



Consultant Policies and Procedures

TABLE OF CONTENTS

Pg 2 | **SECTION 1: CODE OF ETHICS**

Pg 4 | **SECTION 2: PURPOSE OF THE AGREEMENT**

Pg 4 | **SECTION 3: BECOMING A CONSULTANT**

Pg 5 | **SECTION 4: OPERATING AN AMBIT BUSINESS**

Pg 8 | **SECTION 5: BUSINESS ENTITIES, TRANSFERS AND CHANGES**

Pg 10 | **SECTION 6: CONFIDENTIAL INFORMATION**

Pg 10 | **SECTION 7: CONFLICTS OF INTEREST**

Pg 12 | **SECTION 8: PROHIBITED ACTIVITIES**

Pg 12 | **SECTION 9: OTHER RIGHTS**

Pg 13 | **SECTION 10: CORRECTIVE MEASURES AND DISPUTE RESOLUTION, INCLUDING MANDATORY INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER**

Pg 16 | **SECTION 11: INACTIVITY AND CANCELLATION**

Pg 16 | **SECTION 12: DEFINITIONS**

THE AGREEMENT

The "Agreement" is a fully integrated agreement composed of this Policies and Procedures ("Policies"), the Ambit Application, the Ambit Compensation Plan, and the Privacy Policy, as they may be amended from time to time pursuant to the procedures set forth herein. These contracts are incorporated by reference into one another and form the parties' integrated Agreement. Except as expressly provided herein, 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.

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.

When sponsoring or enrolling a new Consultant, it is the responsibility of the sponsoring Consultant to ensure that the applicant is provided with, or has online access to, all component parts of the Agreement. Consultants must provide the most current version of the Agreement to individuals whom they are sponsoring to become Consultants before the applicant signs an Application and enters into the Agreement. Additional copies of the Agreement can be downloaded from your Ambit-provided Consultant back office application (PowerZone).

INDIVIDUAL ARBITRATION AND CLASS ACTION WAIVER NOTICE: THE AGREEMENT CONTAINS A MANDATORY INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER, REQUIRING YOU TO RESOLVE ANY DISPUTE (AS DEFINED BELOW) BETWEEN YOU AND AMBIT THROUGH FINAL AND BINDING INDIVIDUAL ARBITRATION, INSTEAD OF IN COURT, AND, TO THE FULLEST EXTENT PERMITTED BY LAW, REQUIRING YOU TO FOREGO ALL JURY TRIALS AND ALL CLASS, COLLECTIVE, CONSOLIDATED, AGGREGATE, MASS, AND REPRESENTATIVE PROCEEDINGS, AND ALL OTHER TYPES OF COURT PROCEEDINGS OF ANY AND EVERY KIND. BY AGREEING TO THE AGREEMENT, YOU EXPRESSLY ACKNOWLEDGE THAT YOU HAVE READ, CAREFULLY CONSIDERED, AND UNDERSTAND ALL OF THE PROVISIONS OF THE INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER PROVISIONS, AND THAT YOU EXPRESSLY AGREE TO BE BOUND THEREBY.

SECTION 1: CODE OF ETHICS

Ambit is guided by core principles that emphasize integrity, excellence, commitment and enthusiasm in all that we do. Everything we do is based on our commitment to improve the lives of our Customers, employees and Independent Consultants (“Consultants”). Consultants will not, in any way, attempt to persuade, induce or coerce another party to breach the Agreement. Any such action is considered a violation of the Agreement. Any questions regarding this Code of Ethics should be directed to Field Compliance at fieldcompliance@ambitenergy.com.

1.1: ADHERENCE WITH LAWS. Consultants will comply with all applicable laws and regulations of every jurisdiction in which they conduct their independent businesses, regardless of whether such laws or regulations are expressly referenced herein.

1.2: DECEPTIVE AND UNLAWFUL RETAIL CONSUMER PRACTICES. To ensure compliance with all applicable laws and regulations, Consultants will not engage in any deceptive, unlawful or unethical retail consumer practices that may be detrimental to or reflect poorly on Ambit.

1.2.1: SLAMMING. Consultants must never switch, or attempt to switch, any individual or entity to Ambit Energy’s services unless the Customer affirmatively and voluntarily made the change by any method approved by the state public service commission.

1.2.2: ENROLLMENT PROHIBITIONS. Consultants must comply with all requirements of the state public service commission to ensure each Ambit Customer enrollment is authorized. Consultants are prohibited from having any of his/her contact information (phone number or email) associated with a Customer account unless: (1) the Consultant has the same residential address as the Customer; or (2) the Consultant provides proof of ownership or other supporting documentation that shows the Consultant as the person authorized to make changes for non-residential addresses. Consultants must comply with all regulatory third-party verification (“TPV”) prohibitions, such as not interfering with the TPV by guiding Customer’s answers and remaining on the line during the recorded TPV call.

1.2.3: CLAIMING TO BE THE CUSTOMER. Consultants are strictly prohibited from holding themselves out as the Customer.

1.2.4: CLAIMS REGARDING PRODUCTS AND SERVICES. Consultants are prohibited from making false, misleading, or potentially misleading claims, representations, or testimonials when offering Ambit’s energy products and services as it is unlawful to do so. To ensure compliance with all applicable laws and regulations, Consultants must submit any materials promoting Ambit’s products and services for review through PowerZone or to Ambit Marketing at MarketingTeam@ambitenergy.com and receive written approval for use of such materials prior to use. Approved materials regarding Ambit’s products and services includes only those materials that: (1) are made available to Consultants through PowerZone; or (2) have been expressly approved in writing by Ambit.

1.3: DECEPTIVE AND UNLAWFUL CONSULTANT PRACTICES. Consultants will not engage in any deceptive, unlawful or unethical Consultant practices that may be detrimental to or reflect poorly on Ambit. As a member of the Direct Selling Association (“DSA”), Ambit and its Consultants are expected to comply with the DSA’s Code of Ethics.

1.3.1: INCOME CLAIMS REGARDING THE AMBIT OPPORTUNITY AND COMPENSATION PLAN. When presenting or discussing the Ambit business opportunity (“Ambit Opportunity”) or Compensation Plan, Consultants may not make income claims, representations, or testimonials (collectively “Income Claims”) that are deceptive. Deceptive Income Claims include any claim, testimonial, statement or other representation, whether written verbal, or oral, that pertains to any of the following in connection with the Ambit Opportunity or Compensation Plan: (1) exaggerated or guaranteed incomes, earnings, or profits; (2) hypothetical, potential, or estimated incomes, earnings, or profits that are in any way misleading; (3) claims that Consultants may earn residual or unlimited income or otherwise replace their income or gain financial freedom; or (4) any other false, untruthful, incomplete or otherwise misleading or potentially misleading information that misrepresents the typical income or earning results of Ambit Consultants. Consultants shall not disclose the amount of any bonus, commission, or other compensation from Ambit or show checks, copies of checks, bank statements, tax statements, or similar financial records. Consultants must make it clear to prospects that financial success in Ambit requires commitment, diligence, effort, financial investment, and sales skill.

1.3.2: LIFESTYLE CLAIMS REGARDING THE AMBIT OPPORTUNITY AND COMPENSATION PLAN. When presenting or discussing the Ambit Opportunity or Compensation Plan, Consultants shall not make deceptive lifestyle claims (“Lifestyle Claims”). Deceptive Lifestyle Claims are claims, representations, or testimonials, whether written verbal, or oral that state or imply that a Consultant can achieve non-typical results. Deceptive Lifestyle Claims include, but are not limited to, any claim, representation, or testimonial that the Ambit Opportunity and/or Compensation Plan will lead to: (1) early retirement or being able to quit one’s job; (2) income equivalent to a full-time career (“career- level income”); (3) a luxury lifestyle; (4) the ability to purchase a home, vacation, or vehicle; or (5) anything similar thereto that misrepresents the typical income or earning results of Ambit Consultants.

1.3.3: AMBIT’S INCOME DISCLOSURE STATEMENT. Consultants shall make available the Income Disclosure Statement (IDS) any time they make permitted claims, representations, or testimonials regarding the Ambit Opportunity or Compensation Plan. The IDS may be made available for review in either electronic or printed form. The IDS can be found at www.goambit.com/disclaimer. Consultants’ disclosure of the IDS must be **CLEAR AND CONSPICUOUS** on all Consultant-created materials, including digital advertising, social media posts, training materials, videos, and website/blog content, regardless of space constraints. The IDS sets reasonable expectations regarding the Ambit Opportunity and Compensation Plan, as well as adherence to consumer protection laws and regulations. Consultants may not alter or verbally embellish the IDS in any way, including but not limited to adding any text.

1.3.4: MANIPULATION OF THE COMPENSATION PLAN. To ensure compliance with the law, Ambit prohibits conduct and action which are, or may be perceived as, manipulation of the Compensation Plan primarily for the purpose of qualifying for incentives, bonuses, advancement, and/or compensation paid by Ambit. This prohibited conduct may include but is not limited to: (i) purchasing and/or paying for Ambit products and services under a Consultant’s account in your downline; or (ii) placing, or encouraging the placement of, orders under Customer accounts in a fraudulent, manipulative, or deceptive manner. Ambit employs robust and consistent monitoring to ensure compliance with this policy. Similarly, Consultants shall not require or encourage other current or prospective Customers or Consultants to make any purchase from, or payment to, any individual or other entity to participate in the Ambit Opportunity other than those purchases or payments identified as recommended or required in official Ambit literature.

1.4: CLAIMS INDEMNIFICATION. Unless expressly contained in official Ambit materials, Consultants are responsible for all claims, representations, and testimonials regarding Ambit, including but not limited to its products, services, business opportunity, and Compensation Plan. Consultants agree to indemnify Ambit, or any other Ambit-related entity including Ambit’s ultimate parent company and its related subsidiaries and affiliates (collectively, the “Ambit Companies”) and any of Ambit’s directors, officers, employees and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by Ambit as a result of the Consultant’s unlawful or unauthorized actions, claims, representations or testimonials. This provision shall survive the termination of the Agreement.

1.5: PROTECTED WHISTLEBLOWER ACTIVITY. Notwithstanding anything to the contrary contained herein, nothing in these Policies prohibits a Consultant 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. A Consultant is not required to contact the Company regarding the subject matter of any such communications before engaging in such communications. Further, nothing in these Policies shall bar or impede in any way a Consultant’s ability to seek or accept any monetary award from any governmental agency.

SECTION 2: PURPOSE OF THE AGREEMENT

Ambit is a direct sales company that markets its products and services to its Customers through 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. To clearly define the relationship that exists between Consultants and Ambit, Ambit has established the Agreement.

2.1: CHANGES TO THE AGREEMENT. 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. In that instance, Ambit will provide thirty (30) days' advance notice of any such amendment via electronic mail and/or the Ambit-provided Consultant back office application (PowerZone). With regard to any such amendment, Consultant agrees that the continuation of your Consultantship, or your acceptance of bonuses or commissions, shall constitute your acknowledgement and acceptance of any and all such amendments, and it shall also constitute adequate consideration to support such amendments, which shall automatically be incorporated into the Agreement as of the effective date. Unless Consultant expressly agrees to such amendment, the amendment will only apply prospectively to disputes that arise after the effective date of such change. A Consultant may opt out of any proposed amendments by canceling his or her Agreement prior to the effective date of such proposed amendments.

Notwithstanding anything to the contrary herein, Consultant agrees that amendments to the Privacy Policy shall be made in accordance with the terms contained therein.

2.2: AGREEMENT AND PROVISIONS SEVERABLE. If any provision of the Agreement, in its current form or as may be amended, is found to be invalid or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed only to the extent necessary to make it enforceable, and to reflect the purpose of the provision as closely as possible. Consultant hereby agrees that the arbitrator or any adjudicator with appropriate jurisdiction pursuant to the Agreement shall enforce the Agreement to its fullest extent, while striking only those provisions, or portions thereof, that are found to be invalid or unenforceable, if any.

2.3: WAIVER. The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of Ambit to exercise any right or power under the Agreement or to insist upon strict compliance by a Consultant with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of Ambit's right to demand strict compliance with the Agreement. Waiver by Ambit can be effectuated only in writing by an authorized officer of the Company. Ambit's waiver of any particular breach by a Consultant shall not affect or impair Ambit's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Consultant. Nor shall any delay or omission by Ambit to exercise any right arising from a breach affect or impair Ambit's rights as to that or any subsequent breach. The existence of any claim or cause of action of a Consultant against Ambit shall not constitute a defense to Ambit's enforcement of any term or provision of the Agreement.

2.4: DELAYS. Ambit shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, curtailment of a party's source of supply or government decrees or orders.

SECTION 3: BECOMING AN CONSULTANT

3.1: REQUIREMENTS TO BECOME A CONSULTANT. To become an Ambit Consultant, each applicant must:

- Be of the age of majority in his or her state of residence;
- Reside in the United States or U.S. Territories or country that Ambit has officially announced is open for business;
- Have a valid Social Security or Federal Tax ID number;
- Submit a properly completed Consultant Application to Ambit; and
- Provide separate authorization for Ambit to conduct a criminal background check if required by the regulations of the state(s) in which you will be marketing. Consultants and prospective Consultants will be required to pay the cost of the criminal background check if one is required.

3.2: NO PRODUCT PURCHASE REQUIRED. No person is required to purchase Ambit energy or natural gas services to become an Consultant.

3.2.1: RIGHT OF OFFSET. If the Consultant selects Ambit as the Consultant's retail energy provider, billing must be paid when due. If a Consultant becomes sixty (60) days past due in paying any Ambit bill, Ambit may deduct the amounts owed by the offending Consultant from his or her commission check and may cancel the Agreement. In addition, Ambit may offset any amount owed to Ambit by a Consultant against commissions or other amounts owed to such Consultant by Ambit.

3.3: SECOND-PARTY PURCHASE OF THE AMBIT OPPORTUNITY. Ambit strictly prohibits the purchase of the Ambit Opportunity by anyone other than the entering Consultant. Purchase of the Ambit Opportunity for a Consultant by a second party (including his/her sponsor or any other Consultant) will be disciplined up to and including cancellation of the Agreement. For the avoidance of doubt, this prohibition includes lending or advancing money to a prospect to begin an independent business or promising reimbursement of any kind to the prospective Consultant. A Consultant must pay with his/her own credit card.

3.4: AMBIT INDEPENDENT BUSINESS BENEFITS. Once a Consultant Application has been accepted by Ambit and Consultant receives any required certifications, the Consultant receives the right to:

- Sell Ambit products and services;
- Participate in the Ambit Opportunity and Compensation Plan (receive bonuses and commissions, if eligible);
- Sponsor other Consultants into the Ambit business and, thereby, build a marketing organization that sells Ambit products and services;
- Receive periodic Ambit literature and other Ambit communications;
- Receive access to Ambit Confidential Information, including, for example, Downline Activity Reports;
- Participate in Ambit-sponsored support, service, training, motivational and recognition functions, upon payment of

appropriate charges, if applicable; and

- Participate in promotional and incentive contests and programs sponsored by Ambit for its Consultants.

3.5: TERM AND RENEWAL OF YOUR AMBIT BUSINESS. A Consultant's Agreement will remain in force so long as the Consultant does not voluntarily cancel his or her Agreement or the Agreement does not become involuntarily cancelled.

3.6: PROCESSING FEE. Ambit reserves the right to charge a service fee for each paper commission check that a Consultant receives. This fee will not apply to Consultants who sign up for direct deposit or other payment methods made available by Ambit.

SECTION 4: OPERATING AN AMBIT BUSINESS

4.1: INDEPENDENT CONTRACTOR STATUS. Consultants are independent contractors, and are not employees or officers of Ambit, nor are they purchasers of a franchise or a business opportunity. The agreement between Ambit Marketing, LLC, and its Consultants does not create an employer/employee relationship, agency, partnership or joint venture between the Company and the Consultant. The Consultant has no authority (expressed or implied) to bind the Company to any obligation. Consultants shall not hold themselves out as employees or affiliates of the Ambit Companies. Each Consultant shall establish his or her own goals, hours and methods of sale, so long as he or she complies with the terms of the Agreement and applicable laws.

The names of Ambit Energy, Ambit and other names as may be adopted by Ambit, are proprietary trade names, trademarks and service marks of Ambit. As such, these marks are of great value to Ambit and are supplied to Consultants for their use only in an expressly authorized manner. Use of the Ambit name on any item not produced by the Company is prohibited, except as follows: • Consultant's Name • Independent Ambit Consultant. All Consultants may list themselves as an "Independent Ambit Consultant" in a telephone directory under their own name using only a personal email address, personal website and personal contact information. Consultants are prohibited from listing any and all Ambit Energy or Ambit Marketing contact information in any directory. No Consultant may place telephone directory display ads using Ambit's name or logo. Consultants may not answer the telephone by saying "Ambit," "Ambit Incorporated" or in any other manner that would lead the caller to believe that he or she has reached the corporate offices of Ambit.

4.1.1: INCOME TAXES. A Consultant shall not be treated as an employee for his or her services or for federal or state tax purposes. Each Consultant is responsible for paying local, state and federal taxes on any income generated as a Consultant. If a Consultant is tax-exempt, the appropriate documentation, including the Federal Tax Identification Number, must be provided to Ambit. Every year, Ambit will provide an IRS Form 1099-misc (Nonemployee Compensation) to each U.S. resident who, in the previous year: (i) had earnings of over \$600; (ii) made purchases during the previous calendar year in excess of \$5,000; or (iii) was subject to backup withholding.

4.2: PRODUCT SALES. The Ambit Opportunity, including the Compensation Plan, is based on the sale of Ambit products and services to end-consumers. Consultants must fulfill the requirements contained in the Compensation Plan (as well as those set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement.

4.3: NO TERRITORY RESTRICTIONS. There are no exclusive territories granted to anyone. No franchise fees are required.

4.4: IDENTIFICATION. Every Ambit Consultant will be assigned a unique identification number "code" that will become their identification number and will be used in all correspondence. Every Ambit identification number must have a corresponding tax ID number provided by the Consultant during the application process. Only Social Security numbers or FEINs issued by the Social Security Administration or Internal Revenue Service, for use by the individual or organization filling out the Consultant Application, will be accepted. Providing false or invalid Social Security numbers or FEINs to Ambit will subject a Consultant to cancellation. All identification numbers will be kept strictly confidential, except where properly and legally required.

4.5: NAMING YOUR CONSULTANT BUSINESS. The name of a Consultant position is determined by the name identified on the Consultant Application. No other name may be used in conjunction with a Consultant business. To alter the Consultant name (including the addition or deletion of a spouse, a change in last name, creating a D.B.A., "Doing Business As," or any other name change), the Sale/Transfer Packet must be used. In these cases, the \$45 administrative fee will be waived. Using a name other than the one appearing on the Consultant account is strictly prohibited.

4.6: INSURANCE. Ambit does not offer any form of insurance to its Consultants, but Consultants are free to arrange their own.

4.7: CHANGE OF ADDRESS, TELEPHONE AND E-MAIL ADDRESSES. Consultants must report any change of address, email address or telephone number by contacting Consultant Support at (i) Consultantsupport@ambitenergy.com or (ii) Ambit Marketing, LLC, Attention: Consultant Support, P.O. Box 864589, Plano, TX 75086. Written notification of an address change must be signed by all parties when a position is owned by more than one individual (e.g., husband and wife).

4.8: CYBERSECURITY INCIDENT NOTIFICATION. To ensure compliance with the law, if a Consultant becomes aware of an actual or suspected act or omission that compromises or results in any accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to any Privacy Data (as defined below) (each such actual or suspected act or omission, a "Data Breach"), the Consultant shall notify Ambit in writing at (i) fieldcompliance@ambitenergy.com or (ii) Ambit Energy, Attention: Field Compliance, 6555 Sierra Drive, Irving TX 75039, of each Data Breach without undue delay (but in no event later than 24 hours after becoming aware of the Data Breach) and provide Ambit with such information regarding each Data Breach as Ambit reasonably requires without undue delay (but in no event later than 24 hours after receiving a request from Ambit for information regarding the Data Breach). The Consultant agrees to fully cooperate with Ambit in the Company's handling of each Data Breach, including any investigation, inquiry, public disclosure or other obligations required by applicable law or regulation or as otherwise required by the Company, and will work with Ambit to otherwise respond to and mitigate any damages caused by each Data Breach. The Consultant shall not notify any third party of any Data Breach without Ambit's prior, written authorization.

"Privacy Data" means all data a Consultant receives from or on behalf of Ambit in connection with the offering of Ambit's energy products and services or otherwise obtained in connection with this Agreement and the activities and

transactions contemplated thereby, including the Confidential Information, as well as any information related to any identified or identifiable natural or legal person, such as Ambit's employees, Customers, subcontractors, or any other third party, including sensitive financial information, such as credit card and bank account information, and any other additional data deemed as personal data under applicable laws.

4.9: ADVERTISING. All Consultants shall safeguard and promote the good reputation of Ambit and its products. The marketing and promotion of Ambit, the Ambit Opportunity, the Compensation Plan and Ambit products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

4.9.1: CONSULTANT WEBSITES. The Ambit Personal Website is a personalized online store through which Ambit Consultants may promote and market Ambit's products and services and the Ambit Opportunity. Consultant Personal Website Addresses (URLs) and all subdomains of a Personal Website address are wholly owned by Ambit.

4.9.1.1: LINKS TO AN AMBIT WEBSITE. Personal website subscribers are granted a limited, non-exclusive right to create a hypertext link to the subdomain provided by Ambit that designates the Consultant's personal store (example: www.<uniquename>.joinambit.com/), provided such link does not portray Ambit (including the Ambit Companies) or its products and services in a false, misleading, derogatory or otherwise defamatory manner. Also, a Consultant cannot create an impression that any subdomain is part of his or her own or other non-Ambit-maintained site.

Frames or framing techniques cannot be used to enclose any Ambit trademark, logo or proprietary information, including the images found at this website and the content of any text of the layout/design of any page or form contained on a page without Ambit's express written consent. Except as noted above, Ambit Consultants are not conveyed any patent, trademark, copyright or proprietary right of Ambit, the Ambit Companies, or any third party.

4.9.2: BANNER ADVERTISING. From time to time, Ambit makes banner ads and other online advertising tools available to Consultants through PowerZone. These tools may be used by Consultants to promote Ambit services and the Ambit Opportunity, provided that the Consultant otherwise complies with the terms of the Agreement. As with any Ambit online promotions, these tools may not be placed on websites or linked to websites or URLs that are obscene, pornographic or otherwise harmful to Ambit's reputation.

4.9.3: USE OF INDEPENDENTLY PRODUCED MATERIALS. Provided Consultants comply with the terms of the Agreement, Ambit allows its Consultants to place approved advertising on the Internet to promote the Ambit Opportunity and Ambit's products and services.

4.9.3.1: INDEPENDENTLY PRODUCED WEBSITES. **INDEPENDENTLY PRODUCED WEBSITES.** Any websites (or URLs designating these websites) on which such advertisements or links are placed may not be obscene, pornographic, racist or otherwise deemed harmful to Ambit's reputation as determined by Ambit.

In order to ensure compliance with applicable consumer protection laws, other than through an Ambit-provided Consultant Personal Website, Ambit Consultants are prohibited

from using websites to take orders for the Ambit Opportunity or for Ambit products and services.

4.9.3.2: DOMAIN NAMES. Consultants may not use or attempt to register any of Ambit's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name. For example, www.<your name>.ambit.com.

4.9.3.3: TRADEMARKS AND COPYRIGHTS. Ambit will not allow the use of its trade names, trademarks, designs or symbols by any person, including Ambit Consultants, without its prior, written permission. Consultants may not produce for sale or distribution any recorded Company events and speeches without written permission from Ambit, nor may Consultants reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

4.9.4: KEYWORD ADVERTISING. Consultants may not engage in keyword advertising using the trademarks of Ambit, any competitor of Ambit (such as, for example, Pennywise, Reliant, ConEdison, National Grid, etc.) or other keywords that are obscene, pornographic, political or otherwise harmful to Ambit's reputation or business.

4.9.5: UNSOLICITED MAIL OR EMAIL. To comply with applicable laws, rules and regulations, Consultants may not send unsolicited commercial mail or emails related to Ambit, Ambit products or services, or the Ambit Opportunity, unless such mail or emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN-SPAM Act. Any mail or email sent by a Consultant that promotes Ambit, Ambit products or services, or the Ambit Opportunity, must comply with the following:

- There must be a functioning return mail or email address that goes to the sender.
- There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).
- The mail or email must include the Consultant's physical mailing address.
- The mail or email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- The use of deceptive headlines, subject lines and/or false header information is prohibited.
- All opt-out requests, whether received by email or regular mail, must be honored. If a Consultant receives an opt-out request from a recipient of an email, the Consultant must forward the opt-out request to the Company.

Ambit may periodically send commercial emails on behalf of Consultants. By entering into the Agreement, a Consultant agrees that the Company may send such emails and that the Consultant's physical and email addresses will be included in such emails as outlined above. Consultants shall honor opt-out requests generated as a result of such emails sent by the Company.

4.9.6: TELEMARKETING TECHNIQUES. The Federal Trade Commission ("FTC") and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although Ambit does not consider Consultants to be "telemarketers" in the traditional sense of the word, these

government regulations broadly define the term “telemarketer” and “telemarketing” so that your inadvertent action of calling or texting someone whose telephone number is listed on the federal “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000 per violation).

Therefore, Consultants must not engage in telemarketing in the operation of their independent Ambit businesses. The term “telemarketing” means the placing of one or more telephone calls or texts to an individual or residence to induce the purchase of an Ambit product or service. “Cold calls” or texts made to prospective Customers that promote Ambit’s products or services constitute telemarketing and are prohibited. However, telephone calls or texts placed to a prospective Customer (a “prospect”) are permissible under the following situations:

- If the Consultant receives written and signed permission from the prospect authorizing the Consultant to call. The authorization must specify the telephone number(s) that the Consultant is authorized to call.
- You may call family members, personal friends and acquaintances. An “acquaintance” is someone with whom you have, at least, a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you make a habit of “card collecting” with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling “acquaintances,” you must make such calls on an occasional basis only and not make this a routine practice.
- In addition, Consultants shall not use or contract with a third party to use automatic telephone-dialing systems (for calls or texts) relative to promoting Ambit’s products or services. The term “automatic telephone dialing system” means equipment which has the capacity to: (i) store or produce telephone numbers to be called using a random or sequential number generator; and (ii) to dial such numbers.

4.9.7: DOOR-TO-DOOR MARKETING. Because Consultants must adhere to all applicable laws, rules, and regulations of every jurisdiction in which they conduct their independent businesses, and because regulations on door-to-door marketing vary widely between jurisdictions and are continually changing, Consultants shall not engage in door-to-door marketing in relation to their Ambit Consultant business.

4.9.8: TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS. Consultants may display and/or sell Ambit services at trade shows and professional expositions.

4.10: CUSTOMER WITHOUT A DESIGNATED CONSULTANT. A Consultant may claim a Customer who lacks a designated Consultant when all three of the following criteria are met: (i) the Consultant can provide the name and Ambit account number of the Customer; (ii) the request is made within seven (7) days of the Customer’s enrollment date; and (iii) the Customer is in Pre-verification, Pending or Active status. Ambit management may authorize, at its discretion, a Consultant to claim a Customer without meeting all of the above criteria if there is a data entry mistake, system error, or similar event that impedes or prohibits the Consultant from meeting the criteria.

4.11: SPONSORING. All active Consultants in good standing have the right to sponsor and enroll others into Ambit in accordance with the Agreement.

Each prospective Customer or Consultant has the ultimate right to choose his or her own Sponsor. If two Consultants claim to be the Sponsor of the same new Consultant or Customer, the Company shall regard the first application received by the Company as controlling.

4.11.1: CHANGE OF SPONSOR. Maintaining the integrity of sponsorship is critical for the success of every Consultant and marketing organization. Accordingly, the transfer of an Ambit business or Customer account from one sponsor to another is not permitted, unless the Consultant or Customer voluntarily cancels his or her Ambit business or service or remains inactive for six full calendar months. Following the six-month period, the former Consultant or Customer may reapply under a new sponsor. In cases in which an improper sponsor change has occurred, to protect the integrity of the Ambit Opportunity and to ensure compliance with applicable laws, Ambit reserves the right to determine the final disposition of the downline organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched sponsors is often extremely difficult. Therefore, CONSULTANTS WAIVE ANY AND ALL CLAIMS AGAINST AMBIT THAT RELATE TO, OR ARISE FROM, AMBIT’S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.

4.11.2: CHANGE OF SPONSOR RESULTING FROM TRANSFERS OR SALES. Section 4.11.1 above shall not apply in the event of Ambit’s approval of the transfer or sale of a Consultant’s Ambit organization under the Agreement. Section 5.6.1 provides procedures for notifying Consultants and Customers of changes in sponsorship resulting from Ambit’s approval of a transfer or sale under Section 5.6.

4.12: ERRORS OR QUESTIONS. If a Consultant has questions about or believes any errors have been made regarding commissions, bonuses, downline activity reports or charges, the Consultant must notify Ambit in writing within thirty (30) days of the date of the purported error or incident in question.

4.13: REPORTS. All information provided by Ambit in online or telephonic downline activity reports, including, but not limited to, personal and group sales volume (or any part thereof) and downline sponsoring activity, is believed to be accurate and reliable. Nevertheless, due to various factors including, but not limited to: the inherent possibility of human and mechanical error; the accuracy, completeness and timeliness of orders; denial of credit card and electronic check payments; returned products; and credit card and electronic check chargebacks, the information is not guaranteed by Ambit or any persons creating or transmitting the information.

ALL PERSONAL AND GROUP SALES VOLUME INFORMATION IS PROVIDED “AS IS” WITHOUT WARRANTIES, EXPRESSED OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR, BUT WITHOUT LIMITATION, THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE OR NONINFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, AMBIT AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL, IN NO EVENT, BE LIABLE TO ANY CONSULTANT OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF, OR ACCESS TO, PERSONAL AND GROUP SALES VOLUME INFORMATION (INCLUDING, BUT NOT LIMITED TO: LOST PROFITS, BONUSES OR COMMISSIONS; LOSS OF

OPPORTUNITY; AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY OR LOSS OF THE USE OF THE INFORMATION), EVEN IF AMBIT OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, AMBIT OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Allowable exceptions to these requirements are included in 1.5 PROTECTED WHISTLEBLOWER ACTIVITY in these Policies.

Access to and use of Ambit's online reporting services, and your reliance upon such information, is at your own risk. All such information is provided to you "as is." If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to Ambit's online and telephone reporting services and your reliance upon the information.

4.14: NONDISPARAGEMENT. Ambit wants to provide its Consultants with the best products, compensation plan and service in the industry. Accordingly, we value your constructive criticism and comments. All such comments should be submitted to Consultant Support at (i) Consultantsupport@ambitenergy.com or (ii) Ambit Marketing, LLC, Attention: Consultant Support, P.O. Box 864589, Plano, TX 75086. While Ambit welcomes constructive input, negative comments and remarks made in the field by Consultants about the Company, its directors, officers, employees, its products or the Compensation Plan serve no purpose other than to sour the enthusiasm of other, and prospective, Ambit Consultants. For this reason, and to set the proper example for their downline, Consultants must not disparage, demean or make negative remarks about Ambit, other Ambit Consultants, Ambit's products and services, the Ambit Opportunity, or Ambit's directors, officers or employees. Allowable exceptions to these requirements are included in 1.5 PROTECTED WHISTLEBLOWER ACTIVITY in these Policies.

SECTION 5: BUSINESS ENTITIES, TRANSFERS AND CHANGES

5.1: FAMILY BUSINESSES.

5.1.1: ONE AMBIT BUSINESS PER COUPLE. Ambit permits a married couple, regardless of where each lives, to operate only one position in Ambit, unless each individual is sponsored by the same Consultant, or unless each individual had a separate Consultant position prior to marriage. A married couple, by operating as a single Consultant, represent to Ambit that each of them: (i) is bound by the terms of the Agreement; (ii) is responsible for any and all conduct by his or her spouse, even though only one spouse is designated as a Consultant; and (iii) understands that if the spouse of any Consultant acts in a manner that would be a violation of the Agreement, such violation will be attributed to the Consultant position, and thus to both individuals.

5.1.2: FAMILY MEMBERS WITHIN THE SAME HOUSEHOLD. All Consultants and their children, siblings, parents and in-laws residing in the same household may, at the time one or more of them is being sponsored, have one Ambit business. By way of example, a parent and adult child living in the same home may operate one Consultant position or may sign up under the

same sponsor or different sponsors.

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

- An Application completed by an authorized officer of the corporation.
- A copy of the corporate Articles of Incorporation that has been filestamped by the Secretary of State in the state of incorporation.
- Full name, address and Social Security number of: (i) each shareholder of the corporation who owns more than 5% of the outstanding stock of the corporation; (ii) each officer of the corporation; and (iii) 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 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.

If an active Consultant desires to change the status from that of an individual Consultant to that of a corporate Consultant, the Consultant must use the Sale/Transfer Form available online through PowerZone. See "Sale/Transfer of Consultant Position" for more details.

It is not permissible for stockholders, officers and directors of the corporation applying as a Consultant corporation to have been Ambit Consultants—(i) as individuals; (ii) as members of a Consultant partnership; (iii) as a stockholder, officer or director of another Consultant corporation; or (iv) as a trustee or a beneficiary of a Consultant trust—within six (6) calendar months preceding the execution of the Agreement.

5.3: PARTNERSHIPS. To become a new Consultant as a partnership, or to change the status of the partnership, you must provide Ambit with the following:

- A completed Application;
- 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 Agreement; and
- 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.

It is not permissible for any partner applying as a Consultant partnership to have been an Ambit Consultant—(1) as an individual; (2) as a partner of another Consultant partnership; (3) as a stockholder, officer or director of an Consultant corporation; or (4) as a trustee or a beneficiary of an Consultant trust—within six (6) calendar months preceding the execution of the Agreement.

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

- A completed Application 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.

If an active Consultant desires to change status from that of an individual Consultant to that of a trust Consultant, the Consultant must use the Sale/ Transfer Form available online through PowerZone.

It is not permissible for any trustee or beneficiary of a trust applying as an Consultant trust to have been an Ambit Consultant—(i) as an individual; (ii) as a partner of a Consultant partnership; (iii) as a stockholder, officer or director of a Consultant corporation; or (iv) as a trustee or a beneficiary of another Consultant trust—within six (6) calendar months preceding the execution of the trust Agreement.

5.5: BUSINESS ENTITY CHANGES MAY NOT RESULT IN SPONSOR CHANGES. To prevent the circumvention of Section 5.6 (regarding transfers and assignments of an Ambit business), if an additional partner, shareholder, member or other business-entity affiliate is added to a business entity, the original applicant must remain as a party to the original Agreement. If the original Consultant wants to cancel his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with Section 5.6 below. If this process is not followed, the business shall be cancelled upon the withdrawal of the original Consultant. All bonus and commission checks will be sent to the address of record of the original Consultant.

Please note that the modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in Section 4.11.1, above.

5.6: 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.

5.6.1: SPONSORSHIP AFTER TRANSFER OR SALE OF DOWNLINE. Should Ambit approve a Sale or Transfer that will result in a change of sponsorship for any Customer or Consultant, Ambit will send such affected Customer or Consultant written notice explaining the change in sponsorship and giving the affected Customer or Consultant the opportunity to elect to (i) stay in the transferred or sold organization, (ii) request, subject to Ambit's approval, a transfer to another organization within Ambit, (iii) cancel his or her agreement with Ambit under the cancellation-related provisions of the Agreement, or (iv) take any other action Ambit deems reasonably necessary and makes available at Ambit's discretion exercised in good faith.

5.7: SEPARATION OF AN AMBIT BUSINESS.

5.7.1: DIVORCE. Should a married couple operating a single Consultant position divorce, they must provide Ambit with: (1) a certified copy of the final decree of divorce that sets forth ownership of the Consultant position; and (2) a completed Sale/Transfer Form dated no later than ten (10) business days after the date of the final decree of divorce. Until Ambit receives proper documentation, the Consultant position will retain its predivorce ownership and no changes to the Consultant position will be implemented.

5.7.2: BUSINESS ENTITY DISSOLUTION. Upon the dissolution of a business entity (trust, partnership, corporation, etc.), the owners of the business entity shall provide Ambit with written instruction on who shall be the proper party(s) to continue to operate the business. The written instruction shall be signed by all owners, shareholders, partners or trustees, and all signatures shall be notarized.

5.7.3: NO COMMISSION OR DOWNLINE DIVISION. Under no circumstances will the Downline Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Ambit split commission and bonus checks between divorcing spouses or members of dissolving entities. Ambit will recognize only one Downline Organization and will issue only one commission check per Ambit business per commission cycle. Commission checks shall always be issued to the same individual or entity.

If a former spouse has completely relinquished all rights in the original Ambit business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting six calendar months. In the case of business

entity dissolutions, the former partner, shareholder, member or other entity affiliate who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as a Consultant. In either case, however, the former spouse or business affiliate shall have no rights to any Consultants in their former organization or to any former Customer. They must develop the new business in the same manner as would any other new Consultant.

5.8: SUCCESSION. Upon the death or incapacitation of a Consultant, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Consultant should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever an Ambit business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Consultant's marketing organization provided the following qualifications are met: The successor(s) must (1) execute an Application and enter into the Agreement, (2) comply with terms and provisions of the Agreement, and (3) meet all of the qualifications for the deceased or incapacitated Consultant's status.

Bonus and commission checks of an Ambit business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide Ambit with an "address of record" to which all bonus and commission checks will be sent.

If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer identification number. Ambit will issue all bonus and commission checks, and one 1099, to the business entity.

5.8.1: TRANSFER UPON DEATH OF A CONSULTANT. In addition to complying with the above provisions of Section 5.8, to effect a testamentary transfer of an Ambit business, the successor must provide the following to Ambit: (1) an original death certificate, (2) a notarized copy of the will or other instrument establishing the successor's right to the Ambit business, and (3) a completed Application, including acceptance of the Agreement.

5.8.2: TRANSFER UPON INCAPACITATION OF A CONSULTANT. In addition to complying with the above provisions of Section 5.8, to effectuate a transfer of an Ambit business because of incapacity, the successor must provide the following to Ambit: (1) a notarized copy of an appointment as trustee, (2) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the Ambit business, and (3) a completed Application, including acceptance of the Agreement executed by the trustee.

SECTION 6: CONFIDENTIAL INFORMATION

Consultant acknowledges that Ambit will provide Consultant with proprietary and non-public information and reports relating to Consultant's sales activity, other Ambit Consultants and Customers, and Ambit's business, products, and services ("Confidential Information"). Confidential Information shall include, but not be limited to, reports and compilations generated by Ambit that are made available to Consultant, contact and earnings information of other Consultants, sales information, forecasts, projections, marketing and compliance materials, or other materials furnished or prepared by Ambit for Consultant's use. Consultant acknowledges that Ambit is the sole owner of any and all Confidential Information provided to

Consultant pursuant to this Agreement.

Allowable exceptions to the requirements below are included in 1.5 PROTECTED WHISTLEBLOWER ACTIVITY in these Policies. Consultant shall: (i) not directly or indirectly divulge, disclose, disseminate, distribute, license, sell, use or otherwise make known any Confidential Information to any third party or person or entity not expressly authorized or permitted by Ambit to receive such Confidential Information; (ii) use best efforts to prevent disclosure of any Confidential Information to any third party and exercise the highest degree of care and discretion in accordance with all express duties hereunder to prevent the same; and (iii) not directly or indirectly make any use whatsoever of the Confidential Information, except for purposes of performing services under this Agreement. Consultant shall not directly or indirectly utilize Confidential Information in connection with any other business or commercial venture or the marketing or promotion of another company's products or services. Similarly, Consultant shall not directly or indirectly utilize Confidential Information to solicit other Consultants or Customers to join another direct sales company or purchase products or services from another company.

Consultants' access to their Downline Activity (GENEALOGY) Reports is password-protected. All Downline Activity Reports, and the information contained therein, are Confidential Information belonging to Ambit. Downline Activity Reports are provided to Consultants in strictest confidence and are made available to Consultants for the sole purpose of assisting Consultants in working with their respective Downline Organizations in the development of their Ambit business. The Consultant and Ambit agree that, but for this agreement of confidentiality and nondisclosure, Ambit would not provide Downline Activity Reports to the Consultant. Upon demand by the Company, any current or former Consultant will return the original and all copies of Downline Activity Reports to the Company. A Consultant shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;
- Directly or indirectly disclose the password or other access code to his or her Downline Activity Report;
- Use the information to compete with Ambit, or for any purpose, other than promoting his or her Ambit business; or
- Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Downline Activity Report.

The parties each acknowledge that the restrictions in this Section are reasonable efforts of Ambit to protect and maintain its Confidential Information. The provisions of this Section shall survive the cancellation of the Agreement.

SECTION 7: CONFLICTS OF INTEREST

Consultants may participate in other direct selling, network marketing, or multi-level marketing ("Direct Sales") businesses provided they remain compliant with the Agreement. You agree, however, you will receive significant benefits from Ambit, including access to Ambit's Confidential Information and goodwill developed with its Consultants, Customers, vendors, and others. In consideration for the benefit of access to Ambit's Confidential Information and goodwill, you, to the fullest extent allowed by applicable law, agree that the following rules and restrictions apply to participation in other Direct Sales

businesses and that such rules and restrictions are fair and reasonable, necessary to protect the business of Ambit, the Ambit Companies, and Ambit's Consultants and Customers and do not preclude you from earning a living.

Because Direct Sales businesses are conducted through networks of independent contractors broadly dispersed across the entire United States and internationally, and business is commonly conducted via the Internet and telephone, an effort to narrowly limit the geographic scope of the restrictions set out in this Section would be wholly ineffective. Therefore, the restriction in this Section shall apply to the Consultant's activities conducted in or directed at the United States.

The term "Recruit" means to actually, or to attempt to, sponsor, solicit, enroll, encourage, or influence in any other way, either directly, indirectly, or through a third party. The conduct described in the preceding sentence constitutes Recruiting even if (1) a Consultant's actions are in response to an inquiry made by an Ambit Consultant or Customer; or (2) a Consultant's conduct occurs on a public forum (for example, and without limitation, a social media post) that a Consultant knows is likely to be seen or heard by an Ambit Consultant or Customer.

7.1: ACTIVITIES DURING THE AGREEMENT. Unless Consultants are ranked as an Executive or National Consultant, during the term of the Agreement, Consultants shall not, directly or indirectly (including through or on behalf of any other person or entity), (i) sell or solicit the sale of energy services or other products or services offered by Ambit through any person or entity other than that specifically designated or approved in writing by Ambit; (ii) participate in any other Direct Sales business or venture that competes with the energy services or with the other products or services offered by Ambit; or (iii) recruit any Ambit Consultant or Customer to enroll or participate in, or purchase products or services from, any other Direct Sales business or venture that competes with the energy services or with the other products or services offered by Ambit.

7.2: ACTIVITIES DURING THE AGREEMENT FOR EXECUTIVE CONSULTANTS. If Consultants are ranked as an Executive Consultant, during the term of the Agreement, Consultants shall not, directly or indirectly (including through or on behalf of any other person or entity), (i) sell or solicit the sale of energy services or other products or services offered by Ambit through any person or entity other than that specifically designated or approved in writing by Ambit; (ii) participate in any other Direct Sales business or venture that competes with the energy services or with the other products or services offered by Ambit; or (iii) recruit any Ambit Consultant or Customer to enroll or participate in, or purchase products or services from, any other Direct Sales business or venture.

7.3: ACTIVITIES DURING THE AGREEMENT FOR NATIONAL CONSULTANTS. If Consultants are ranked as a National Consultant, Consultant agrees that during the term of the Agreement, Consultant will not, directly or indirectly (including through or on behalf of any other person or entity), (i) sell or solicit the sale of energy services or other products or services offered by Ambit through any person or entity other than that specifically designated or approved in writing by Ambit; (ii) participate in or, recruit for, any other Direct Sales business or venture; or (iii) recruit any other Ambit Consultant or Customer to enroll or participate in any other Direct Sales business or venture.

7.4: ACTIVITIES AFTER CANCELLATION OF THE AGREEMENT. The terms "Prohibited Consultant" and "Prohibited Customers" refer to (1) Consultants in a Consultants upline and downline,

(2) Customers of a Consultant, and (3) any Consultants or Customers with whom a Consultant interacted or about whom a Consultant gained Confidential Information, in all cases during the twelve (12) preceding months.

For a period of one (1) year after the cancellation of the Agreement for any reason, a Consultant shall not, directly or indirectly (including through or on behalf of any other person or entity), (i) recruit any Prohibited Consultant to enroll or participate in, or purchase products or services from, any other Direct Sales business or venture that competes with the energy services or with the other products or services offered by Ambit, provided that this restriction does not apply to Consultants that the former Consultant personally sponsored as an Ambit Consultant; or (ii) recruit any Prohibited Customers to enroll or participate in, or purchase products or services from, any other Direct Sales business or venture that competes with the energy services or with the other products or services offered by Ambit.

7.5: CONSULTANT PARTICIPATION IN OTHER PROGRAMS. If a Consultant is permissibly engaged in a non-Ambit business opportunity, it is the responsibility of the Consultant to ensure that his or her Ambit business is operated entirely separate and apart from any other business or venture. To this end, the following must be adhered to:

- Consultants shall not display Ambit promotional material, sales aids, products or services with or in the same location as any non-Ambit promotional material or sales aids, products or services.
- Consultants shall not offer the Ambit Opportunity or Ambit products or services to prospective or existing Customers or Consultants in conjunction with any non-Ambit program, opportunity, product or service.
- Consultants shall not offer any non-Ambit business opportunity, products or services at any Ambit-related meeting, seminar or convention, or within two hours of the Ambit event. If the Ambit meeting is held telephonically or on the Internet, any non-Ambit meeting must be at least two hours before or after the Ambit meeting, and on a different conference telephone number or Internet address from the Ambit meeting.
- Consultants shall not in any way state or imply that Ambit has any connection with, or otherwise supports or approves of, the non-Ambit business opportunity without first notifying, and receiving prior written authorization from, an authorized officer of Ambit.

7.6: VIOLATIONS/REMEDIES. This Section 7 may be enforced by Ambit or the Ambit Companies. In the event that a Consultant breaches any provision of this Section 7, in addition to the remedies afforded by the Corrective Measure and Dispute Resolution Provision contained in Section 10, Ambit and the Ambit Companies shall be entitled to equitable relief, including by way of injunction or specific performance preventing future breaches, in addition to any other remedies available at law. Also, in addition to any remedies at law or in equity that Ambit and the Ambit Companies may have, any violation of this Section 7 will result in forfeiture of any of Consultant's rights as a Consultant, including to receive commissions, bonuses, and payments of any kind. Further, any violation of this Section 7 will cause irreparable harm to the Ambit Companies and any such violation by Consultant will entitle Ambit and the Ambit Companies to an injunction against future violations without evidence or proof of the likelihood of future violations.

SECTION 8: PROHIBITED ACTIVITIES

8.1: TARGETING OTHER DIRECT SELLERS. Ambit does not condone Consultants specifically or consciously targeting the sales force of another business or venture to sell Ambit products or to become Consultants for Ambit, nor does Ambit condone Consultants' solicitation or enticement of members of the sales force of another business or venture to violate the terms of their contract with such other company. Should Consultants engage in such activity, they bear the risk of being sued by the other business or venture. If any lawsuit, arbitration or mediation is brought against a Consultant alleging that he or she engaged in inappropriate recruiting activity of its sales force or Customers, Ambit will not pay any of Consultant's defense costs or legal fees, nor will Ambit indemnify the Consultant for any judgment, award or settlement.

8.2: CROSS-SPONSORING. Actual or attempted cross-sponsoring is strictly prohibited. "Cross-sponsoring" is defined as the enrollment of an individual who, or entity that, already has a current Customer or Consultant Agreement on file with Ambit, or who has had such an agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers or fictitious ID numbers to circumvent this policy is prohibited. Consultants shall not demean, discredit or defame other Ambit Consultants in an attempt to entice another Consultant to become part of the first Consultant's marketing organization.

If cross-sponsoring is discovered, it must be brought to the Company's attention immediately. Ambit may take action against the Consultant that changed organizations and/or those Consultants who encouraged or participated in the cross-sponsoring, including but limited to cancellation of the Consultant's Agreement. Ambit may also move all or part of the offending Consultant's downline to his or her original downline organization if the Company deems it equitable and feasible to do so. However, Ambit is under no obligation to move the cross-sponsored Consultant's downline organization, and the ultimate disposition of the organization remains within the sole discretion of Ambit. Consultants waive all claims and causes of action against Ambit arising from or relating to the disposition of the cross-sponsored Consultant's downline organization.

8.3: COLLECTING, BUYING OR SELLING OF PROSPECTIVE CONSULTANT AND CUSTOMER INFORMATION. Collecting, buying or selling, or inducing others to collect, buy or sell, Customer or Consultant or prospective Customer or Consultant information is prohibited. Consultants shall not provide any type of incentive for action(s) or proposed action(s) to induce a Consultant or third party to sell any information pertaining to an Ambit Customer or Consultant or prospective Customer or Consultant.

8.3.1. OFFERING INCENTIVES AND/OR REFERRAL FEES FOR PROSPECTIVE CUSTOMERS. Consultants are prohibited from rewarding Customer referrals by means of incentives or referral fees such as cash and gift cards. The exception to this prohibition is Ambit Energy's Multifamily Program and its approved Advisors.

8.4: CONTACTING SUPPLIERS. Under no circumstances may a Consultant contact any Ambit supplier of energy service, or other Ambit supplier of services, without prior written authorization from an authorized officer of Ambit. Further, under no circumstances may a Consultant directly contact a competitive energy provider on behalf of Ambit or in connection with any Ambit business without receiving prior

written authorization from an authorized officer of Ambit.

8.5: CONTACTING REGULATORY AGENCIES. Under no circumstances may a Consultant contact any Regulatory agency on behalf of a Customer or to request information related to their business. All such inquiries should be made to Field Compliance at fieldcompliance@ambitenergy.com.

8.6: GOVERNMENTAL APPROVAL OR ENDORSEMENT. Neither federal nor state regulatory agencies nor officials approve or endorse any Direct Sales companies or ventures. Therefore, Consultants shall not represent or imply that Ambit, the Ambit Opportunity, or Ambit's Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

SECTION 9: OTHER RIGHTS

9.1: COPYRIGHT. As a Consultant, and without further consideration or compensation, I agree to the use (full or in part) of my name, voice, image, likeness, and any and all attributes of my personality in any marketing or promotional material created or used in connection with Ambit products and services, or the Ambit Consultant opportunity, and each such item of marketing or promotional material will be considered a "work" for purposes of this Agreement. I irrevocably assign to Ambit any and all claims of copyright I may have in and to such works, and the exclusive and perpetual right throughout the world to use, print, produce, publish, copy, display, perform, exhibit, transmit, broadcast, disseminate, market, advertise, sell, lease, license, transfer, modify, and create derivative works from such works in any media or format, now known or unknown, for any purpose whatsoever. I waive any right to inspect or approve such work. I hereby indemnify and hold harmless Ambit Companies, its legal representatives and assigns, all persons acting under its authority, and those for whom it is acting, from all claims, causes of action and liability of any kind, now known or unknown, in law or in equity, based upon or arising out of such works or this agreement including, without limitation, claims of libel, slander, invasion of privacy, right of publicity, defamation, trademark infringement, and copyright infringement. This Agreement will be binding upon my heirs, successors, representatives, and assigns.

9.2: RIGHTS IN MAGAZINE DATA AND WORKS. As an Ambit Consultant, I agree that Ambit is the owner of all right, title, and interest in all materials, all documentation related to such materials, all media upon which any such materials and documentation are located (including tapes, disks, and other stage media) and all related material that are used by, developed for, or on behalf of Ambit, or paid for by Ambit, in connection with the creation, development and publishing of the Success From Home magazine. Full and exclusive rights and ownership in Success From Home magazine and in any and all related trademarks and copyrights with respect to the Success From Home magazine and any other proprietary rights with respect to the Success From Home magazine, which Consultant possesses or is entitled to, shall vest in and are assigned to Ambit as of the date of this Agreement. Except as allowed for the marketing of Ambit's business, Consultant shall retain no right, ownership or title in the data and works comprising Success From Home magazine or in any directly related trademarks, copyrights or any other proprietary rights with respect to Success From Home magazine. The parties hereto agree that the data and works comprising Success From Home magazine and all such rights are being conveyed in their entirety to Ambit for whatever use it desires, and nothing

contained herein shall be deemed to constitute a license or franchise in Ambit.

9.3: MEDIA AND MEDIA INQUIRIES. Because Consultants are independent contractors and not employees of Ambit, all media relations efforts related to Ambit, Ambit products or services, or the Ambit Opportunity must be coordinated through the Ambit Public Relations Department at mediarelations@ambitenergy.com. Any Consultant who is contacted by the media, or wishes to contact the media related to Ambit, Ambit products or services, or the Ambit Opportunity, must first contact an Ambit Public Relations representative before taking any action and/or issuing any statement. Any communications with TV, radio and print media related to Ambit, Ambit products or services, or the Ambit Opportunity, should first be approved by Ambit Public Relations.

9.4: RETURN OF INVENTORY AND SALES AIDS BY CONSULTANTS UPON CANCELLATION. Upon cancellation of a Consultant's Agreement, the Consultant may return any products and sales aids held in his or her inventory for a full refund of 100% of the cost of the original purchase price(s). If the purchases were made through a credit card, the refund will be credited back to the same account. Consultants may only return sales aids that he or she personally purchased from Ambit (purchases from other Consultants or third parties are not subject to refund), and which are in resalable condition.

9.5: INDEMNIFICATION. Ambit agrees to indemnify Consultant from and against all claims, demands, actions, suits, damages, liabilities, losses, settlements, judgments, costs, and expenses, excluding attorneys' fees and costs (collectively, "Claims"), actually incurred by Consultant arising out of any third party Claim alleging: (1) any breach undertaken directly by Ambit of any representation or warranty of Ambit contained in this Agreement; (2) any breach or violation undertaken directly by Ambit of any covenant or other obligation or duty of Ambit under this Agreement or under applicable law; and (3) any third party Claims alleging a direct act or omission of Ambit.

SECTION 10: CORRECTIVE MEASURES AND DISPUTE RESOLUTION, INCLUDING MANDATORY INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER

10.1: REPORTING VIOLATIONS. Consultants observing a violation of the Agreement by another Consultant may submit a written report of the violation directly to the attention of the Ambit Field Compliance Department. To ensure that all alleged violations of the Agreement are investigated and handled in a uniform manner, Consultants must submit any such allegations regarding potential violations to (i) fieldcompliance@ambitenergy.com or (ii) Ambit Energy, Attention: Field Compliance, 6555 Sierra Drive, Irving TX 75039, and shall not direct such allegations to Ambit in any other manner, including text messages, calls, or other means of communication. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation may be included in the report. Consultants are also entitled to engage in Protected Whistleblower Activity as described in 1.5 Protected Whistleblower Activity in these Policies.

10.2: ASSISTANCE IN INVESTIGATIONS. If you are contacted by either Ambit or a government authority regarding policy violations that you either have knowledge of, or that you are alleged to have committed, you agree to fully assist with such investigation. Lack of assistance may result in, at Ambit's discretion, corrective actions listed herein, including but not

limited to cancellation of the Agreement.

10.3: CORRECTIVE MEASURES. Violation of the Agreement, violation of any common law duty (including but not limited to any applicable duty of loyalty), any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by a Consultant that, in the discretion of the Company, may damage the Company's reputation or goodwill (such as damaging act or omission need not be related to the Consultant's Ambit business), may result, at Ambit's discretion, in corrective actions, including but not limited to cancellation of the Agreement.

Additionally, if any member of a Consultant's immediate household engages in any activity which, if performed by the Consultant, would violate any provision of the Agreement, such activity will be deemed a violation by the Consultant and Ambit may take action against the Consultant, including but not limited to cancellation of the Consultant's Agreement. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity violates the Agreement, such action(s) will be deemed a violation by the entity, and Ambit may take action against the entity, including but not limited to cancellation of the entity's Agreement.

Corrective measures include, for example:

- Issuance of a written warning or admonition requiring the Consultant to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus and commission checks;
- Loss of rights to one or more bonus and commission checks;
- Withholding from a Consultant of all or part of the Consultant's bonuses and commissions during the period that Ambit is investigating any conduct allegedly in violation of the Agreement (if a Consultant's business is cancelled for disciplinary reasons, the Consultant will not be entitled to recover any commissions withheld during the investigation period);
- Suspension of the individual's Agreement for one or more pay periods;
- Cancellation and/or suspension of the offending Consultant's Ambit Marketing website or website access;
- Cancellation of the Consultant's Agreement; and
- Any other measure expressly allowed within any provision of the Agreement, or which Ambit deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Consultant's violation.

10.4: INDIVIDUAL ARBITRATION AGREEMENT. THIS SECTION AFFECTS HOW CLAIMS A CONSULTANT MAY HAVE AGAINST AMBIT OR THE RELATED PARTIES, OR CLAIMS AMBIT OR THE RELATED PARTIES MAY HAVE AGAINST A CONSULTANT, WILL BE RESOLVED. YOU UNDERSTAND AND AGREE THAT THIS SECTION OPERATES AS A SEPARATE AND DISTINCT AGREEMENT THAT IS SEVERABLE FROM THE REMAINDER OF THE AGREEMENT AND IS ENFORCEABLE REGARDLESS OF THE ENFORCEABILITY OF ANY OTHER PROVISION OF THE AGREEMENT OR THE AGREEMENT AS A WHOLE. CONSIDERATION FOR THIS INDIVIDUAL ARBITRATION AGREEMENT INCLUDES, WITHOUT LIMITATION, THE PARTIES' MUTUAL AGREEMENT TO ARBITRATE DISPUTES. YOU FURTHER UNDERSTAND AND AGREE THAT THE UNENFORCEABILITY OF THE AGREEMENT IN WHOLE OR IN PART SHALL NOT SUPPORT A FINDING THAT THE INDIVIDUAL ARBITRATION AGREEMENT IS UNENFORCEABLE.

Ambit may amend Section 10.4 (the INDIVIDUAL ARBITRATION AGREEMENT) from time to time. Any such amendments will be made in accordance with the duty of good faith and fair dealing. Notwithstanding anything herein to the contrary, any amendment by Ambit to Section 10.4 (the INDIVIDUAL ARBITRATION AGREEMENT) shall only take effect upon a Consultant's express agreement to such amendment. A Consultant may indicate his or her agreement to such proposed amendment by following the instructions accompanying the proposed amendment. Ambit may cancel the Agreement of any Consultant who does not agree to a proposed amendment to Section 10.4 (the INDIVIDUAL ARBITRATION AGREEMENT) within 30 days after notice of the amendment is provided. Any such Amendment shall apply to all Disputes brought after the effective date of the amendment, regardless of the date of occurrence or accrual of any facts underlying such claim. Amendments shall not apply retroactively to conduct that occurred prior to the effective date of the amendment unless the Consultant expressly accepted the amendment.

Except as expressly provided herein, to promote to the fullest extent reasonably possible a mutually amicable resolution of Disputes in a timely, efficient, and cost-effective manner, Consultant and Ambit (each, together with, as applicable, each of the Related Parties, a "Party" and collectively, the "Parties") **HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OR ANY COURT.**

Any controversy, claim or dispute of whatever nature arising between a Consultant, on the one hand, and Ambit and/or the Related Parties, on the other, including but not limited to those arising out of or relating to the Agreement, or the breach thereof; the sale, purchase or use of Ambit products or services; or the commercial economic, or other relationship of a Consultant and Ambit and/or the Related Parties, whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, common law or otherwise ("**Dispute**"), shall be settled exclusively through final, binding arbitration, as provided in this Section 10.4, except that the arbitrator(s) shall have no authority to determine that an arbitration may proceed on behalf of or against a class.

The arbitrator(s) shall have the exclusive power to rule on their own jurisdiction, including any objections with respect to the existence, scope, or validity of this Section 10.4 and/or to the arbitrability of any Dispute.

The arbitration proceedings shall take place in Dallas, Texas, in accordance with the then-prevailing Comprehensive Arbitration Rules of JAMS and this Section 10.4, which shall control in the event of any conflict, unless the laws of the state or province in which the Consultant resides expressly require otherwise, except that arbitration of any Dispute arising under Section 7 ("Conflicts of Interest") shall exclusively take place in the state in which the Consultant resides. The JAMS rules and procedures are available at jamsadr.com and will be provided to a Consultant upon request to [Field Compliance at fieldcompliance@ambitenergy.com](mailto:FieldCompliance@ambitenergy.com). Unless otherwise agreed in writing by the Parties, any mediator who mediated a Dispute between the Parties previously shall be disqualified from serving as an arbitrator in the case.

Notwithstanding the rules of JAMS, the following will apply to all arbitrations:

- The arbitration agreement and the arbitration will be governed by the Federal Arbitration Act ("FAA"), 9 U.S.C. § 1 et seq. To the extent that there is a conflict between the FAA and Texas law, the FAA prevails.

- The arbitration will be conducted in English (with appropriate translators as may be necessary).
- The Parties agree that time is of the essence.
- The Federal Rules of Evidence will apply in all cases.
- The Parties will be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure.
- The Parties will be allotted equal time to present their respective cases, including cross-examinations.
- The arbitrator(s) will have no authority to award punitive damages. Each Party hereby waives any right to seek or recover punitive damages with respect to any Dispute resolved by arbitration, except where an applicable statute or other law prohibits the waiver of punitive damages.
- The decision of the arbitrator will be final and binding on the Parties and may, if necessary, be reduced to judgment in a court of law, except that a Party may choose to appeal certain arbitration awards as described below. Any motion or action to confirm, vacate, modify, or otherwise enter judgment on the award shall comply with Section 10.6. Further, to the fullest extent allowed by law, any Party seeking to enforce an award of an arbitrator(s) shall submit the award under seal to maintain protections of Confidential Information, and the Parties hereby agree and consent to the filing of such a submission, motion, or order under seal.

The Parties agree and understand that maintaining the confidentiality of Disputes and dispute resolution is of the utmost importance, and agree that Ambit has valuable trade secrets and Confidential Information. The Parties agree to take all necessary steps to protect from public disclosure such trade secrets and Confidential Information.

In addition to the foregoing and notwithstanding the rules of JAMS, certain procedures will apply depending on the amount in controversy. For controversies and claims in which the amount in controversy is less than \$1,000,000.00 (one million dollars), the following procedures will apply absent mutual agreement of the Parties to the contrary:

- The arbitration will occur within 180 days from the date on which the arbitrator is appointed and will last no more than five (5) business days.
- There will be one arbitrator selected from the panel provided by JAMS, using the JAMS rules for arbitrator selection.
- The arbitrator(s) shall institute discovery consistent with the goals of arbitration. Discovery and disclosure of information will be conducted under the rules provided by JAMS to achieve the usual goals of arbitration, including cost effective and efficient resolution of disputes between Parties, but in no event shall the Parties be entitled to discovery rights greater than provided by the Federal Rules of Civil Procedure.

For controversies and claims in which the amount in controversy is equal to or exceeds \$1,000,000.00 (one million dollars), the following procedures will apply absent mutual agreement of the Parties to the contrary:

- There will be three arbitrators selected from the panel provided by JAMS, using the JAMS rules for arbitrator selection.
- The Parties will be entitled to all discovery rights permitted

by the Federal Rules of Civil Procedure.

- The Parties will be entitled to appeal any arbitration award to an Appeal Panel under JAMS Optional Arbitration Appeal Procedures. The Parties agree to and request oral argument for any appeal filed under the Optional Arbitration Appeal Procedures.

TO THE FULLEST EXTENT PERMITTED BY LAW, CONSULTANT AND AMBIT (INCLUDING THE RELATED PARTIES) WAIVE ANY RIGHT TO CLASS, COLLECTIVE, MASS, AGGREGATE, OR REPRESENTATIVE RELIEF AND AGREE THAT ARBITRATION OF ANY DISPUTE SHALL BE LIMITED EXCLUSIVELY TO INDIVIDUAL RELIEF. THE PARTIES AGREE THAT THE ARBITRATOR(S) SHALL ONLY HAVE THE POWER TO AWARD INDIVIDUAL RELIEF AND SHALL NOT HAVE THE POWER TO AWARD CLASS, COLLECTIVE, MASS, AGGREGATE, OR REPRESENTATIVE RELIEF.

TO THE FULLEST EXTENT PERMITTED BY LAW, CONSULTANT AND AMBIT (INCLUDING THE RELATED PARTIES) FURTHER WAIVE ANY RIGHT OR AUTHORITY TO HAVE ANY DISPUTE HEARD AS A CLASS, COLLECTIVE, MASS, AGGREGATE, OR REPRESENTATIVE ARBITRATION. CONSULTANT AND AMBIT (INCLUDING THE RELATED PARTIES) MUST BRING ANY DISPUTE IN AN INDIVIDUAL CAPACITY ONLY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE JAMS RULES, THE ARBITRATOR(S) MAY NOT CONSOLIDATE MORE THAN ONE PERSON'S DISPUTES AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF CLASS, COLLECTIVE, MASS, AGGREGATE OR REPRESENTATIVE ARBITRATION PROCEEDING. UNDER THE ARBITRATION PROCEDURES OUTLINED IN THIS SECTION, AN ARBITRATOR(S) SHALL NOT COMBINE OR CONSOLIDATE MORE THAN ONE PARTY'S DISPUTES WITHOUT THE WRITTEN CONSENT OF ALL AFFECTED PARTIES TO AN ARBITRATION PROCEEDING. TO THE EXTENT ANY DISPUTES ARE NOT ARBITRABLE AS A MATTER OF LAW, THE PARTIES AGREE THAT LITIGATION OF THOSE DISPUTES SHALL BE STAYED PENDING THE OUTCOME OF ANY INDIVIDUAL DISPUTES IN ARBITRATION.

In the event the prohibition on class, collective, aggregate, mass and/or representative arbitrations is deemed invalid or unenforceable after exhaustion of all appeals of that issue, then, to the extent that class, collective, aggregate, mass and/or representative claims are asserted, such claims shall be litigated in accordance with Section 10.6

Except as provided below, no Party shall be entitled to commence or maintain any action in a court of law upon any matter in dispute until such matter has been submitted and determined as provided here, and then only for the enforcement of such arbitration award. Notwithstanding this arbitration agreement, either Party may apply to a court of competent jurisdiction as necessary to enforce an arbitration award, or to seek a temporary restraining order or preliminary injunction to ensure that the relief sought in arbitration is not rendered ineffectual during the pendency of, or after the rendition of, a decision in any arbitration proceeding. In particular, and without limitation, Consultant acknowledges that Section 7 (Conflicts of Interest) and the covenants set forth in this Agreement relating to the protection of Ambit's trade secrets and Confidential Information, are reasonable and necessary to protect the legitimate interests of Ambit. Consultant further acknowledges that his or her breach of such provisions and covenants would cause Ambit irreparable harm, the amount and extent of which would be very difficult to estimate or ascertain, and for which Ambit may have no adequate remedy at law. Therefore, the Parties shall be entitled to obtain injunctive relief, a temporary restraining

order, specific performance, or such other equitable relief as may be required to prevent a breach or threatened breach of such provisions and covenants. Furthermore, notwithstanding anything to the contrary herein, to the extent a Party contests the jurisdiction of a state or federal court to preside over claims for a temporary restraining order or preliminary injunctive relief as described above, the court in which such claim is made shall have exclusive jurisdiction to determine whether such claim is to be decided by the court. The institution of any action under this paragraph shall not constitute a waiver of the right or obligation of any party to submit any claim seeking relief other than injunctive or enforcement relief to arbitration.

Although the Agreement is made and entered into between Consultant and Ambit, the Related Parties are intended third-party beneficiaries of the Agreement for purposes of the provisions of the Agreement referring specifically to them, including this Section 10.4. The Parties acknowledge that nothing contained herein is intended to create any involvement by, responsibility of, or liability for, the Related Parties with respect to any dealings between a Consultant and Ambit, and the Parties further acknowledge that nothing contained herein shall be argued by either of them to constitute any waiver by the Related Parties of any defense which Related Parties may otherwise have concerning whether they can properly be made a party to any Dispute between the other Parties.

10.5: COST OF DISPUTE RESOLUTION: To the fullest extent allowed by applicable law, each Party to the arbitration or lawsuit will be responsible for its own costs and expenses of arbitration or litigation, including legal, administrative, attorney, expert, and filing fees. However, to the fullest extent allowed by applicable law, if any damages awarded are greater than \$1,000,000 or the arbitrator(s) or court determine(s) that the Dispute is frivolous, the arbitrator(s) or court may require the losing Party to pay the prevailing Party's costs and expenses, including legal, administrative, attorney, expert, and filing fees and costs. In addition, Ambit shall reimburse any arbitration "Administrative Fees" (defined to include any fees charged by JAMS and/or arbitrator(s)) in connection with the arbitration but not any other fees or costs associated with the arbitration, including but not limited to attorney's fees, travel costs, etc. paid by a Consultant who prevails in an arbitration claim as part of the arbitration award. The Parties recognize and agree that the Agreement is a commercial distributor agreement and not an employment agreement, and, as such, Consultant agrees that this provision regarding costs of dispute resolution is commercially reasonable, specifically agreed to, and not unconscionable on that basis.

10.6: GOVERNING LAW, JURISDICTION AND VENUE.

Jurisdiction and venue of any matter or Dispute not subject to arbitration, shall reside exclusively in Dallas County, Texas, and nowhere else, except that any action to enforce a judgment may be brought in any court of competent jurisdiction. The Agreement is to be construed in accordance with and governed by the laws of Texas, without regard to its choice of law principles, except that, as applicable, the FAA shall govern the arbitration agreement and the arbitration without giving effect to any state law to the contrary.

Notwithstanding anything to the contrary contained herein, (1) jurisdiction of any matter or Disputes not subject to arbitration arising under Section 7 ("Conflicts of Interest") shall reside exclusively in a state or federal court sitting in the state in which the Consultant resides; and (2) Section 10.4 shall be construed in accordance with, and any Disputes thereunder

governed by, the laws of the state in which the Consultant resides without regard to principles of conflicts of laws.

Notwithstanding anything to the contrary herein, residents of the State of Louisiana shall be entitled to pursue resolution of Disputes in their home forum pursuant to Louisiana law, to the extent required under Louisiana law. For such Disputes brought in Louisiana, to the extent allowed by Louisiana law, all other terms of Section 10 shall apply to such Dispute, including without limitation the mutual obligation to arbitrate and litigate (where appropriate) Disputes on an individual basis.

10.7: WAIVER OF CLASS ACTIONS. TO THE FULLEST EXTENT PERMITTED BY LAW, AMBIT (INCLUDING THE RELATED PARTIES) AND CONSULTANT AGREE THAT EACH PARTY MAY BRING DISPUTES AGAINST THE OTHER PARTY ONLY IN AN INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF, REPRESENTATIVE, OR CLASS MEMBER IN ANY PURPORTED CLASS, REPRESENTATIVE, AGGREGATE, MASS OR COLLECTIVE PROCEEDING, INCLUDING, WITHOUT LIMITATION, SUCH PROCEEDINGS BROUGHT IN FEDERAL OR STATE COURT.

The provisions of this Section 10 shall survive cancellation of the Agreement.

SECTION 11: INACTIVITY AND CANCELLATION

11.1: EFFECT OF CANCELLATION. So long as a Consultant remains active and complies with the terms of the Agreement, Ambit shall pay commissions to such Consultant in accordance with the Agreement. A Consultant's bonuses and commissions constitute the entire consideration for the Consultant's efforts in generating sales and all activities related to generating sales (including building a downline organization).

Following the cancellation of a Consultant's Agreement, the former Consultant shall have no right, title, claim or interest to the organization which he or she operated, or any commission or bonus from the sales generated by the organization. A Consultant whose business is cancelled will lose all rights as a Consultant. This includes the right to sell Ambit products and services, and the right to receive future commissions, bonuses or other income resulting from the sales and other activities of the Consultant's former downline sales organization. In the event of cancellation, Consultants agree to waive all rights they may have, including, but not limited to, property rights to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline organization.

Following cancellation of a Consultant's Agreement, the former Consultant shall not hold himself or herself out as an Ambit Consultant and shall not have the right to sell Ambit products or services. A Consultant whose Agreement is cancelled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

11.2: INACTIVE STATUS. To remain "active," a Consultant must enroll a new energy Customer within the preceding four months or maintain a minimum of 20 pending or energized Customer points. If a Consultant does not enroll a new energy Customer in the preceding four months or maintain a minimum of 20 pending or energized Customer points, the Consultant's Ambit business will be placed into inactive status and no commission will trigger until the position is reactivated by referring a new Customer. This rule does not apply in the Consultant's first year.

11.3: INVOLUNTARY CANCELLATION. A Consultant's violation of any of the terms of the Agreement, including any amendments that may be made by Ambit, may result in any of the corrective measures listed in Section 10.3, including the involuntary cancellation of the Agreement. Cancellation shall be effective on the date on which notice is emailed to the email address on file with Ambit, mailed, faxed or delivered by an express courier to the Consultant's last known address (or fax number), or to his/her attorney or when the Consultant receives actual notice of cancellation, whichever occurs first.

11.4: VOLUNTARY CANCELLATION. Consultants may cancel their Agreement at any time, regardless of reason. Cancellation must be submitted in writing to the Company at: Ambit Marketing, LLC, Attention: Consultant Cancellation, P.O. Box 864589, Plano, TX 75086. The written notice must include the Consultant's signature, printed name, address and Consultant I.D. number. If a Consultant is also a Customer of Ambit Energy, Ambit will continue to provide energy services to the Customer and invoice the Customer for such services, unless he or she also specifically requests that his or her energy services also be cancelled.

SECTION 12: DEFINITIONS

ACTIVE CONSULTANT: A Consultant who has enroll a new energy Customer within the preceding four months or maintained a minimum of 20 pending or energized Customer points.

ACTIVE RANK: This term refers to the current rank of a Consultant, as determined by the Ambit Compensation Plan, for any month. To be considered "active" relative to a particular rank, a Consultant must meet the criteria set forth in the Ambit Compensation Plan for his or her respective rank.

CANCEL OR TERMINATION: The cancellation of a Consultant's Ambit business. Cancellation may be voluntary or involuntary (as provided herein).

CUSTOMER: An individual who purchases Ambit's energy products or services. A Consultant may also be a Customer.

DOWNLIKE (GENEALOGY) REPORT: A monthly report generated by Ambit that provides critical data relating to the identities of Consultants, sales information, and enrollment activity of each Consultant's Organization. This report contains Confidential Information.

OFFICIAL AMBIT MATERIAL: Literature, audio or video tapes or disks, and other materials developed, printed, published, and distributed by Ambit to Consultants.

RELATED PARTIES: The "Related Parties" are Ambit's affiliates, owners, members, managers, directors, and employees.

RESALABLE: Sales aids shall be deemed "resalable" if each of the following elements is satisfied: (1) they are unopened and unused; (2) packaging and labeling has not been altered or damaged; (3) it is returned to Ambit within one year from the date of purchase (time limitation is inapplicable to Massachusetts residents).

UPLINE: This term refers to the Consultant or Consultants above a particular Consultant in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular Consultant to the Company.