



# Consultant Sale or Transfer Form

Please complete all forms, have buyer initial where indicated and submit all documents to:

Ambit Energy  
Attention: Field Compliance  
6555 Sierra Drive  
Irving, TX 75039

**SALE, TRANSFER OR ASSIGNMENT OF AMBIT BUSINESS.** To ensure compliance with applicable law, and subject to Ambit's prior review and approval, which Ambit may grant in its sole discretion exercised in good faith, a Consultant may sell or transfer his/her Consultant position to an individual, partnership, trust or corporation. If a Consultant desires to sell or transfer his/her Consultant position to an individual, partnership, trust or corporation, the Consultant must use the Sale/Transfer Form available online through PowerZone.

A Transfer is a change in name and/or identification number in which the Consultant still retains financial interest in the Consultant position upon completion of the transfer. Some examples of transfers are: transfer from one spouse to the other spouse; transfer from an individual to a corporation, trust or partnership or vice versa, in which the transferor or any individuals having an interest therein still retains a financial interest; and transfer from Social Security number to FEIN or vice versa. In all cases, the transferor retains a financial interest/ownership interest after the transfer. A Sale is a change in which the individual(s) selling the Consultant position no longer maintain(s) a financial interest in the Consultant position upon completion of the sale. Ambit reserves the right, in its sole discretion exercised in good faith, to determine a sale versus a transfer.

Ambit will not approve any Sale or Transfer of a Consultant position for which Ambit receives a Notice of Levy from the Internal Revenue Service or a court-ordered garnishment (e.g., child support) against the transferring position. Ambit will also revoke any Sale or Transfer of a Consultant position that occurs within a 60-day period in which Ambit receives a Notice of Levy from the Internal Revenue Service or a court-ordered garnishment. Ambit also will not approve any Sale or Transfer of a Consultant position that involves a Consultant currently under investigation. Affiliate Consultants are ineligible to Sell or Transfer their Consultant position.

Vested Consultants understand and agree that their vested status will be revoked upon Sale of their Consultant position(s) and that the buyer of the position(s) must meet all requirements of Ambit's Compensation Plan to earn under the Compensation Plan from the date of the purchase.

Once the Sale or Transfer of a position has been completed, the transferring Consultant may not operate or have a financial interest in another Consultant position for six months from the date of the Sale or Transfer.

Affiliate Consultants are ineligible to sell or transfer their Consultant position.

Ambit reserves the right, at its sole option and discretion, to determine a sale versus a transfer. A Sale/Transfer Form can be obtained online by downloading it from PowerZone. Ambit will not approve any sale or transfer of a Consultant position for which Ambit receives a Notice of Levy from the Internal Revenue Service or a court-ordered garnishment (e.g., child support) against the transferring position. Ambit will also revoke any sale or transfer of a Consultant position that occurs within a 60-day period in which Ambit receives a Notice of Levy from the Internal Revenue Service or a court-ordered garnishment. Ambit also will not approve any sale or transfer of a Consultant position that involves a Consultant currently under investigation. Any position purchased begins vesting requirements from the date of the purchase. Once the sale or transfer of a position has been completed, the transferring Consultant may not operate or have a financial interest in another Consultant position for six months from the date of the sale or transfer.

The New Owner must submit the following required documents with this letter:

## **INDIVIDUALS:**

To become a new Consultant as an individual, you must provide Ambit with the following:

- A completed Consultant Agreement
- A completed IRS Form W-9

## **CORPORATIONS:**

To become a new Consultant as a corporation, or to change the status of a Consultant position to a corporation, you must provide Ambit with the following:

- An executed Consultant Agreement completed by an authorized officer of the corporation
- A copy of the Articles of Incorporation file-stamped by the Secretary of State in the state of incorporation
- Full name, address and Social Security number of: (1) each shareholder of the corporation who owns more than 5% of the outstanding stock of the corporation; (2) each officer of the corporation; and (3) each director of the corporation. A copy of the official notification from the Internal Revenue Service issuing the Federal Employer Identification Number (FEIN) for the corporation
- A copy of the corporate resolution authorizing the corporation to enter into the Consultant Agreement
- Letter of Designation from the corporation designating one individual, who must be at least 18 years of age, as the responsible party for the corporation's operations and sales

## **PARTNERSHIPS:**

To form a Consultant partnership, or to change the status of a Consultant position to a partnership, you must provide Ambit with all of the following:

- A completed Consultant Agreement
- A copy of the Partnership Agreement executed by all partners
- Full name, address and Social Security number of each partner
- A copy of the official notification from the Internal Revenue Service issuing the FEIN for the partnership
- A copy of the consent of the partnership to enter into the Consultant Agreement with Ambit
- A letter of designation from the partnership designating one individual, who must be at least 18 years of age, as the responsible party for the partnership's operations

## **TRUSTS:**

To become a new Consultant as a trust, or to change the status of a Consultant position to a trust, you must provide Ambit with all of the following:

- Completed Consultant Agreement signed by all trustees of the trust
- A complete copy of the trust agreement
- Full name, address and Social Security number of all trustees and beneficiaries
- A copy of the official notification from the Internal Revenue Service issuing the FEIN for the trust
- Letter of designation from the trustees designating one individual, who must be at least 18 years of age, as the responsible party for the trust's operations and sales

It is not permissible for any trustee or beneficiary of a trust applying as a Consultant trust to have been an Ambit Consultant: (1) as an individual, (2) as a partner of an Consultant partnership, (3) as a stockholder, officer or director of a Consultant corporation, or (4) as a trustee or a beneficiary of another Consultant trust, within six calendar months preceding the execution of the trust Consultant agreement.

Buyer's Initials \_\_\_\_\_



# Current Consultant Information Checklist

Fields marked with \* are required

\*Current Name: \_\_\_\_\_ \*Consultant ID#: \_\_\_\_\_

Telephone: \_\_\_\_\_ Facsimile: \_\_\_\_\_

# New Consultant Information Checklist

**(You must be 18 years of age or older to become a Consultant)** Fields marked with \* are required. This form is a guide to ensure your new Consultant has the information needed for enrollment

\*First Name: \_\_\_\_\_ \*Last Name: \_\_\_\_\_ \*SSN# \_\_\_\_\_

Business Name: \_\_\_\_\_ FID# (required if Business Name supplied) \_\_\_\_\_

\*Date of Birth: (mm/dd/yyyy) \_\_\_\_\_ \*Email: \_\_\_\_\_

\*Home Phone: \_\_\_\_\_ Business Phone: \_\_\_\_\_ Mobile Phone: \_\_\_\_\_

Personal Energy Account Number (if applicable): \_\_\_\_\_

### Shipping Address (No PO Boxes allowed for Shipping Address)

\*Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

\*City: \_\_\_\_\_ \*State: \_\_\_\_\_ \*Zip: \_\_\_\_\_

Note: Shipments to Puerto Rico have an additional charge of \$35 and shipments to the Virgin Islands have an additional charge of \$100.

### PowerZone Access

PowerZone is Ambit's online office available to all Ambit Marketing Consultants. Please specify a password for your PowerZone Account.

**Password:** \_\_\_\_\_

### Personal Website

Obtain your own Ambit Energy Personal Website for only \$29.95 per month. It's a powerful business-building tool! It only takes a few minutes to build and publish.

#### Personal Website: \$29.95/Month (Plus tax)

#### Personalize Your Domain

Personalize your domain by choosing a unique web handle. Your web handle can be any single word or phrase you want including your name. It's best to keep your web handle simple and memorable so your prospects can find your site easily. Web handles are limited to 20 characters and cannot include spaces or punctuation. <http://yourwebsites.myambit.com>.

**First choice:** \_\_\_\_\_ **Second Choice:** \_\_\_\_\_ **Third Choice:** \_\_\_\_\_

YOUR FIRST AVAILABLE CHOICE WILL BE RESERVED.

**Buyer's Initials** \_\_\_\_\_



## Independent Consultant Application

1. I, the undersigned applicant, am at least 18 years of age and therefore of legal age in the state in which the Agreement, including this Application, has been executed by me.
2. The "Agreement" is a fully integrated agreement composed of this Application, the Ambit Policies and Procedures ("Policies"), the Ambit Compensation Plan, and the Privacy Policy, all of which are incorporated herein. Except as expressly provided in the Agreement, in the event of a conflict between any document in the Agreement, the following order of priority shall control: first the Policies, then the Privacy Policy, then the Application, and then the Compensation Plan.
3. The Agreement constitutes the final, exclusive and complete agreement between you and Ambit Marketing, LLC (herein "Ambit" or the "Company") regarding the subject matter hereof and no other additional promises, representations, guarantees, or agreements regarding the subject matter hereof shall be valid unless in writing and signed by an authorized officer of Ambit. You agree that Ambit has not made and is not making any representations or warranties whatsoever regarding the subject matter of the Agreement, express or implied, except as explicitly stated in the Agreement, and that you are not relying, and have not relied, on any representations or warranties whatsoever regarding the subject matter of this Agreement, express or implied, except for the representations and warranties in the Agreement.
4. I agree that my relationship with Ambit as an Independent Consultant ("Consultant") is that of a contracting independent contractor; and that I alone determine the nature and extent of my activities and hours. I am not an agent, legal representative, or employee of any Ambit-related entity including Ambit's ultimate parent company and its related subsidiaries and affiliates (collectively, the "Ambit Companies") and I will not represent that I am otherwise to any third party. I understand that I may not make purchases or enter into any agreements that will bind the Ambit Companies or its suppliers in any way whatsoever. I am responsible for the payment of all federal and state self-employment taxes and any other tax required under any federal, state or regulatory or taxing agency.
5. I understand that I am not required to become an Ambit Energy Customer in order to become a Consultant. If I choose to become an Ambit Energy Customer, I agree to abide by my Agreement with Ambit Energy ("My Ambit Energy Agreement") and pay for the electric services provided by Ambit Energy under My Ambit Energy Agreement. If I fail to pay for service provided under My Ambit Energy Agreement, then Ambit may cancel this Agreement and/or apply any compensation, including commissions, due to the complete satisfaction of the unpaid balance owed to Ambit Energy.
6. I acknowledge that I have received and read in full the Policies, which are fully incorporated herein and are part of the fully integrated Agreement. I agree to abide by and act in accordance with the Policies, together with all changes thereto.
7. Ambit may from time to time amend or modify the Agreement, as provided in the Policies. No amendment or modification shall change the independent contractor status of any Consultant.
8. I understand that disputes between myself and Ambit (including the Related Parties) are subject to the **MANDATORY INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER** found in Section 10.4 of the Policies.
9. As a Consultant, I understand that my primary emphasis is to obtain energy Customers who are not also Consultants. I also understand that those Customers must reach active status within specified time frames and remain active throughout the pay period as a condition of my receipt of commissions. I further understand and agree that the Customers I enroll on Ambit service are deemed to be the Customers of Ambit Companies and not my own.
10. I understand that the regulations of the state(s) in which I market may require that Ambit conduct a criminal background check on me. I agree to authorize Ambit to conduct a criminal background check, if required, using an outside agency. I understand that a criminal conviction is not necessarily a bar to my enrollment as a Consultant. If Ambit requires me to undergo a criminal background check, I agree to pay the associated fee.
11. I hereby acknowledge and agree to fully explain all information regarding Ambit's products and/or services required by law, rules or regulations to each potential Customer prior to marketing such products and/or services to such Customer. Information to explain includes, but is not limited to, product rates and terms, cancellation policy, and any associated fees.
12. I represent and affirm to Ambit that I have not received any representation or statement from Ambit or any other person, upon which I have relied in entering into this Agreement, to the effect: that the business may, can, or will generate income, or be profitable; that new markets and services will be available in the future; or that Ambit will reimburse any financial loss that may occur.
13. I understand that I may cancel the Agreement in accordance with the terms of the Policies.
14. I understand that I may cancel this transaction, without penalty or obligation, for a full refund, within three (3) business days from the date of this Agreement, exclusive of the date of signing; or if processed electronically, the date this Agreement is submitted to Ambit for processing. If I cancel, I must return at my own expense any literature or materials I have received from Ambit in usable condition. To cancel this Agreement, I must mail, via registered or certified mail, return receipt requested, or deliver personally to Ambit a signed, dated copy of a Notice of Cancellation to: Ambit Marketing, LLC, Attention: Consultant Support, 6555 Sierra Drive, Irving, TX 75039.
15. Notwithstanding anything to the contrary contained herein, nothing in this Application prohibits me from reporting possible violations of federal, state, or local law or regulation to any governmental agency (including but not limited to the Department of Justice and the Securities and Exchange Commission), or making other disclosures to, communicating directly with, responding to an inquiry from, or providing testimony before such governmental agency, regarding possible violations of federal, state, or local law or regulation. I am not required to contact the Company regarding the subject matter of any such communications before engaging in such communications. Further, nothing in this Application shall bar or impede in any way my ability to seek or accept any monetary award from any governmental agency.

Buyer's Initials \_\_\_\_\_



must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid).
- Form 1099-DIV (dividends, including those from stocks or mutual funds).
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).
- Form 1099-NEC (nonemployee compensation).
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).
- Form 1099-S (proceeds from real estate transactions).
- Form 1099-K (merchant card and third-party network transactions).
- Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).
- Form 1099-C (canceled debt).
- Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

**Caution:** If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

**By signing the filled-out form**, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);
2. Certify that you are not subject to backup withholding; or
3. Claim exemption from backup withholding if you are a U.S. exempt payee; and
4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and
5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding.** Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a saving clause. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if their stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first Protocol) and is relying on this exception to claim an exemption from tax on their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester;
2. You do not certify your TIN when required (see the instructions for Part II for details);
3. The IRS tells the requester that you furnished an incorrect TIN;
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only); or
5. You do not certify to the requester that you are not subject to backup withholding, as described in item 4 under "*By signing the filled-out form*" above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

## What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

- **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note for ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

- **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or “doing business as” (DBA) name on line 2.

- **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

- **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

- **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner’s name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For

example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

### Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	Limited liability company and enter the appropriate tax classification: P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

### Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

**Note:** A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

### Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).

- 2—The United States or any of its agencies or instrumentalities.
- 3—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.
- 5—A corporation.
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission.
- 8—A real estate investment trust.
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940.
- 10—A common trust fund operated by a bank under section 584(a).
- 11—A financial institution as defined under section 581.
- 12—A middleman known in the investment community as a nominee or custodian.
- 13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
<ul style="list-style-type: none"> <li>• Interest and dividend payments</li> </ul>	All exempt payees except for 7.
<ul style="list-style-type: none"> <li>• Broker transactions</li> </ul>	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
<ul style="list-style-type: none"> <li>• Barter exchange transactions and patronage dividends</li> </ul>	Exempt payees 1 through 4.
<ul style="list-style-type: none"> <li>• Payments over \$600 required to be reported and direct sales over \$5,000<sup>1</sup></li> </ul>	Generally, exempt payees 1 through 5. <sup>2</sup>
<ul style="list-style-type: none"> <li>• Payments made in settlement of payment card or third-party network transactions</li> </ul>	Exempt payees 1 through 4.

<sup>1</sup> See Form 1099-MISC, Miscellaneous Information, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i).

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

### Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

### Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have, and are not eligible to get, an SSN, your TIN is your IRS ITIN. Enter it in the entry space for the Social security number. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/EIN](http://www.irs.gov/EIN). Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.





## Consultant Sale or Transfer Form

Current Owner and New Owner are collectively referred to herein as the "Parties" and /or "Party," as appropriate.

The Parties have attached to this Request for Consent a brief description of the transaction to allow Ambit Energy to determine, pursuant to Article 5.6 of Ambit Energy's Policies and Procedures, whether this transaction is a sale, transfer or assignment.

### Proposed Effective Date of Sale, Transfer or Assignment

The effective date must be at least 10 (ten) business days from the date Ambit Energy receives all materials required for consent. The Request for Consent remains subject to review and approval by Ambit Energy, which shall be granted at the sole option and discretion of Ambit. Ambit Energy's decision regarding the consent will not operate as a waiver of any other right, power or privilege held by Ambit Energy nor will any single or partial exercise thereof preclude any other or further exercise of any other right, power or privilege granted to Ambit Energy. Ambit Energy will provide the Parties with an acknowledgment of receipt of all materials required to process the request. If Ambit Energy has not granted its consent to this request prior to the proposed effective date, then such request shall be considered DENIED.

Each of the Parties has received, reviewed and agrees to remain bound by the applicable terms and conditions contained in the following Ambit Energy documents: (1) Policies and Procedures, (2) IC Application and Agreement, and (3) Getting Paid (collectively referred to herein as the "Ambit Documents"). EXCEPT AS PROVIDED IN THE AMBIT DOCUMENTS, AMBIT HEREBY EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THE Consultant POSITION MADE THE SUBJECT OF THIS REQUEST FOR CONSENT, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE OR ANY REPRESENTATION OR WARRANTY REGARDING THE ACCURACY, COMPLETENESS OR MATERIALITY OF ANY INFORMATION, DATA OR OTHER MATERIALS PROVIDED BY OR EXCHANGED BETWEEN THE PARTIES. The Parties agree that, to the extent required by applicable legal requirements to be effective, the disclaimers of warranties by Ambit Energy contained in this paragraph are "conspicuous."

As further consideration for the approval of the sale, transfer or assignment, if granted, the Current Owner expressly acknowledges and agrees the provisions of 4.14 (Nondisparagement) shall remain applicable for a period of one (1) year following execution of this Request for Consent by Ambit Energy.

Current Owner represents and agrees that the provisions of the Nonsolicitation and Nondisparagement provisions are reasonable in order to protect the business and proprietary interest of Ambit Energy and the New Owner. Current Owner further agrees the provisions of those provisions are reasonable as to the duration of time and any geographic limitation therein provided, and represents, acknowledges and agrees that compliance expressly with these two provisions will not be unduly burdensome.

The Parties further agree and acknowledge Ambit Energy has not provided legal or financial advice to either Party to this transfer regarding the merits, price or other terms of the transaction between the Parties. Each Party hereto acknowledges that the Party has had the opportunity to consult independent counsel about the Party's respective rights and remedies prior to requesting this consent from Ambit Energy.

Each party agrees to keep confidential the terms of the underlying transaction, except as shall be mutually agreed on or required by law. The confidentiality provision set forth in Ambit Documents shall survive the approval or denial of consent by Ambit Energy. Each Party shall be responsible for reporting and payment of all taxes arising from the underlying transaction between the Parties.

It is expressly agreed that in no event will Ambit Energy or its Affiliates have any liability to either Party for errors, inconsistencies, loss or

damage arising from the transaction between the Parties underlying this Request for Consent, except where the errors, inconsistencies, loss or damage are the direct result of fraud, gross negligence or willful misconduct on the part of Ambit Energy or its Affiliates. NEITHER AMBIT, NOR ANY OF ITS AFFILIATES, OFFICERS, DIRECTORS, SHAREHOLDERS OR AGENTS OF ANY OF THEM, WILL BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSS OF REVENUES SUFFERED BY THE OTHER PARTY OR FOR ANY CLAIM, DEMAND OR ACTION AGAINST THE OTHER PARTY OR AGAINST ANY OF ITS OFFICERS, DIRECTORS, OWNERS, AFFILIATES AND ASSOCIATES (INCLUDING IN THIS EXCLUSION DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION OR ANY OTHER LOSS EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES).

This Request for Consent may be executed in one or more counterparts for the convenience of the parties hereto, all of which together shall constitute one and the same instrument. The execution and delivery of this Request for Consent by each party also may occur by facsimile, and facsimile signatures or copies of signatures shall have the full force and effect of the original signatures.

This Request for Consent shall be governed by and construed in accordance with the laws of the State of Texas. Exclusive venue for any disputes(s) arising under this Request for Consent shall lie in the federal and state courts of Dallas County, Texas.

NOTE: It is the new owners responsibility, once sale/transfer is approved and completed, to update direct deposit information in PowerZone.

### Agreed, Authorized and Submitted by:

#### Current Owner:

Signature \_\_\_\_\_

Printed \_\_\_\_\_

Name \_\_\_\_\_

Date Signed \_\_\_\_\_

#### New Owner:

Signature \_\_\_\_\_

Printed \_\_\_\_\_

Name \_\_\_\_\_

Date Signed \_\_\_\_\_

#### Consent to Sale, Transfer or Assignment is Hereby:

Granted  Denied

By \_\_\_\_\_

Printed name \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

*Authorized Representative of Ambit Energy*

INTERNAL USE ONLY

Buyer's Initials \_\_\_\_\_





## Important Things... You Should Know

Ambit Energy makes no guarantee or promise of income or business. Results are determined by the efforts of those and by market trends. Earnings represented or implied in Ambit's marketing materials and communications may not be typical and cannot be relied on to represent one's personal results either for current or future earnings. Income, if any, earned from the Ambit's Compensation Plan requires diligence and hard work in several areas including, but not limited to, leadership, recruiting, self-development and dedication. Each Independent Consultant's results will depend up on their own skills, abilities and personal efforts in exercising these qualities. We urge you to study Ambit's compensation plan and talk to your local Ambit Consultant before enrolling. For more information, please review our Consultant Income Disclosure at [goambit.com/disclaimer](http://goambit.com/disclaimer).

Ambit Marketing, LLC (hereafter "Ambit" or the "Company"), is a direct sales company that markets its products through Independent Consultants. It is important to understand that your success and the success of your fellow Consultants depends on the integrity of the men and women who market our products and services.

As agreed upon during enrollment, the Policies and Procedures\*, in their present form and as amended at the sole discretion of Ambit, are incorporated into, and form an integral part of, the Ambit Consultant Agreement. Ambit Consultants are required to comply with all of the Terms and Conditions set forth in the Agreement. Please review the Agreement and Policies and Procedures carefully as they explain and govern the relationship between you, as an independent contractor, and the Company. Log in to PowerZone to download a copy of the Policies and Procedures.

To help you understand and adhere to Ambit Energy's Policies and Procedures, and to help you present the Ambit Business Opportunity fairly and accurately, we have compiled the following list of important facts every Ambit Consultant should know.

The Ambit Compensation Plan is based on the sale of Ambit products and services to end consumers. Consultants must fulfill personal and Downline Organization retail sales requirements (as well

as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement.

**KNOW THE MATERIAL.** Consultants must familiarize themselves with Ambit's Compensation Plan and energy service and will represent those to their Customers and prospective Independent Consultants accurately and without exaggeration. Any claims, representations or statements Consultants make regarding Ambit will be those included in the Ambit literature.

**SLAMMING.** Slamming is the unauthorized switch of a Customer's energy service. Consultants must never switch, or attempt to switch, any individual or entity to Ambit Energy's services unless the person has authorized the transfer and consented to change their service to Ambit in accordance with Ambit's established enrollment process in that state.

**CONSULTANTS NOT TO IMPERSONATE CUSTOMERS.** Consultants are strictly prohibited from representing themselves as the Customer they are enrolling for service. Consultants shall neither perform third-party verification ("TPV") for the Customer nor interfere with TPV by guiding Customer's answers or remaining on the line during the recorded TPV call. Consultants shall not complete enrollment for the Customer, sign documents for the Customer, nor act on behalf of the Customer. If a Consultant is soliciting at a prospective Customer's or Consultant's residence and asked to leave the Consultant must do so immediately.

**TELEMARKETING AND DOOR-TO-DOOR PROHIBITED.** Consultants are prohibited from engaging in telemarketing practices in the operation of their Ambit businesses. Consultants may not use or transmit unsolicited text messages, mass emailings (i.e. slamming) and mass direct methods that advertise or promote Ambit, its products, its Compensation Plan or any other aspect of the Company. Consultants shall not engage in door-to-door marketing in relation to their Ambit Independent Consultant business.

**AMBIT VALUES.** Consultants will uphold the values of Ambit and will not engage in any deceptive, unlawful or unethical consumer or recruiting practice, including any practice that presents a conflict of interest to Ambit's business model, or that may be detrimental

## Important Things... You Should Know

to or reflect poorly on Ambit, the network marketing industry or themselves. Consultants will support and advocate these Policies and Procedures and will respect and adhere to the spirit and intent in which they were written.

**BONUS BUYING.** Bonus buying is strictly and absolutely prohibited. “Bonus buying” includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent Consultant Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Consultant or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Consultants or Customers (“phantoms”); (d) Purchasing Ambit products or services on behalf of another Consultant or Customer, or under another Consultant’s or Customer’s I.D. number, to qualify for commissions or bonuses; and/or (e) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers.

**OTHER NETWORK MARKETING PARTICIPATION.** Ambit Consultants are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively “network marketing”) provided they are not in direct competition with Ambit’s products or services. However, during the term of this Agreement, Consultants may not directly or indirectly recruit other Ambit Consultants or Customers for any other network marketing business.

**REGULATORY AGENCIES.** Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Consultants shall not represent or imply that Ambit or its Compensation Plan have been “approved,” “endorsed” or otherwise sanctioned by any government agency.

**AMBIT’S RIGHT TO AMEND.** Because federal, state and local laws, as well as the business environment, periodically change; Ambit reserves the right to amend the Agreement and its prices at its sole and absolute discretion. By signing the Consultant Agreement, a Consultant agrees to abide by all amendments or modifications that Ambit elects to make. With the exception of amendments to or termination of Section 9.2.2 Arbitration, which are discussed more fully in the complete Policies and Procedures document, amendments shall be effective upon notice to all Consultants that the Agreement has been modified.

**USE APPROVED MARKETING MATERIALS ONLY.** Ambit Energy requires all Consultants to use only corporate-approved marketing materials. You can find all current corporate-approved marketing materials in PowerZone. Only materials found in PowerZone are pre-approved for your use. You may also create your own marketing materials. You must forward any marketing materials you have created to Ambit Energy’s Marketing Communications Team for approval prior to use at marketingteam@ambitenergy.com. You are free to use such materials once the Marketing Communications Team has approved them. Submission does not constitute approval. You may not use or publish such materials until you receive approval from the Marketing Communications Team via email or postal mail.

**AMBIT ENERGY DOES NOT DISCRIMINATE.** Ambit Energy does not discriminate or deny service to anyone based on gender, race or income.

**PROVIDE EACH PROSPECTIVE CUSTOMER WITH AMBIT ENERGY’S TERMS OF SERVICE PRIOR TO ENROLLMENT.** It is your responsibility as an Ambit Independent Consultant to ensure the Customers you enroll are fully informed of the terms of their agreement with Ambit Energy. Every time you enroll a Customer you must ensure they receive a copy of the Terms of Service prior to enrollment. Copies of the Terms of Service for gas and electric Customers are available on Ambit Energy’s corporate website and are provided to all Customers who enroll online.

**CUSTOMER DOES NOT MEAN CONSULTANT.** As a reminder, you are not required to sign up as a gas or electric supply Customer of Ambit Energy just because you are a Consultant. In addition, a gas or electric supply Customer is not required to become an Ambit Independent Consultant in order to receive gas or electric supply from Ambit Energy. We require you, as an Ambit Independent Consultant, to keep the distinction between gas or electric supply Customers and Consultants separate and distinct. When contacting prospective gas or electric supply Customers as an Ambit Independent Consultant, you are required to inform each prospective Customer that they are not required to become a Consultant in order to receive gas or electric service from Ambit Energy.

These “Important Things You Must Know” does not cover everything that you agreed to when you enrolled as a Consultant. Every Consultant must fully comply with all requirements and understand Ambit’s expectations for its Consultants.

## Important Things... You Should Know

**CERTIFICATION REQUIREMENTS.** All Ambit Independent Consultants must be certified to conduct business. The certification process helps protect you and your fellow Consultants by ensuring you are familiar with regulations, Ambit's products and the company's commitment to doing business the right way. Study materials and a brief Certification test are available in Ambit University under the Business Basics tab. Certification typically takes a few minutes and you may take the test until you pass. You can only sign up one gas and one electric Customer prior to completing your certification process. After certification, you will be able to sign up additional gas and electric Customers. Most Ambit markets are covered by the United States Enrollment Certification; however, some states and products require additional certification. You can learn more about Certification from Ambit University.

### IMPORTANT THINGS TO KNOW FROM THE DSA

#### A consumer will expect you as a Consultant to:

- Tell them who you are, why you're approaching them and what products you are selling.
- Promptly end a demonstration or presentation at their request.
- Provide a receipt with a clearly stated cooling off period permitting the consumer to withdraw from a purchase order within a minimum of three days from the date of the purchase transaction and receive a full refund of the purchase price.
- Explain how to return a product or cancel an order.
- Provide them with promotional materials that contain the address and telephone number of the direct selling company.
- Provide a written receipt that identifies the company and salesperson, including contact information for either.
- Respect their privacy by calling at a time that is convenient for them.
- Safeguard their private information.
- Provide accurate and truthful information regarding the price, quality, quantity, performance, and availability of their product or service.

- Offer a written receipt in language they can understand.
- Offer a complete description of any warranty or guarantee.

#### As a Consultant, you should expect Ambit Energy as a DSA member company to:

- Provide you with accurate information about the company's compensation plan, products, and sales methods.
- Describe the relationship between you and the company in writing.
- Be accurate in any comparisons about products, services or opportunities.
- Refrain from any unlawful or unethical recruiting practice and exorbitant entrance or training fees.
- Ensure that you are not just buying products solely to qualify for downline commissions.
- Ensure that any materials marketed to you by others in the sales force are consistent with the company's policies, are reasonably priced and have the same return policy as the company's.
- Require you to abide by the requirements of the Code of Ethics.
- Safeguard your private information.
- Provide adequate training to help you operate ethically.
- Base all actual and potential sales and earnings claims on documented facts.
- Encourage you to purchase only the inventory you can sell in a reasonable amount of time.
- Repurchase marketable inventory and sales aids you have purchased within the past 12 months at 90 percent or more of your original cost if you decide to leave the business.
- Explain the repurchase option in writing.
- Have reasonable start-up fees and costs.