtained profits as restitution to Plaintiff and the Proposed Class Members.

118. Plaintiff seeks to obtain a pecuniary benefit for the Proposed Class Members in the form of all reimbursement, restitution and disgorgement from Defendants. Plaintiff's counsel are entitled to recover their reasonable attorneys' fees and expenses as a result of the conference of a pecuniary benefit on behalf of the Proposed Class Members, and will seek an award of such fees and expenses at the appropriate time. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

COUNT XII

(DECLARATORY RELIEF)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT NORTHEAST, LLC; AND AMBIT NORTHEAST, LLC,
I/T/D/B/A AMBIT ENERGY, DEFENDANT**

119. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

120. Defendant has acted in a uniform manner under the standard and common terms relating to the price of its electricity it has agreed to with Plaintiff and the Proposed Class Members.

121. Defendant has acted or refused to act on grounds that apply generally to the declaratory relief of Plaintiff and the Proposed Class Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Proposed Class as a whole within the meaning of Fed.R.Civ.P. 23(b)(2).

122. Plaintiff and the Proposed Class Members seek a declaration of Defendant's obligations to them under the agreements regarding the pricing of its electricity.

COUNT XIII

(BREACH OF CONTRACT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY, DEFENDANT

123. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

124. Defendant entered into valid and enforceable agreements as discussed herein with Plaintiff and the Proposed Class Members which included specific terms relating to the rate to be charged for the electricity sold by Defendant to Plaintiff and the Proposed Class.

125. Defendant breached its agreements with Plaintiff and the Proposed Class Members by charging rates that did not meet the contractual obligation to provide a competitive rate based on market factors.

126. Defendant's breach of its agreement caused harm to Plaintiff and the Proposed Class Members in the form of lost money by having to pay increased, non-competitive and/or non-market based electric bills.

127. Where the relevant agreements between Defendant and Plaintiff and the Proposed Class Members do not specify the applicable price, to prevent the contract from being too indefinite or from placing Plaintiff and the Proposed Class Members at Defendant's mercy, the agreements should be deemed to contain an implied contractual term mandating a reasonable price. In this case, a reasonable price would be the rate of \$0.0699 cents per kwh offered by Defendant in its *Residential Disclosure Statement*.

128. Defendant breached this implied contractual term by failing to deliver savings on Plaintiff's and the Proposed Class Members' electric bills and by charging unreasonable, noncompetitive and/or exorbitant prices not based on market factors.

COUNT XIV

(BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY, DEFENDANT

129. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

130. Defendant created in Plaintiff and the Proposed Class Members the reasonable expectation that Defendant would provide savings on Plaintiff's and the Proposed Class Members' electric bills and set rates that were competitive in the marketplace and were otherwise keyed to market factors.

131. Defendant was entrusted by Plaintiffs and the Proposed Class Members to purchase electricity at competitive rates in the wholesale marketplace and, in turn, resell electricity to them at competitive rates in the retail marketplace.

132. In violation of its duty to act in good faith under its agreement with the Plaintiff and the Proposed Class Members and by its course of unfair dealing with Plaintiff and the Proposed Class Members set forth above, Defendant caused Plaintiff and the Proposed Class Members harm from lost savings and increased electric bills.

COUNT XV

(UNJUST ENRICHMENT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY, DEFENDANT

133. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

134. Because of Defendant's wrongful activities, including promising Plaintiff and Proposed Class Members savings on their electric service if they switched to Ambit and charging Plaintiff and the Proposed Class Members exorbitant rates grossly out of line with market conditions, Defendant has wrongfully received money belonging to Plaintiff and the Proposed Class Members.

135. Defendant has benefited from receipt of the excessive rates, and under principles of equity and good conscience, Defendant should not be permitted to keep this money.

136. Through the above conduct, Defendant has reaped improperly obtained profits and unjustly enriched itself at the expense of Plaintiff and the Proposed Class Members.

137. As a result of Defendant's imposition of these excessive and unreasonable energy rates, Defendant must account to Plaintiff and the Proposed Class Members for such unjust enrichment and disgorge its improperly obtained profits as restitution to Plaintiff and the Proposed Class Members.

138. Plaintiff seeks to obtain a pecuniary benefit for the Proposed Class Members in the form of all reimbursement, restitution and disgorgement from Defendant. Plaintiff's counsel are entitled to recover their reasonable attorneys' fees and expenses as a result of the conference of a pecuniary benefit on behalf of the Proposed Class Members, and will seek an award of such fees and expenses at the appropriate time. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

COUNT XVI

(DECLARATORY RELIEF)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY, DEFENDANT

139. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

140. Defendant has acted in a uniform manner under the standard and common terms relating to the price of its electricity it has agreed to with Plaintiff and the Proposed Class Members.

141. Defendant has acted or refused to act on grounds that apply generally to the declaratory relief of Plaintiff and the Proposed Class Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Proposed Class as a whole within the meaning of Fed.R.Civ.P. 23(b)(2).

142. Plaintiff and the Proposed Class Members seek a declaration of Defendant's obligations to them under the agreements regarding the pricing of its electricity.

COUNT XVII

(BREACH OF CONTRACT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY HOLDINGS i/t/d/b/a AMBIT NORTHEAST, LLC, DEFENDANT

143. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

144. Defendant entered into valid and enforceable agreements as discussed herein with Plaintiff and the Proposed Class Members which included specific terms relating to the rate to be charged for the electricity sold by Defendant to Plaintiff and the Proposed Class.

145. Defendant breached its agreements with Plaintiff and the Proposed Class Members by charging rates that did not meet the contractual obligation to provide a competitive rate based on market factors.

146. Defendant's breach of its agreement caused harm to Plaintiff and the Proposed Class Members in the form of lost money by having to pay increased, non-competitive and/or non-market based electric bills.

147. Where the relevant agreements between Defendant and Plaintiff and the Proposed Class Members do not specify the applicable price, to prevent the contract from being too indefinite or from placing Plaintiff and the Proposed Class Members at Defendant's mercy, the agreements should be deemed to contain an implied contractual term mandating a reasonable price. In this case, a reasonable price would be the rate of \$0.0699 cents per kwh offered by Defendant in its *Residential Disclosure Statement*.

148. Defendant breached this implied contractual term by failing to deliver savings on Plaintiff's and the Proposed Class Members' electric bills and by charging unreasonable, noncompetitive and/or exorbitant prices not based on market factors.

COUNT XVIII

(BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY HOLDINGS i/t/d/b/a AMBIT NORTHEAST, LLC., DEFENDANT

149. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

150. Defendant created in Plaintiff and the Proposed Class Members the reasonable expectation that Defendant would provide savings on Plaintiff's and the Proposed Class Members' electric bills and set rates that were competitive in the marketplace and were otherwise keyed to market factors.

151. Defendant was entrusted by Plaintiffs and the Proposed Class Members to purchase electricity at competitive rates in the wholesale marketplace and, in turn, resell electricity to them at competitive rates in the retail marketplace.

152. In violation of its duty to act in good faith under its agreement with the Plaintiff and the Proposed Class Members and by its course of unfair dealings with Plaintiff and the Proposed Class Members as set forth above, Defendant caused Plaintiff and the Proposed Class Members harm.

COUNT XIX

(UNJUST ENRICHMENT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY HOLDINGS i/t/d/b/a AMBIT NORTHEAST, LLC,; DEFENDANT

153. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

154. Because of Defendants' wrongful activities, including promising Plaintiff and Proposed Class Members savings on their electric service if they switched to Ambit and charging Plaintiff and the Proposed Class Members exorbitant rates grossly out of line with market conditions, Defendants have wrongfully received money belonging to Plaintiff and the Proposed Class Members.

155. Defendants have benefited from receipt of the excessive rates, and under principles of equity and good conscience, Defendants should not be permitted to keep this money.

156. Through the above conduct, Defendant has reaped improperly obtained profits and unjustly enriched itself at the expense of Plaintiff and the Proposed Class Members.

157. As a result of Defendants' imposition of these excessive and unreasonable energy rates, Defendants must account to Plaintiff and the Proposed Class Members for such unjust

enrichment and disgorge its improperly obtained profits as restitution to Plaintiff and the Proposed Class Members.

158. Plaintiff seeks to obtain a pecuniary benefit for the Proposed Class Members in the form of all reimbursement, restitution and disgorgement from Defendants. Plaintiff's counsel are entitled to recover their reasonable attorneys' fees and expenses as a result of the conference of a pecuniary benefit on behalf of the Proposed Class Members, and will seek an award of such fees and expenses at the appropriate time. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

COUNT XX

(DECLARATORY RELIEF)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

AMBIT ENERGY HOLDINGS i/t/d/b/a AMBIT NORTHEAST, LLC,; DEFENDANT

159. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

160. Defendant has acted in a uniform manner under the standard and common terms relating to the price of its electricity it has agreed to with Plaintiff and the Proposed Class Members.

161. Defendant has acted or refused to act on grounds that apply generally to the declaratory relief of Plaintiff and the Proposed Class Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Proposed Class as a whole within the meaning of Fed.R.Civ.P. 23(b)(2).

162. Plaintiff and the Proposed Class Members seek a declaration of Defendant's obligations to them under the agreements regarding the pricing of its electricity.

COUNT XXI

(BREACH OF CONTRACT UNDER AGENCY THEORY)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT HOLDINGS, LLC; AND AMBIT HOLDINGS, LLC i/t/d/b/a
AMBIT ENERGY HOLDINGS, LLC, DEFENDANT**

163. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

164. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting for Defendant with Defendant's direct knowledge and/or at Defendant's direction to further the interests of Defendant regarding energy supply services in Pennsylvania.

165. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and accepted the undertaking of acting/working for Defendant to further the interests of Defendant regarding its energy supply services in Pennsylvania.

166. Defendant maintained control over the endeavor regarding its retail energy supply services in Pennsylvania.

167. In this regard, Defendant, by and through Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit entered into

valid and enforceable agreements as discussed herein with Plaintiff and the Proposed Class Members which included specific terms relating to the rate to be charged for the electricity sold by Defendant to Plaintiff and the Proposed Class.

168. Defendant breached its agreements with Plaintiff and the Proposed Class Members by charging rates that did not meet the contractual obligation to provide a competitive rate based on market factors.

169. Defendant's breach of its agreement caused harm to Plaintiff and the Proposed Class Members in the form of lost money by having to pay increased, non-competitive and/or non-market based electric bills.

170. Defendant otherwise participated in the creation of the contract, acquired the energy and established the retail price for that energy and was an intended beneficiary of the contract and profits therefrom.

171. Where the relevant agreements between Defendant and Plaintiff and the Proposed Class Members do not specify the applicable price, to prevent the contract from being too indefinite or from placing Plaintiff and the Proposed Class Members at Defendant's mercy, the agreements should be deemed to contain an implied contractual term mandating a reasonable price. In this case, a reasonable price would be the rate of \$0.0699 cents per kwh offered by Defendant in its *Residential Disclosure Statement*.

172. Defendant breached this implied contractual term by failing to deliver savings on Plaintiff's and the Proposed Class Members' electric bills and by charging unreasonable, noncompetitive and/or exorbitant prices not based on market factors.

COUNT XXII

(BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING UNDER AGENCY THEORY)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT HOLDINGS, LLC; AND AMBIT HOLDINGS, LLC i/t/d/b/a
AMBIT ENERGY HOLDINGS, LLC, DEFENDANT**

173. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

174. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and were at all times acting for Defendant with Defendant's direct knowledge and/or at Defendant's direction to further the interests of Defendant regarding energy supply services in Pennsylvania.

175. Ambit Northeast, LLC; Ambit Northeast, LLC d/b/a Ambit Energy; Ambit Energy Holdings; Ambit Energy and/or Ambit were, at all times relevant to this action, agents of Defendant and accepted the undertaking of acting/working for Defendant to further the interests of Defendant regarding its energy supply services in Pennsylvania.

176. Defendant maintained control over the endeavor regarding its retail energy supply services in Pennsylvania.

177. Defendant created in Plaintiff and the Proposed Class Members, directly and through its agents as discussed herein, the reasonable expectation that Defendant would provide savings on Plaintiff's and the Proposed Class Members' electric bills and set rates that were competitive in the marketplace and that were otherwise keyed to market factors.

178. Defendant, directly and through its agents as discussed herein, was entrusted by Plaintiff and the Proposed Class Members to purchase electricity at competitive rates in the

wholesale marketplace and, in turn, resell electricity to them at competitive rates in the retail marketplace.

179. In violation of its duty to act in good faith under its agreement with the Plaintiff and the Proposed Class Members and by its course of unfair dealing with Plaintiff and the Proposed Class Members as set forth above, Defendant caused Plaintiff and the Proposed Class Members financial harm from lost savings and increased electric bills.

COUNT XXIII

(UNJUST ENRICHMENT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT HOLDINGS, LLC; AND AMBIT HOLDINGS, LLC i/t/d/b/a
AMBIT ENERGY HOLDINGS, LLC, DEFENDANT**

180. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

181. Because of Defendants' wrongful activities, including promising Plaintiff and Proposed Class Members savings on their electric service if they switched to Ambit and charging Plaintiff and the Proposed Class Members exorbitant rates grossly out of line with market conditions, Defendants have wrongfully received money belonging to Plaintiff and the Proposed Class Members.

182. Defendants have benefited from receipt of the excessive rates, and under principles of equity and good conscience, Defendants should not be permitted to keep this money.

183. Through the above conduct, Defendant has reaped improperly obtained profits and unjustly enriched itself at the expense of Plaintiff and the Proposed Class Members.

184. As a result of Defendants' imposition of these excessive and unreasonable energy rates, Defendants must account to Plaintiff and the Proposed Class Members for such unjust enrichment and disgorge its improperly obtained profits as restitution to Plaintiff and the Proposed Class Members.

185. Plaintiff seeks to obtain a pecuniary benefit for the Proposed Class Members in the form of all reimbursement, restitution and disgorgement from Defendants. Plaintiff's counsel are entitled to recover their reasonable attorneys' fees and expenses as a result of the conference of a pecuniary benefit on behalf of the Proposed Class Members, and will seek an award of such fees and expenses at the appropriate time. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

186. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

COUNT XXIV

(DECLARATORY RELIEF)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT HOLDINGS, LLC; AND AMBIT HOLDINGS, LLC i/t/d/b/a
AMBIT ENERGY HOLDINGS, LLC, DEFENDANT**

187. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

188. Defendant has acted in a uniform manner under the standard and common terms relating to the price of its electricity it has agreed to with Plaintiff and the Proposed Class Members.

189. Defendant has acted or refused to act on grounds that apply generally to the declaratory relief of Plaintiff and the Proposed Class Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Proposed Class as a whole within the meaning of Fed.R.Civ.P. 23(b)(2).

190. Plaintiff and the Proposed Class Members seek a declaration of Defendant's obligations to them under the agreements regarding the pricing of its electricity.

COUNT XXV

(BREACH OF CONTRACT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT ENERGY; and
AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT, DEFENDANT**

191. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

192. Defendant entered into valid and enforceable agreements as discussed herein with Plaintiff and the Proposed Class Members which included specific terms relating to the rate to be charged for the electricity sold by Defendant to Plaintiff and the Proposed Class.

193. Defendant breached its agreements with Plaintiff and the Proposed Class Members by charging rates that did not meet the contractual obligation to provide a competitive rate based on market factors.

194. Defendant's breach of its agreement caused harm to Plaintiff and the Proposed Class Members in the form of lost money by having to pay increased, non-competitive and/or non-market based electric bills.

195. Where the relevant agreements between Defendant and Plaintiff and the Proposed Class Members do not specify the applicable price, to prevent the contract from being too indefinite or from placing Plaintiff and the Proposed Class Members at Defendant's mercy, the agreements should be deemed to contain an implied contractual term mandating a reasonable price. In this case, a reasonable price would be the rate of \$0.0699 cents per kwh offered by Defendant in its *Residential Disclosure Statement*.

196. Defendant breached this implied contractual term by failing to deliver savings on Plaintiff's and the Proposed Class Members' electric bills and by charging unreasonable, noncompetitive and/or exorbitant prices not based on market factors.

COUNT XXVI

(BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT ENERGY; and
AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT, DEFENDANT**

197. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

198. Defendant created in Plaintiff and the Proposed Class Members the reasonable expectation that Defendant would provide savings on Plaintiff's and the Proposed Class

Members' electric bills and set rates that were competitive in the marketplace and were otherwise keyed to market factors.

199. Defendant was entrusted by Plaintiffs and the Proposed Class Members to purchase electricity at competitive rates in the wholesale marketplace and, in turn, resell electricity to them at competitive rates in the retail marketplace.

200. In violation of its duty to act in good faith under its agreement with the Plaintiff and the Proposed Class Members and by its course of unfair dealing with Plaintiff and the Proposed Class Members set forth above, Defendant caused Plaintiff and the Proposed Class Members harm from lost savings and increased electric bills.

COUNT XXVII

(UNJUST ENRICHMENT)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT ENERGY; and
AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT, DEFENDANT**

201. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

202. Because of Defendants' wrongful activities, including promising Plaintiff and Proposed Class Members savings on their electric service if they switched to Ambit and charging Plaintiff and the Proposed Class Members exorbitant rates grossly out of line with market conditions, Defendants have wrongfully received money belonging to Plaintiff and the Proposed Class Members.

203. Defendants have benefited from receipt of the excessive rates, and under principles of equity and good conscience, Defendants should not be permitted to keep this money.

204. Through the above conduct, Defendant has reaped improperly obtained profits and unjustly enriched itself at the expense of Plaintiff and the Proposed Class Members.

205. As a result of Defendants' imposition of these excessive and unreasonable energy rates, Defendants must account to Plaintiff and the Proposed Class Members for such unjust enrichment and disgorge its improperly obtained profits as restitution to Plaintiff and the Proposed Class Members.

206. Plaintiff seeks to obtain a pecuniary benefit for the Proposed Class Members in the form of all reimbursement, restitution and disgorgement from Defendants. Plaintiff's counsel are entitled to recover their reasonable attorneys' fees and expenses as a result of the conference of a pecuniary benefit on behalf of the Proposed Class Members, and will seek an award of such fees and expenses at the appropriate time. By reason of the foregoing, Plaintiff and the Proposed Class Members have suffered money damages in an amount to be determined during the trial of this action.

COUNT XXVIII

(DECLARATORY RELIEF)

**AMY SILVIS, ON BEHALF OF HERSELF AND
ALL OTHERS SIMILARLY SITUATED, PLAINTIFF,**

vs.

**AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT ENERGY; and
AMBIT ENERGY HOLDINGS, LLC, i/t/d/b/a AMBIT, DEFENDANT**

207. Plaintiff and the Proposed Class Members incorporate by reference each preceding and succeeding paragraph as though fully set forth herein.

208. Defendant has acted in a uniform manner under the standard and common terms relating to the price of its electricity it has agreed to with Plaintiff and the Proposed Class Members.

209. Defendant has acted or refused to act on grounds that apply generally to the declaratory relief of Plaintiff and the Proposed Class Members, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Proposed Class as a whole within the meaning of Fed.R.Civ.P. 23(b)(2).

210. Plaintiff and the Proposed Class Members seek a declaration of Defendant's obligations to them under the agreements regarding the pricing of its electricity.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Class of persons described herein, pray for an Order as follows:

- a) Finding that this action satisfies the prerequisites for maintenance as a class action set forth in Fed. R. Civ. P. 23(a), (b)(2) and/or (b)(3), and certifying the Class defined herein;
- b) Designating Plaintiff as representative of the Class and her counsel as Class counsel;
- c) Entering judgment In favor of Plaintiff and the Class and against Defendants;
- d) Awarding Plaintiff and Class members their individual damages including interest thereon;
- e) Imposing a constructive trust, where appropriate, on amounts wrongfully collected from Plaintiff and the Class members pending resolution of their claims herein;
- f) Issuing appropriate declaratory and injunctive relief to declare the rights of Plaintiff and the Class Members; and
- g) Granting such further relief as the Court deems just.

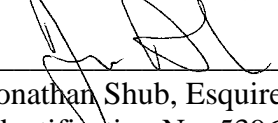
DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury on all claims and issues.

Date: November 24, 2014

Respectfully Submitted,

SEEGER WEISS LLP



Jonathan Shub, Esquire
Identification No: 53965
1515 Market Street, Suite 1380
Philadelphia, PA 19102
Phone: (215) 564-2300
Fax: (215) 851-8029

Troy M. Frederick, Esquire
Marcus & Mack, P.C.
Identification No: 207461
57 South Sixth Street
Indiana, PA 15701
Phone: (724) 349-5602
Fax: (724) 349-8362

Attorneys for Plaintiff

EXHIBIT A

("[D]iversity jurisdiction does not exist unless each defendant is a citizen of a different State from each plaintiff."). Plaintiff pleads that he is a citizen of New York and Defendant Stephen Thompson is a citizen of Texas.² Ambit Texas, LLC is a limited liability company and, as such, for purposes of assessing diversity jurisdiction, it is deemed to be a citizen of all states of which its members are citizens. *See, e.g., Handelsman v. Bedford Vill. Assocs. L.P.*, 213 F.3d 48, 51–52 (2d Cir. 2000). As demonstrated by the attached evidence, none of Ambit Texas, LLC's members share Plaintiff's citizenship.³ Plaintiff pleaded that he is a citizen of New York, and all Defendants are citizens of either Texas or Delaware.⁴ Therefore, there is complete diversity as required by 28 U.S.C. § 1332(a).

III. CONCLUSION

For the reasons set forth above, the Court has diversity jurisdiction over this case, because there is complete diversity between Plaintiff and Defendants.

DATE: October 15, 2014

THOMPSON & KNIGHT LLP

By: /s/ Stephen C. Rasch

Stephen C. Rasch

Texas Bar No. 16551420, *pro hac vice*

Gabrielle Farina

New York Bar No. 4363412

J. Meghan Nylin

Texas Bar No. 24070083, *pro hac vice*

900 Third Avenue, 20th Floor

New York, NY 10022-4728

Telephone: 212.751.3014

Facsimile: 214.999.1592

ATTORNEYS FOR DEFENDANTS

AMBIT TEXAS, LLC AND

ROBERT STEPHEN THOMPSON

² See Pl.'s Am. Compl. ¶¶ 2, 13 (Dkt. #18); Pl.'s Proposed Second Am. Compl. ¶¶ 2, 5 (Dkt. #68). Defendants admit that Stephen Thompson is a citizen and resident of the State of Texas. *See* Defs.' Answer ¶ 13 (Dkt. #36).

³ See Exs. 1-5.

⁴ See *id.*; Pl.'s Am. Compl. ¶¶ 2, 13 (Dkt. #18); Pl.'s Proposed Second Am. Compl. ¶¶ 2, 5 (Dkt. #68); Defs.' Answer ¶ 13 (Dkt. #36).

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

ALEPH TOWERS, LLC, YURI (URI) KASPAROV,

Plaintiffs,

-against-

AMBIT TEXAS, LLC, STEVEN THOMPSON,

Defendants.

Civil Action No. 1:12-cv-03488-JG-
JO

Jury Trial Demanded

DEFENDANTS' RESPONSE TO PLAINTIFFS' FIRST JURISDICTIONAL DISCOVERY REQUEST

To: Plaintiffs Aleph Towers, LLC and Yuri (Uri) Kasparov, by and through their counsel of record Daniel Hymowitz, Hymowitz Law Group PLLC, 2080 Coney Island Avenue, Brooklyn, NY 11223.

Defendants Ambit Texas, LLC and Stephen Thompson (collectively, "Defendants") serve the following Response to Plaintiffs' First Jurisdictional Discovery Request:

1. Identify each member of Ambit Texas, LLC as well as the state or other jurisdiction of Ambit Texas, LLC's formation. For each identified member: If the member is a natural person, provide that member's residence and domicile, and any state or other jurisdiction of which that party is a citizen for purposes of 28 U.S.C. § 1332; If the member is a corporation, provide its state or other jurisdiction of incorporation, principal place of business, and any state or other jurisdiction of which that party is a citizen for purposes of 28 U.S.C. § 1332; If the member is itself a partnership, limited liability partnership, limited liability company, or other unincorporated association, provide like information for all of its partners or members, as well as the state or other jurisdiction of its formation.

Response:

- A. Ambit Texas, LLC was formed in Texas. Ambit Texas, LLC's sole member is Ambit Energy Holdings, LLC.
- B. Ambit Energy Holdings, LLC was formed in Texas. Ambit Energy Holdings, LLC's sole member is Ambit Holdings, LLC.

1. Ambit Systems, Inc., which is a Texas corporation that has its principal place of business in Texas;
2. The Williamsburg Corp., which is a Texas corporation that has its principal place of business in Texas;
3. Jere W. Thompson, Jr., who is a citizen and resident of Texas;
4. Jere W. Thompson, Sr., who is a citizen and resident of Texas;
5. Michael D. Thompson, who is a citizen and resident of Texas;
6. Estate of Margaret D. Thompson, and the co-executors of the Estate are citizens and residents of Texas;
7. Patrick J. Thompson, who is a citizen and resident of Texas;
8. David E. Thompson, who is a citizen and resident of Texas;
9. Christopher D. Thompson, who is a citizen and resident of Texas;
10. Deborah Thompson Nelson, who is a citizen and resident of Texas;
11. Kimberly Thompson Thornton, who is a citizen and resident of Texas;
12. Debora Thompson, who is a citizen and resident of Texas;
13. Amy R. Thompson, who is a citizen and resident of Texas;
14. Elizabeth Lee Roberts Thompson, who is a citizen and resident of Texas;
15. Carolyn C. Thompson, who is a citizen and resident of Texas;
16. Chris Chambless, who is a citizen and resident of Texas;
17. John Burke, who is a citizen and resident of Texas;
18. Jim Timmer, who is a citizen and resident of Texas;
19. Jim McFelea, who is a citizen and resident of Texas;
20. Cynthia Young, who is a citizen and resident of Texas;
21. Laurie Rodriguez, who is a citizen and resident of Texas;
22. Nancy Edwards, who is a citizen and resident of Texas;
23. Dean A. Renkes, who is a citizen and resident of Texas;
24. Beverly A. Renkes, who is a citizen and resident of Texas;
25. Amir Khanzadeh, who is a citizen and resident of Texas;
26. Karen R. Brooks, who is a citizen and resident of Texas;
27. Jere W Thompson F Trust 2. The Jere W Thompson F Trust 2's co-Trustees are Jere W. Thompson, Sr. and Comerica Bank. Jere W. Thompson, Sr. is a citizen and resident of Texas. Information about the citizenship and residency of the

Comerica Bank entity that is the co-Trustee of the Jere W. Thompson F Trust 2 is not within Defendants' possession, custody, or control;

28. Greenway Holdings, L.P., which has the following partners:

- i. Greenway Holdings Trust #1 fbo Jere W. Thompson, III. The co-Trustees of the Greenway Holdings Trust #1 fbo Jere W. Thompson, III are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- ii. Greenway Holdings Trust #1 fbo Sarah C. Thompson. The co-Trustees of the Greenway Holdings Trust #1 fbo Sarah C. Thompson are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- iii. Greenway Holdings Trust #1 fbo Peter C. Thompson. The co-Trustees of the Greenway Holdings Trust #1 fbo Peter C. Thompson are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- iv. Greenway Holdings Trust #1 fbo Catherine M. Thompson. The co-Trustees of the Greenway Holdings Trust #1 fbo Catherine M. Thompson are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- v. Greenway Holdings Trust #1 fbo Julia L. Thompson. The co-Trustees of the Greenway Holdings Trust #1 fbo Julia L. Thompson are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- vi. Greenway Holdings Trust #2 fbo Jere W. Thompson, III. The co-Trustees of the Greenway Holdings Trust #2 fbo Jere W. Thompson, III are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- vii. Greenway Holdings Trust #2 fbo Sarah C. Thompson. The co-Trustees of the Greenway Holdings Trust #2 fbo Sarah C. Thompson are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- viii. Greenway Holdings Trust #2 fbo Peter C. Thompson. The co-Trustees of the Greenway Holdings Trust #2 fbo Peter C. Thompson are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- ix. Greenway Holdings Trust #2 fbo Catherine M. Thompson. The co-Trustees of the Greenway Holdings Trust #2 fbo Catherine M. Thompson are Jere W. Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;
- x. Greenway Holdings Trust #2 fbo Julia L. Thompson. The co-Trustees of the Greenway Holdings Trust #2 fbo Julia L. Thompson are Jere W.

Thompson, Jr. and Carolyn C. Thompson, both of whom are citizens and residents of Texas;

- xi. The Jere W. Thompson, III 1997 Trust. The Trustee for the Jere W. Thompson 1997 Trust is David E. Thompson, who is a citizen and resident of Texas;
- xii. The Sarah C. Thompson 1997 Trust. The Trustee for the Sarah C. Thompson 1997 Trust is David E. Thompson, who is a citizen and resident of Texas;
- xiii. The Peter C. Thompson 1997 Trust. The Trustee for the Peter C. Thompson 1997 Trust is David E. Thompson, who is a citizen and resident of Texas;
- xiv. The Catherine M. Thompson 1997 Trust. The Trustee for the Catherine M. Thompson 1997 Trust is David E. Thompson, who is a citizen and resident of Texas;
- xv. The Julia L. Thompson 1997 Trust. The Trustee for the Julia L. Thompson 1997 Trust is David E. Thompson, who is a citizen and resident of Texas;
- xvi. David E. Thompson, who is a citizen and resident of Texas;
- xvii. Jere W. Thompson, Jr., who is a citizen and resident of Texas;
- xviii. Carolyn C. Thompson, who is a citizen and resident of Texas;
29. Hunt Investment Group, L.P. Information about the Hunt Investment Group, L.P.'s partners is not within Defendants' possession, custody, or control;
30. Marshall B. Payne, who is a citizen and resident of Texas;
31. The Florida Company, which is a corporation formed in Texas, and its principal place of business is in Texas;
32. Donald J. Carter, Jr., who is a citizen and resident of Texas;
33. Patrick K. McGee, who is a citizen and resident of Texas;
34. David Biegler, who is a citizen and resident of Texas;
35. The MDIG PPM Trust. Information about the identity, citizenship, and residency of the Trustee(s) of the MDIG PPM Trust is not within Defendants' possession, custody, or control;
36. The MDIG WWM Trust. Information about the identity, citizenship, and residency of the Trustee(s) of the MDIG WWM Trust is not within Defendants' possession, custody, or control;
37. The MDIG AMM Trust. Information about the identity, citizenship, and residency of the Trustee(s) of the MDIG AMM Trust is not within Defendants' possession, custody, or control;
38. The MDIG SCM Trust. Information about the identity, citizenship, and residency of the Trustee(s) of the MDIG SCM Trust is not within Defendants' possession, custody, or control;

39. Trevor Richard Rees-Jones Trust. Information about the identity, citizenship, and residency of the Trustee(s) of the Trevor Richard Rees-Jones Trust is not within Defendants' possession, custody, or control;
40. Chief Capital LP. Information about Chief Capital LP's partners is not within Defendants' possession, custody, or control; and
41. David Garrett Rees-Jones Trust. Information about the identity, citizenship, and residency of the Trustee(s) of the David Garrett Rees-Jones Trust is not within Defendants' possession, custody, or control.

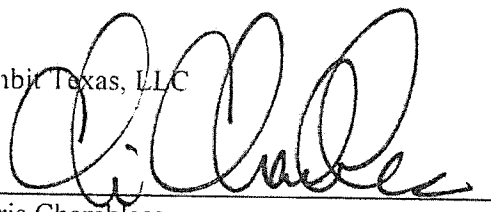
VERIFICATION

My name is Chris Chambless. I am a co-founder of Ambit Energy and currently serve as the Chief Marketing Officer of Ambit Texas, LLC, a defendant in this lawsuit. As such, I am qualified and authorized to make this verification. I verify that I have read the above Defendants' Response to Plaintiffs' First Jurisdictional Discovery Request; that the Response was prepared with the assistance and advice of legal counsel; that the information contained in the Response was furnished by various Ambit employees or agents or was derived from business records maintained by Ambit; that, while I do not have personal knowledge of each of the facts recited in the Response, it is true and correct to the best of my knowledge; and that the Response constitutes the corporate response of Ambit Texas, LLC.

I declare under penalty of perjury that the foregoing verification is true and correct.

Executed on JANUARY 8, 2014.

Ambit Texas, LLC


Chris Chambless
Chief Marketing Officer
Ambit Texas, LLC

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

YURI (URI) KASPAROV,

Plaintiff

-against-

AMBIT TEXAS, LLC AND STEVEN
THOMPSON,

Defendants.


Civil Action No. 1:12-cv-03488-JG-
JO

Jury Trial Demanded

DECLARATION OF J. KEVIN MCCULLOCH

1. My name is J. Kevin McCulloch. All of the facts set forth in this Declaration are within my personal knowledge and are true and correct.
2. I am a Vice President, Senior Trust Advisor at Comerica Bank.
3. Comerica Bank serves as a co-trustee of the Jere W. Thompson F Trust 2, which is a trust organized under the laws of the State of Texas.
4. Comerica Bank is a Texas state-chartered bank.
5. Comerica Bank's corporate headquarters is in Dallas, Texas.
6. I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED on October 10, 2014 in Dallas County, Texas.


J. KEVIN MCCULLOCH

LLC's sole member is the Jan and Trevor D. Rees-Jones Revocable Trust, of which Jan and Trevor D. Rees-Jones are co-trustees. Jan and Trevor D. Rees-Jones are citizens and residents of the State of Texas.

6. Chief Capital LP's sole limited partner is the Jan and Trevor D. Rees-Jones Revocable Trust, of which Jan and Trevor D. Rees-Jones are co-trustees. Jan and Trevor Rees-Jones are both citizens and residents of the State of Texas.

7. I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED on October 13, 2014 in Dallas County, Texas.

Jennifer Carlozzi
JENNIFER CARLOZZI

8. The partners of HIP Management ServiceCo are as follows: (1) HH Investments Holdings, L.L.C., a Delaware limited liability company whose sole member is Hunter L. Hunt, a resident of Texas; (2) CWK Investments Holdings, L.L.C., a Delaware limited liability company whose sole member is Christopher W. Kleinert, a resident of Texas; and (3) Loyal Guardian, L.L.C., a Delaware limited liability company whose sole member is Loyal Trust No. 1, a trust whose trustee is R. Gerald Turner, a resident of Texas.

DAVID HERNANDEZ *DH*

EXHIBIT B

Ambit Northeast, LLC

Pennsylvania Service Area

Sales Agreement and Terms of Service

EFFECTIVE: JANUARY 31, 2013

The following is your Terms of Service (Agreement) with Ambit Northeast, LLC, d/b/a Ambit Energy, a wholly owned subsidiary of Ambit Energy Holdings ("Ambit Energy" or "Ambit") for the purchase of electricity and/or natural gas service.

Ambit Energy agrees to sell and Customer agrees to buy the quantity of electricity or natural gas delivered to you, as measured or estimated by your Electric Distribution Company (EDC) or your Natural Gas Distribution Company (NGDC). Ambit Energy is an Electric Generation Supplier (EGS) and a Natural Gas Supplier (NGS) and will supply electricity and/or natural gas as specified in the Energy Facts Label ("EFL"), the Disclosure Statement, which is hereby made an integral part of the Agreement. By enrolling for service with Ambit Energy, you agree to be bound by this Agreement and pay for the electric and/or natural gas service Ambit Energy provides to you under this agreement. The words "we," "us," and "our" refer to Ambit Energy, and the words "you" and "your" refer to the Customer. Please retain this Agreement, the EFL and Disclosure Statement for your records. The Disclosure Statement and EFL are considered to be integral components of this Agreement.

CONTACT INFORMATION:

For questions concerning your rate, service initiation, or service cancellation, please contact Ambit Energy using the contact information below:

Ambit Energy

Internet Address: www.ambitenergy.com

P.O. Box 864589

Plano, TX 75086

Customer Service (877) 282-6248

Fax (214) 969-5928

Operating Hours:

Monday – Friday 9:00 AM – 7:00 PM EST

Saturdays 11:00 AM – 6:00 PM EST

In the event of a power outage or gas leak, please contact your Electric Distribution Company or Natural Gas Distribution Company:

Columbia Gas of Pennsylvania (888) 460-4332

Duquesne Light (888) 393-7000

Met-Ed (800) 545-7741

National Fuel Gas (800) 444-3130

PECO (800) 841-4141

Penelec (800) 545-7741

Penn Power (800) 720-3600

Peoples Natural Gas (800) 764-0111

PPL Corporation (800) 342-5775

West Penn Power (800) 686-0021

Public Utility Commission of Pennsylvania (PUC)

PO Box 3265

Harrisburg, PA 17105-3265

Utility Choice Hotline: (800) 692-7380

Ambit Energy is licensed as an EGS and a NGS with the Public Utilities Commission (PUC) in the Commonwealth of Pennsylvania. Ambit Energy's electricity license number is A-2010-2190276. Ambit Energy's natural gas license number is A-2012-2289779. Ambit Energy sets the Electric Generation Service Charge and the Natural Gas Supply charge while the Public Utilities Commission (PUC) regulates electric and natural gas distribution prices and services. The Federal Energy Regulatory Commission (FERC) regulates electric and natural gas transmission prices and services.

ELIGIBILITY: Ambit Energy does not deny electric or natural gas service or determine eligibility for pricing based on credit history, utility payment data or credit score. Ambit Energy does not deny service based on a customer or applicant's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of a customer/applicant in an economically distressed geographic area, or qualification for low income or energy efficiency services.

SERVICE TERM AND PRODUCT SELECTION: Depending on which plan you have selected, your service under this Agreement is provided under either a fixed-rate (term) product or a variable-rate (month-to-month) product, specified in the Energy Facts label and/or Disclosure Statement.

If you are a new Customer, your selected product will become effective on the day your service begins with Ambit Energy, which coincides with the date your meter is read by the EDC or NGDC. Because this date is determined by your EDC or NGDC, Ambit Energy is not able to commit to a specific date for the commencement of service. If you are currently an Ambit Energy Customer and are switching to another product, your selected product will become effective within 24 hours of the request to switch to the new plan.

Variable Rate Products shall commence for a one (1) month term ("Initial Term"). This Agreement shall automatically renew for successive one (1) month periods ("Renewal Term") unless either party notifies the other party in writing of its desire not to renew, at least thirty (30) days prior to the next meter read date.

Fixed Rate Products shall commence for a term as specified in the EFL or Disclosure Statement. A contract-expiration notice will be sent to you to that precedes the last (3) bills prior to the end of your contract term. If you fail to take action to ensure the continued receipt of retail energy service upon the contract's expiration, you will automatically continue to be served by Ambit Energy pursuant to a default renewal variable-rate product on a month-to-month basis unless you select another product or EDC/NGDC.

Customer understands and acknowledges that Product selection at enrollment is subject to Ambit Energy approval, based on the premise type and/or service class that was previously assigned to Customer's account by Customer's Utility. If the information received from the Utility does not match the requested Ambit Energy product, Customer agrees that Ambit Energy may switch the product type to match information received from the Utility, if one

Continued on Page 2



Ambit Northeast, LLC

Pennsylvania Service Area

Terms of Service

EFFECTIVE: JANUARY 31, 2013

Page 2

is currently offered by Ambit Energy. Customer understands that if the product is changed to one which matches the correct premise/service class type, rates may vary. You will receive written notice of the product's terms and will have the ability to exercise your right of rescission as described below. (See Rescission Period).

PRICING AND PAYMENT: Unless otherwise agreed to in writing or other form as authorized by the Public Utility Commission of Pennsylvania your rate will be disclosed to you in your Disclosure Statement at the time of enrollment. Customers who choose a term product have a fixed rate for the entire term and may be charged a fee for early termination, if specified in the Disclosure Statement. If you selected a variable rate plan, your initial rate will be shown at the time of your enrollment and thereafter rates are subject to change at the discretion of Ambit Energy. Each billing period, you will receive a single invoice from your EDC or NGDC that includes Ambit Energy supply charges, as well as applicable EDC or NGDC charges, surcharges, state and local taxes.

RESCISSION PERIOD: You may rescind this Agreement without fee or penalty of any kind within three (3) business days of receiving the written Disclosure Statement and Terms of Service. You can rescind this agreement by calling Ambit Energy at (877) 282-6248 from 9:00 a.m. to 7:00 p.m. (ET), Monday – Friday and 10:00 a.m. to 5:00 p.m. (ET), Saturday. You may rescind in writing, orally, electronically, or by sending a fax to (214) 969-5928. Please provide your name, address, phone number and a statement that you are rescinding your Agreement under the three (3) day Right of Rescission.

CANCELLATION AND SWITCHING PROCEDURES: Customer or Ambit may cancel a variable rate Agreement, for reasons other than non-payment, at any time, by providing written notice to the other party at least (30) days prior to the intended date of termination. If Customer enrolled under a fixed-rate product, you agree to remain a Customer of Ambit Energy until the term expires or you may be subject to an early termination fee, if specified in the Disclosure Statement. When you cancel services, you agree to pay for the services provided by Ambit Energy through the date you are switched to another provider or returned to the EDC or NGDC for service. Your cancellation will not be effective until the next regularly scheduled meter-reading date which follows the date on which Ambit Energy gives the EDC or NGDC notice of your cancellation request. Ambit Energy reserves the right to cancel this agreement (i) if your EDC or NGDC is unable to read your meter for three (3) consecutive months; (ii) if at any time you request separate bills from your EDC or NGDC and Ambit Energy Services; or (iii) if the EDC or NGDC removes you from their consolidated billing program and requires that Ambit Energy bill you separately for your electricity supply. If this occurs, we will notify both you and your EDC or NGDC of the cancellation of this agreement at least 3 days prior to the effective date of cancellation. It may take up to (60) days for Customer's account(s) to be returned to the EDC or NGDC depending on EDC or NGDC cancellation procedures.

CONTRACT RENEWAL/CHANGE IN TERMS: If you have a fixed term 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 three written notices from us either as a bill message, an email or direct mail that precedes either the

expiration date or the effective date of the proposed changes. We will explain your options to you in these three advanced notifications. Your payment will be due to the EDC or NGDC by the date specified in your bill. Except as otherwise provided in this agreement or by law, all taxes of any kind, nature and description, due and payable with respect to Customer's performance of its obligations under this Agreement, shall be paid by Customer. The parties' obligations under this Agreement are subject to present and future legislation, orders, rules, or regulations of a duly constituted governmental authority having jurisdiction over this Agreement or the services to be provided herein.

INFORMATION RELEASE AUTHORIZATION: Customer acknowledges that customer billing and payment information will be provided to Ambit Energy from your EDC or NGDC. This information includes, but is not limited to, Customer's account number, meter reading data, rate class and electric and/or gas usage, Customer's address(es) and telephone number, and Customer's budget billing plan or payment arrangement preference. Customer further understands that the EDC or NGDC is required by the PUC to communicate with Customer following a notice of change of EGS or NGS to confirm the change was authorized. Ambit will not give or sell customer information to any unaffiliated party without consent from the customer unless Ambit is required to do so by law or it is necessary to enforce this agreement.

CONSUMER PROTECTIONS: The services provided by Ambit Energy are protected by the terms and conditions of this Agreement and the Pennsylvania Public Utilities Commission (PUC).

BILLING AND PAYMENT: Customer may receive a single bill for both commodity and delivery costs from either Ambit or the EDC or NGDC, or each of the EDC or NGDC and Ambit may invoice separately. Your EDC or NGDC will continue to issue you a monthly bill and the bill will include Ambit Energy supply charges, as well as applicable EDC or NGDC charges, surcharges, state and local taxes, and any other charges incurred in accordance with this Agreement. Bills will continue to be based on actual or estimated meter readings. Customer will make payment directly to the EDC or NGDC in accordance with the payment terms stated in the EDC's or NGDC's tariffs, unless otherwise provided herein. Customer payments remitted in response to a consolidated bill shall be applied in accordance with procedures adopted by PUC. In the event of failure to remit payment when due, Ambit will have the right to terminate commodity service and to seek suspension of distribution service.

ENERGY ASSISTANCE: Your EDC and/or NGDC has programs available to customers who are on a limited income to assist them with utility bills. For Universal Service Programs such as CAP Rate, Customer Assistance & Referral Evaluation Services (CARES), and Matching Energy Assistance Fund (MEAF) call (800) 774-7040. For Low Income Home Energy Assistance Program (LIHEAP), call (800) 344-3574. For Low Income Usage Reduction Program (LIURP), call (800) 675-0222.

Continued on Page 3

Ambit Northeast, LLC

Pennsylvania Service Area

Terms of Service

EFFECTIVE: JANUARY 31, 2013

Page 3

DISPUTE RESOLUTION: In the event of a billing dispute or a disagreement involving any essential element of this Agreement, the parties will use their best efforts to resolve the dispute. Customer should contact the EDC or NGDC regarding any billing dispute, and should contact Ambit Energy in writing at P.O. Box 864589, Plano, TX 75086 or by telephone at (877) 282-6248 for any terms of service dispute. If after discussing your problem with Ambit Energy or the EDC/NGDC you remain dissatisfied, you may file an informal complaint with the Public Utility Commission by telephoning the Utility Choice Hotline at (800) 692-7380 or by writing to the following address: Public Utility Commission, Box 3265, Harrisburg, Pennsylvania 17120.

AGENCY: Customer appoints Ambit as its agent to acquire the supplies necessary to meet its electricity and/or gas needs, contract for and administer transportation, transmission and related services over interstate facilities and those of the EDC or NGDC needed to deliver electricity and/or gas to the Customer's premises. These services are provided on an arm's-length basis and market-based compensation is included in the price noted in your Disclosure Statement.

SEVERABILITY: If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force without being invalidated in any way.

DELAYS OR FAILURE TO EXERCISE RIGHTS: No partial performance, delay or failure on the part of Ambit in exercising any rights under this Agreement and no partial or single exercise thereof shall constitute a waiver of such rights or of any other rights hereunder.

TAXES AND LAWS: Except as otherwise provided in this Agreement or by law, all taxes of whatsoever kind, nature and description, due and payable with respect to Customer's performance of its obligations under this Agreement, shall be paid by Customer. The parties' obligations under this Agreement are subject to present and future legislation, orders, rules, or regulations of a duly constituted governmental authority having jurisdiction over this Agreement or the services to be provided herein.

ENTIRE AGREEMENT: This Agreement sets forth the entire agreement between the parties with respect to the terms and conditions of this transaction; any and all other agreements, understandings and representations by and between the parties with respect to the matters addressed herein are superseded by this Agreement.

ACCEPTANCE AND AMENDMENTS: This Agreement shall not become effective until accepted by Ambit Energy. Ambit Energy may amend the terms of this Agreement at any time, consistent with any applicable law, rule or regulation, by providing notice to Customer of such amendment at least thirty (30) days prior to the effective date thereof. Ambit Energy will supply Customer with a current version of this document annually and upon request.

FORCE MAJEURE: The term "Force Majeure" shall mean any cause not reasonably within the control of the Party claiming suspension and which by the exercise of due diligence, such Party is unable to prevent or overcome, including but not limited to, any act or cause which is deemed a Force Majeure by the EDC or NGDC or any transportation or transmitting entity. If either party is unable, wholly or in part, by Force Majeure to perform or comply with any

obligations or conditions of this Agreement, such party shall give immediate written notice, to the maximum extent practicable, to the other party. Such obligations or conditions, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused, and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during the period. The party claiming suspension of obligations must in good faith attempt to mitigate and/or terminate the Force Majeure.

ASSIGNMENT: You may not assign this Agreement, in whole or in part, or any of its rights or obligations hereunder without the prior written consent of Ambit Energy. Ambit Energy may, without your consent, (a) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial agreement; (b) transfer or assign this Agreement to an affiliate of Ambit Energy; (c) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of Ambit Energy; and/or (d) transfer or assign this Agreement to a PUC-certified EGS or 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. Upon any such assignment, Customer agrees that Ambit Energy shall have no further obligations hereunder.

LIMITATIONS OF LIABILITY: Liabilities not excused by reason of force majeure or otherwise shall be limited to direct actual damages. Neither party will be liable to the other for consequential, incidental, punitive, special, exemplary or indirect damages. Lost profits or penalties of any nature are hereby waived. These limitations apply without regard to the cause of any liability or damage, including the negligence of ambit energy. There are no third-party beneficiaries to this agreement.

REPRESENTATIONS AND WARRANTIES: The electricity and/or natural gas sold under this Agreement will meet the applicable EDC's or NGDC's standards and may be supplied from a variety of sources. Unless otherwise expressly set forth in this Agreement, Ambit Energy provides and Customer receives no warranties, express or implied, statutory, or otherwise and Ambit Energy specifically disclaims any warranty of merchantability or fitness for a particular purpose.

GOVERNING LAW: Venue for any lawsuit brought to enforce any term or condition contained herein shall be exclusively in the State of Texas. This Agreement shall be governed by, enforced and performed in accordance with the rules of PUC. If at some future date there is a change in any law, rule, regulation or pricing structure, or there is a regulatory or judicial ruling or decision which shall have a detrimental economic impact upon Ambit's performance under this Agreement, or in the event that compliance with such change, ruling or decision shall result in a material change in the way prices are calculated under this Agreement, or a material change in the level of components of pricing under this Agreement, Ambit shall have the right to change this Agreement with thirty (30) days' notice to the customer. Upon receipt of written notice of a material change, customer may terminate this agreement prior to the date such change becomes effective. The provisions of the Uniform Commercial Code (UCC) shall apply to this Agreement, and electricity and natural gas shall be a "good" for purposes of the UCC.

EXHIBIT C

Ambit Northeast, LLC

Pennsylvania Penelec Service Area

Residential Disclosure Statement

Keystone Electric Plan

EFFECTIVE: 01/31/2013

PA PUC LICENSE #A-2010-2190276

Keystone Electric Plan	500 kWh	1000 kWh	2000 kWh
Keystone State Select Variable	6.9900¢	6.9900¢	6.9900¢

This is a disclosure statement for electric generation supply service from Ambit Northeast, LLC d/b/a Ambit Energy. You may cancel this service any time before midnight of the third business day after receiving this disclosure by contacting Ambit Energy. Ambit Energy is licensed by the Pennsylvania Public Utility Commission to offer electric generation supply services in Pennsylvania. Our PUC license number is A-2010-2190276. Generation supply prices and charges are set by the Electric Generation Supplier (EGS) you have chosen (Ambit Energy). The Public Utility Commission regulates distribution prices and services. You will receive a single bill from your Electric Distribution Company, (EDC), Penelec, that includes your Ambit Energy supply charges as well as the EDC delivery charges.

Definitions

- Generation Charge - Charge for production of electricity
- Transmission Charge - Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company
- Generation Supply Charge - Charge for electric supply to customers

Terms of Service

1. Length of Agreement: The term shall commence as of the date the change of provider to Ambit is deemed effective by the EDC. If you have chosen a variable plan, your service shall commence for a one (1) month term (Initial Term). Service will automatically renew for successive one (1) month periods (Renewal Term) unless either party notifies the other party in writing at least thirty (30) days prior to the next meter read date of the desire not to renew. If you have a fixed term plan your service shall commence for a 6 or 12 month term and will automatically renew for successive one (1) month periods to the current variable month to month rate.

2. Contract Renewal/Change in Terms: If you have a fixed term 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 a written notice from us either as a bill message or in separate email or direct mail notification that precedes either the expiration date or the effective date of the proposed changes. We will explain your options to you in these three advanced notifications.

3. Right to Rescind: You may rescind this Agreement without fee or penalty of any kind within three (3) business days of receiving the written disclosure statement. You can rescind this agreement by calling Ambit Energy at (877) 282-6248 from 9:00 a.m. to 7:00 p.m. (ET), Monday - Friday and 10:00 a.m. to 5:00 p.m. (ET), Saturday. You may rescind in writing, orally, or electronically, if available. Please provide your name, address, phone number and a statement that you are rescinding your Agreement under the three (3) day Right of Rescission.

4. Basic Service Prices: Your rate for the Initial Term and subsequent Renewal Terms may vary dependent upon price fluctuations in the energy and capacity markets, plus all applicable taxes.

5. Special Terms and Conditions: N/A

6. No Early Cancellation Fee: We will not charge you an early cancellation fee.

7. Dispute Procedures: Contact us with any questions concerning our terms of service. You may call the PUC if you are not satisfied after discussing your terms with us.

Contact Information:

Energy Generation Supplier Name:

Ambit Energy

Address:

P. O Box 864589, Plano, TX 75086

Phone Number:

(877) 282-6248

Internet Address:

www.ambitenergy.com

Electric Distribution Company and Provider of Last Resort:

Penelec

Address:

P.O. Box 3687, Akron, OH 44309-3687

Phone Number:

(800) 663-4766

Electrical Outage:

(800) 545-7741 [outage: (888) 544-4877]

Utility Choice Hotline:

(800) 692-7380

Pennsylvania Public Utility Commission

P.O. Box 3265, Harrisburg, PA 17105-3264

Electric Competition Hotline:

(888) 782-3228

Home Energy Assistance:

LIHEAP www.compass.state.pa.us