

# SPARK ENERGY, INC.

## **FORM 8-K** (Current report filing)

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): June 1, 2016**

**Spark Energy, Inc.**

**(Exact Name of Registrant as Specified in its Charter)**

**Delaware**  
**(State or Other Jurisdiction  
of Incorporation)**

**001-36559**  
**(Commission  
File Number)**

**46-5453215**  
**(IRS Employer  
Identification Number)**

**12140 Wickchester Lane., Suite 100**  
**Houston, Texas 77079**  
**(Address of Principal Executive Offices)**  
**(Zip Code)**

**(713) 600-2600**  
**(Registrant's Telephone Number, Including Area Code)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 1.01 Entry Into a Material Definitive Agreement**

On June 1, 2016, the Company and its subsidiaries (the “Co-Borrowers”) entered into Amendment Number 3 (the “Amendment”) to the Amended and Restated Credit Agreement dated as of July 8, 2015 (the “Credit Agreement”) with Societe Generale, Compass Bank, Cooperatieve Rabobank U.A., New York Branch, Bank Hapoalim and Brown Brothers Harriman & Co. (the “Lenders”). The Amendment increases the elected working capital commitment of the Co-Borrowers from \$60,000,000 to \$82,500,000 in accordance with the Co-Borrowers’ right to increase such election under the existing terms of the Credit Facility. The Amendment also provides for Brown Brothers Harriman & Co. and Bank Hapoalim to become new lenders under the Credit Facility and re-allocates working capital commitments and revolving commitments among the existing lenders and the new lenders. The Amendment also revises and adds certain representations of the Co-Borrowers concerning compliance with anti-corruption laws and sanctions, provides for mutual waivers of consequential damages and provides the Lenders with certain protections upon the occurrence of a Bail-in Action of any Lender that is an EEA Financial Institution.

### **Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On June 2, 2016, Spark Energy, Inc. (the “*Company*”) appointed Robert Lane as the Chief Financial Officer of the Company. Mr. Lane is currently serving as the Company’s Vice President of Finance and Investor Relations. Georganne Hodges, the current Chief Financial Officer, will no longer serve as Chief Financial Officer effective June 2, 2016. Ms. Hodges will remain an employee of the Company through July 15, 2016.

Mr. Lane, 44, previously worked as the Chief Financial Officer of Emerge Energy Services GP, LLC, the general partner of Emerge Energy Services LP, from November 2012 through June 2015. From December 2011 through November 2012, Mr. Lane was a Managing Director at Global Hunter Securities LLC, where he was responsible for the origination and execution of capital markets and M&A transactions in the midstream industry. Mr. Lane previously served in various roles, most recently as Managing Director, of Sanders Morris Harris Inc. and its affiliates from November 2004 to December 2011, where he led equity research and then investment banking coverage of midstream energy companies, particularly master limited partnerships. Mr. Lane is a Certified Public Accountant and a Chartered Financial Analyst. Mr. Lane received his MBA from the University of Pennsylvania’s Wharton School and his Bachelor of Arts degree from Princeton University. He also received a Certificate in the Accountancy Program from the B.T. Bauer School of Business at the University of Houston.

There are no understandings or arrangements between Mr. Lane and any other person pursuant to which Mr. Lane was selected to serve as Chief Financial Officer, other than the employment relationship described above. There are no existing relationships between Mr. Lane and any person that would require

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disclosure pursuant to Item 404(a) of Regulation S-K or any familial relationship that would require disclosure under Item 401(d) of Regulation S-K.

On June 2, 2016, the Company entered into an amended and restated employment agreement (the “**Employment Agreement**”) with Mr. Lane, as the Company’s Chief Financial Officer. Mr. Lane’s Employment Agreement provides for an annual base salary of \$270,000.00. The Employment Agreement has an initial term ending December 31, 2016 and renews for subsequent twelve month periods, subject to termination by either party. The Employment Agreement provides additional compensation and benefits for Mr. Lane, as follows:

- Participation in annual long-term incentive and short term incentive bonus plans, as may be established by the Company in its discretion and as administered by the Compensation Committee of the Board of Directors (the “**Compensation Committee**”), including participation in the Company’s existing 2014 long term incentive plan (the “**Long Term Incentive Plan**”); and
- Participation in employee benefit plans available to senior executives and employees generally;
- Severance benefits as discussed below; and
- Indemnity for all acts and omissions occurring during Mr. Lane’s employment with the Company, and an obligation on the part of the Company to purchase director and officer liability insurance providing coverage to Mr. Lane.

In conjunction with the Employment Agreement, Mr. Lane has been issued 15,000 restricted stock units, which vest in four equal annual installments beginning on May 18, 2017.

Generally either the Company or Mr. Lane can terminate the Employment Agreement for convenience, with cause in the case of the Company, and with good reason in the case of Mr. Lane. The Employment Agreement provides that, in the event Mr. Lane is terminated by the Company other than for “cause” or Mr. Lane’s employment terminates due to either the Company’s election not to renew the term of the Employment Agreement or Mr. Lane’s resignation for “good reason,” Mr. Lane will, subject to execution of a release of claims, be entitled to receive the following payments and benefits:

- 12 months’ base salary, payable in twelve substantially equal installments;
  - A pro rata annual bonus for the year of termination, calculated based upon actual performance of the Company and relative achievement of key performance targets by Mr. Lane through such date and payable in twelve substantially equal installments;
  - Full vesting of any outstanding awards held by Mr. Lane under the Company’s Long Term Incentive Plan.
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“Cause” under the Employment Agreement is generally defined to include (a) a material uncured breach by Mr. Lane of the Employment Agreement or any other obligation owed to the Company, (b) commission of an act of gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft or embezzlement, (c) any conviction, indictment or plea of nolo contendere with respect to any felony or any crime involving moral turpitude, (d) willful failure to perform obligations pursuant to the Employment Agreement or failure or refusal to follow the lawful instructions of the Company’s board of directors and (e) any conduct which is materially injurious to the Company.

“Good Reason” under the Employment Agreement is generally defined to include (a) a material diminution in base salary, (b) a material diminution in title, duties, authority or responsibilities, (c) relocation by more than fifty miles or (d) material and uncured breach of the Employment Agreement by the Company.

Upon a change of control (as defined in the Long Term Incentive Plan), outstanding awards under the Long Term Incentive Plan do not automatically vest unless, as a result of the change of control or thereafter, there is a termination of the Employment Agreement by the Company without cause or by Mr. Lane for good reason. Upon a change of control, Mr. Lane retains all outstanding awards under the Long Term Incentive Plan subject to existing vesting schedules; provided that such awards may be modified by the Compensation Committee to reflect the change in capital structure resulting from the change in control.

The Employment Agreement also provides for noncompetition and nonsolicitation covenants which are in effect during the period of Mr. Lane’s employment and for a period of 12 months thereafter. Both the Company and Mr. Lane have covenants of non-disparagement of the other.

The Employment Agreement also provides for a minimum stock ownership level to be achieved by April 1, 2020, which is set at stock valued at two times base salary for Mr. Lane. The foregoing description does not purport to be complete and is qualified in its entirety to the full text of the Employment Agreement, which is filed herewith as Exhibit 10.1 and is incorporated herein by reference.

On June 2, 2016, the Company entered into an Employment Separation Agreement (the “***Separation Agreement***”) with Ms. Hodges in connection with her departure, which provides for various severance benefits and continuing covenants between the Company and Ms. Hodges. The Separation Agreement provides for: (1) the benefits provided for in Section 2(e) of Ms. Hodges’s employment agreement, including a severance payment equal to twelve months of base salary plus a prorated portion of the target annual bonus based upon relative achievement, and accelerated vesting of 32,316 unvested restricted stock units plus any dividend equivalent units accruing prior to the date of termination; (2) a release by Ms. Hodges of any claims against the Company and its agents and affiliates; and (3) confirmation of existing confidentiality and restrictive covenants as set forth in Ms. Hodges’s employment agreement.

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The foregoing description does not purport to be complete and is qualified in its entirety to the full text of the Separation Agreement, which is filed herewith as Exhibit 10.2 and is incorporated herein by reference.

### ***Indemnification Agreement***

On June 2, 2016, the Company entered into an Indemnification Agreement with Mr. Lane, the Company's new Chief Financial Officer. This agreement requires the Company to indemnify this individual to the fullest extent permitted under Delaware law against liabilities that may arise by reason of his service to the Company, and to advance expenses incurred as a result of any proceeding against him as to which he could be indemnified. The foregoing description is qualified in its entirety by reference to the full text of the Indemnification Agreement, which is filed as Exhibit 10.3 to this Current Report on Form 8-K and is incorporated herein by reference.

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Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description
†10.1	Amended and Restated Employment Agreement, by and between Spark Energy, Inc. and Robert Lane, dated June 2, 2016.
†10.2	Employment Separation Agreement, by and between Spark Energy, Inc. and Georganne Hodges, dated June 2, 2016.
†10.3	Indemnification Agreement, by and between Spark Energy, Inc. and Robert Lane, dated June 2, 2016.

† Compensatory plan or arrangement.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: June 3, 2016

**SPARK ENERGY, INC.**

By: /s/ Gil Melman

Name: Gil Melman

Title: Vice President, General Counsel and Corporate Secretary

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## EXHIBIT INDEX

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† 10.3	Indemnification Agreement, by and between Spark Energy, Inc. and Robert Lane, dated June 2, 2016.

† Compensatory plan or arrangement.

**Amended and Restated Employment Agreement**  
**Spark Energy, Inc.**

This Amended and Restated Employment Agreement (this "Agreement") dated May 27, 2016 and effective June 1, 2016 is between Robert Lane ("Employee") and Spark Energy, Inc. (the "Company"). Capitalized terms that are not otherwise defined are defined in Exhibit B to this Agreement.

1. **Employment.** The Company will employ Employee in accordance with the terms and conditions set forth in this Agreement and Exhibit A to this Agreement. During the Term (as defined in Exhibit A to this Agreement), Employee will devote his full business time, attention and best efforts to the business of the Company, as may be requested by the Company's Board of Directors (the "Board"). Employee acknowledges and agrees that he owes the Company fiduciary duties, including duties of loyalty and disclosure, and that the obligations described in this Agreement are in addition to, and not in lieu of, the obligations owed to the Company and its subsidiaries under common law.

2.  
**Termination of Employment.**

(a)  
**Right to Terminate for Convenience.** Either the Company or Employee shall have the right to terminate the employment under this Agreement for convenience at any time and for any reason, or no reason at all, upon written notice to the other party. Such termination shall be effective immediately unless otherwise agreed between the parties.

(b)  
**Company's Right to Terminate Employee's Employment for Cause.** The Company shall have the right to terminate Employee's employment at any time for Cause.

(c)  
**Employee's Right to Terminate for Good Reason.** Employee shall have the right to terminate Employee's employment with the Company at any time for Good Reason. Any assertion by Employee of a termination for Good Reason shall not be effective unless all of the following conditions are satisfied: (i) the condition giving rise to Employee's termination of employment must have arisen without Employee's written consent; (ii) Employee must provide written notice to the Board of the existence of such condition(s) within 30 days of the initial existence of such condition(s); (iii) the condition(s) specified in such notice must remain uncorrected for 30 days following the Board's receipt of such written notice; and (iv) the date of Employee's termination of employment must occur within 75 days after the initial existence of the condition(s) specified in such notice.

(d)  
**Death or Disability.** Upon the death or Disability of Employee, Employee's employment with Company shall terminate with no further obligation under this Agreement of either party hereunder.

(e)  
**Effect of Termination.**

(i)  
If Employee's employment is terminated by the Company without Cause pursuant to Section 2(a) above, is terminated as a result of a non-renewal of the Term of this Agreement

by the Company pursuant to Exhibit A, or is terminated by Employee for Good Reason pursuant to Section 2(c) above, and Employee: (A) executes within 50 days following the date on which Employee's employment terminates, and does not revoke within the time provided by the Company to do so, a release of all claims in a form reasonably acceptable to the Company (the "Release"); and (B) abides by Employee's continuing obligations under Sections 3 and 4 of this Agreement, then the Company shall pay to Employee any bonus earned for the calendar year prior to the year in which the termination occurs but which is unpaid as of the date of termination (which shall be paid to Employee on the same date as such bonus would have been paid had Employee remained in employment) (the "Post-Termination Bonus Payment") and make severance payments to Employee in a total amount equal to: (X) 12 months' worth of Employee's Base Salary; plus (Y) an additional amount equal to the target annual bonus for the Employee for the year in which Employee is terminated prorated up to the date of termination for the number of days worked during such calendar year and calculated based on relative achievement of key performance targets as determined by the Compensation Committee of the Board in its reasonable discretion (such total severance payments being referred to as the "Severance Payment"). For the avoidance of doubt, a non-renewal of the Term of this Agreement by Employee, a termination by reason of Employee's death or Disability, a termination by the Company for Cause or a termination of employment by Employee without Good Reason under Section 2(a) above shall not give rise to a right to the Severance Payment or Post-Termination Bonus Payment.

(ii)

The Severance Payment will be paid in substantially equal monthly installments in accordance with the Company's normal payroll practices, beginning on Company's first pay date that is on or after the 60th day following the date of termination of employment; *provided, however*, that the first installment payment shall include all amounts that would otherwise have been paid to Employee during the period beginning at termination and ending on the first payment date (without interest) if no delay had been imposed. Any Severance Payment is conditional upon Employee's compliance with Sections 3 and 4. Each payment of a portion of the Severance Payment under this Agreement is intended to be a series of separate payments and not as the entitlement to a single payment for purposes of Section 409A. For purposes of this Agreement, references to Employee's termination of employment shall mean, and be interpreted in accordance with, Employee's "separation from service" from the Company within the meaning of Treasury Regulation § 1.409A-1(h)(1)(ii).

(iii)

Upon a termination of employment by Employee for Good Reason, by the Company for convenience or non-renewal by the Company, then all outstanding unvested long term incentive awards granted to the Employee during his employment with the Company under the Long Term Incentive Plan shall become fully vested and exercisable for the remainder of their full term in accordance with, and subject to, any applicable agreements and plan documents as may be amended from time to time.

(iv)

Upon a Change of Control, the Employee shall retain all outstanding long term incentive awards previously granted to Employee under the Long Term Incentive Plan subject to existing vesting schedules, provided that all such awards shall be modified by the Compensation Committee in its discretion to reflect the consideration, whether in shares of

stock, other securities, cash or property that the Employee would be entitled to receive had he vested into such awards immediately prior to the Change of Control. For the avoidance of doubt, all such modified awards shall remain subject to the vesting requirements in effect for such awards prior to the Change of Control and shall remain subject to all applicable agreements and plan documents as may be amended from time to time.

**3.**

**Confidentiality**. The Company will provide Employee and give Employee access to Confidential Information during the Term. Employee will hold all Confidential Information in a fiduciary capacity for the benefit of the Company. During the Term and at all times after termination of Employee's employment hereunder, Employee will: (a) not disclose any Confidential Information to any person or entity other than in the proper performance of his duties during the Term; (b) not use any Confidential Information except for the benefit of the Company; and (c) take all such precautions as may be reasonably necessary to prevent the disclosure to any third party of any of the Confidential Information.

Upon termination of employment, Employee will surrender and deliver to the Company all documents (including electronically stored information) and other materials of any nature containing or pertaining to all Confidential Information and any other Company property or property of its subsidiaries (including, without limitation, any Company-issued computer, mobile device, credit card, or other equipment or property), in Employee's possession, custody and control and Employee will not retain any such document or other materials or property.

**4.**

**Non-Competition and Non-Solicitation**.

(a)

The Company shall provide Employee access to the Confidential Information for use only during the Term, and Employee acknowledges and agrees that the Company will be entrusting Employee, in Employee's unique and special capacity, with developing the goodwill of the Company and its subsidiaries, and in consideration thereof and in consideration of the access to Confidential Information and as a condition to the Company's entry into this Agreement and employment of Employee, and Employee's receipt of equity-based compensation pursuant to the Long-Term Incentive Plan as described in Exhibit A, Employee has voluntarily agreed to the covenants set forth in this Section 4. Employee further agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company's and its subsidiaries' legitimate business interests, including the protection of its Confidential Information and goodwill.

(b)

Employee agrees that, during the period that he is employed by the Company or any of its subsidiaries and continuing through the date that is 12 months following the date that Employee is no longer employed by the Company or any of its subsidiaries, Employee shall not, without the prior written approval of the Company, directly or indirectly, for himself or on behalf of or in conjunction with any other person or entity of whatever nature engage in any Prohibited Activity.

(c)

During the Term and at all times following the termination of Employee's employment for whatever reason, Employee shall not (except to the extent required by law) disparage, and shall cause the Employee's

affiliates not to disparage, either orally or in writing, the Company or any of its subsidiaries or affiliates, or any of their directors, officers, managers, agents, representatives, stockholders, investors, partners, members, or employees, or any of their respective businesses, products, services or practices. During the Term and at all times following the termination of Employee's employment for whatever reason, the Company shall not (except to the extent required by law) disparage, and shall cause the Company's subsidiaries not to disparage, either orally or in writing, the Employee.

(d)

Because of the difficulty of measuring economic losses to the Company as a result of a breach of the foregoing covenants, and because of the immediate and irreparable damage that would be caused to the Company for which it would have no other adequate remedy, Employee agrees that the Company and its subsidiaries shall be entitled to enforce the foregoing covenants, in the event of a breach, by injunctions and restraining orders and that such enforcement shall not be the Company's or such subsidiary's exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company or its subsidiaries at law and equity.

(e)

The covenants in this Section 4, and each provision and portion thereof, are severable and separate, and the unenforceability of any specific covenant shall not affect the provisions of any other covenant. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which the arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

## 5.

**Stock Ownership Policy**. On and after April 1, 2020, Employee is expected to hold a number of shares of Class A common stock, par value \$0.01 per share, of the Company ("Stock") with an aggregate value equal to two times Employee's Base Salary (such value to be determined based on the closing price of a share of Stock as of December 31 of the prior year (the "Stock Ownership Requirement"). The Stock Ownership Requirement shall be measured on April 1 of each year beginning in 2020. Until the applicable Stock Ownership Requirement is achieved, Employee is encouraged to retain the net shares obtained through the Company's stock incentive plans. "Net shares" are those shares that remain after shares are sold or netted to pay the exercise price of stock options (if applicable) and withholding taxes. To the extent Employee falls below the Stock Ownership Requirement after April 1, 2020, Employee will be required to retain 100% of the net shares obtained through the Company's stock incentive plans until the Stock Ownership Requirement is met. In the event of a drop in the share price of the Stock from the beginning of each fiscal year through the end of such year commencing with fiscal year 2019 and for each fiscal year thereafter of more than twenty-five percent (25%), Employee will be entitled to an additional twelve month period commencing on April 1 of the next year to comply with the Stock Ownership Requirement. Failure to satisfy the Stock Ownership Requirement may impact Employee's eligibility to receive future cash and equity incentive compensation awards. All shares of Stock held by Employee (including (i) shares purchased on the open market or (ii) shares held indirectly by Employee (a) under any retirement or deferred compensation plan or (b) held by a spouse or other immediate family member residing in the same household or (c) in a trust for the benefit of Employee or his family (whether held individually or jointly)) and all shares of Stock underlying awards granted under the Company's long term incentive plan and which can be settled in Stock (whether vested or unvested, exercised or unexercised, or settled or unsettled) will count towards the Stock Ownership Requirement. Performance awards held by Employee will count towards the Stock Ownership Requirement at the target level of such awards until settled.

6.

**Applicable Law; Submission to Jurisdiction**. This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement or relating to Employee's employment or the termination thereof, the parties hereby consent to the exclusive jurisdiction, forum and venue of the state and federal courts located in Houston, Texas. Notwithstanding the foregoing, the Company and its subsidiaries shall be entitled to enforce their rights under Section 4 in any court of competent jurisdiction.

7.

**Entire Agreement and Amendment**. This Agreement, the Long Term Incentive Plan and the award agreement evidencing any equity compensation awards granted under the Long Term Incentive Plan contains the entire agreement of the parties with respect to the matters covered herein; moreover, this Agreement supersedes all prior and contemporaneous agreements and understandings, oral or written, between the parties hereto concerning the subject matter hereof. This Agreement may be amended only by a written instrument executed by both parties hereto.

8.

**Waiver of Breach**. Any waiver of this Agreement must be executed by the party to be bound by such waiver. No waiver by either party hereto of a breach of any provision of this Agreement by the other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party or any similar or dissimilar provision or condition at the same or any subsequent time. The failure of either party hereto to take any action by reason of any breach will not deprive such party of the right to take action at any time while such breach continues.

9.

**Assignment**. This Agreement is personal to Employee, and neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise transferred by Employee. The Company may assign this Agreement without Employee's consent, including to any subsidiary of the Company and to any successor (whether by merger, purchase or otherwise) to all or substantially all of the equity, assets or businesses of the Company.

10.

**Notices**. Notices provided for in this Agreement shall be in writing and shall be deemed to have been duly received when delivered in person or on the third business day following deposit in the United States mail, registered or certified mail, return receipt requested: to the address of the Company's principal offices, Attention: General Counsel, if to the Company; and to the home address of the Employee on file with the Company if to the Employee.

11.

**Section 409A**. If any provision of this Agreement does not satisfy the requirements of Section 409A, then such provision shall nevertheless be applied in a manner consistent with those requirements. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Employee on account of non-compliance with Section 409A. If any

payment or benefit provided to the Employee in connection with his termination of employment is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A and the Employee is determined to be a "specified employee" as defined in Section 409A(a)(2)(b)(i), then all such payments or benefits shall not be paid until the first payroll date to occur following the six-month anniversary of the Termination Date in a lump sum, and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule.

**12.**

**Effect of Termination**. The provisions of Sections 2(e), 3, 4, 6 and 11 and those provisions necessary to interpret and enforce them, shall survive any termination of this Agreement and any termination of the employment relationship between Employee and the Company.

**13.**

**Third-Party Beneficiaries**. Each subsidiary of the Company that is not a signatory to this Agreement is an intended, third-party beneficiary of Employee's obligations under Sections 3 and 4 above and shall be entitled to enforce such obligations as if a party hereto.

**14.**

**Severability**. If an arbitrator or court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement and all other provisions shall remain in full force and effect.

/s/ ROBERT LANE  
Employee Name: Robert Lane

SPARK ENERGY, INC.

By: /s/ GIL MELMAN  
Name: Gil Melman

Title: Vice President and General Counsel



EXHIBIT A TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT

OF ROBERT LANE

**Title:** Vice President and Chief Financial Officer

**Duties:** Those normally incidental to the title identified above, as well as such additional duties as may be assigned to Employee by the Board from time to time.

**Term:** The initial term of this Agreement shall be for the period beginning on June 1, 2016 and ending on December 31, 2016. On January 1, 2017 and on each subsequent anniversary thereafter, this Agreement shall automatically renew and extend for a period of 12 months unless written notice of non-renewal is delivered from either party to the other not less than 30 days prior to the expiration of the then-existing Term. The Term shall include the initial term and any renewal periods. The Term shall end effective as of the date of termination of Employee's employment for any reason.

**Base Salary:** Annual base salary of \$270,000.00 (less applicable taxes and withholdings) (the "Base Salary") payable in conformity with the Company's customary payroll practices for similarly situated employees as may exist from time to time, but no less frequently than monthly.

**Bonus:** Employee shall be eligible to participate in such annual bonus plan as may be established by the Company in its discretion from time to time and in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plan in effect from time to time. Bonus payable for the 2016 fiscal year shall be prorated based on start date. The Company shall not, however, be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any bonus plan, so long as such changes are similarly applicable to similarly situated Company employees generally. Except to the extent specifically provided for in Section 2(e)(i), any bonus shall not be payable unless Employee remains continuously employed within the Company to the date on which such bonus is paid.

**Equity Based Compensation:** Employee will be eligible to receive equity based compensation awards pursuant to, and subject to the terms of, an equity compensation plan adopted by the Company, as such plan may be amended by the Company from time to time (the "Long Term Incentive Plan"). Such awards will be in an amount determined by the Company and subject to the terms and conditions established by the Board or a committee thereof.

**Benefits:** Employee shall be eligible to participate in the same benefit plans and programs in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plans and programs in effect from time to time. The Company shall not be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any such plan or policy, so long as such changes are similarly applicable to similarly situated Company employees.

**Indemnity and D&O Insurance:** The Company will indemnify and hold Employee harmless for all acts and omissions occurring during his employment to the maximum extent provided under the Company's certificate of incorporation, by-laws and applicable law (as each may be amended from time to time). During the Term, the Company will purchase and maintain, at its own expense, directors' and officers' liability insurance providing coverage for Employee in the same amount as for similarly situated executives of the Company.

EXHIBIT B  
TO EMPLOYMENT AGREEMENT OF ROBERT LANE  
DEFINITIONS

“ Business ” means the products or services offered, marketed, or sold, or with respect to which there are active plans to offer, market or sell, by the Company or its subsidiaries during the period in which Employee is employed by the Company or any of its subsidiaries and for which Employee has material responsibility or about which Employee obtains Confidential Information, which such products and services include, without limitation, the business of supplying electricity and natural gas to homes and businesses.

“ Business Opportunity ” means any commercial, investment or other business opportunity relating to the Business.

“ Cause ” means:

(i)

Employee’s material breach of this Agreement, or any other material obligation owed to the Company or any of its subsidiaries; provided that, if the Company determines that any such breach is capable of cure by Employee, written notice of such breach must be delivered to Employee and Employee must be given a period of 15 days following delivery of such notice to cure the breach;

(ii)

the commission of an act of gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft or embezzlement on the part of Employee, which such act has an adverse effect on the Company or any of its subsidiaries or can reasonably be expected to have an adverse effect on the Company or any of its subsidiaries;

(iii)

the conviction or indictment of Employee, or a plea of *nolo contendere* by Employee, to any felony or any crime involving moral turpitude;

(iv)

Employee’s willful failure or refusal to perform Employee’s obligations pursuant to this Agreement or willful failure or refusal to follow the lawful instructions of the Board; provided that, if the Company determines that any such failure is capable of cure by Employee, written notice of such failure must be delivered to Employee and Employee must be given a period of 15 days following delivery of such notice to cure the failure; or

(v)

any conduct by Employee which is materially injurious (monetarily or otherwise) to the Company or any of its subsidiaries.

“ Change of Control ” has the meaning given to it in the Company’s Long Term Incentive Plan.

“ Confidential Information ” means: all non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made,

developed or acquired by or disclosed to Employee, individually or in conjunction with others, during or prior to the Term that relate to the Company's or its subsidiaries businesses or properties, products or services (including all such information relating to hedging strategies and current, prospective and historic customer segmentation analysis, corporate opportunities, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, customer requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks). All documents, videotapes, written presentations, brochures, drawings, memoranda, notes, records, files, correspondence, manuals, models, specifications, computer programs, e-mail, voice mail, electronic databases, maps, drawings, architectural renditions, models and all other writings or materials of any type including or embodying any Confidential Information shall be deemed Confidential Information and be subject to the same restrictions on disclosure applicable to Confidential Information pursuant to this Agreement. For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee; (ii) was available to Employee on a non-confidential basis before its disclosure by the Company; or (iii) becomes available to Employee on a non-confidential basis from a source other than the Company, provided that such source is not bound by a confidentiality agreement with the Company or any of its subsidiaries.

“ Covered Vendor or Supplier ” means any individual, corporation, partnership, limited liability company, association, trust, unincorporated organization, or other entity who is or was: (A) a vendor or supplier of the Company or any of its subsidiaries at any time during the last 12 months of Employee's employment with the Company or any of its subsidiaries; or (B) a prospective vendor or supplier of the Company or any of its subsidiaries about which Employee had confidential information or with which Employee had contact in Employee's capacity as a representative of the Company or any of its subsidiaries.

“ Covered Employee or Agent ” means any individual, corporation, partnership, limited liability company, association, trust, unincorporated organization, or other person or entity who is or was an employee, director, officer, contractor, consultant, or vendor of the Company or any of its subsidiaries at any time during the Term and for a period of twelve months after termination of Employee's employment.

“ Disability ” shall exist if Employee is unable to perform the essential functions of Employee's position, with reasonable accommodation, due to an illness or physical or mental impairment or other incapacity that continues, or can reasonably be expected to continue, for a period in excess of 90 days, whether or not consecutive. The determination of whether Employee has incurred a Disability will be made in good faith by the Board.

“ Good Reason ” means:

- (i)  
the material diminution of Employee's Base Salary;
- (ii)  
the material diminution in Employee's title, duties, authority or responsibilities at the Company;
- (iii)  
the relocation of the Company's corporate offices at which Employee is required

to perform services by more than fifty (50) miles from its location as of the date of this Agreement; or

(iv)

a material breach by the Company of any other material obligation under this Agreement or any other written agreement between Employee and the Company.

“ Market Area ” means that geographic area in the United States of America in which the Company or any of its subsidiaries (A) engages in business, (B) sells or markets to, or obtains products or services from, Covered Customers or Suppliers, (C) has Covered Employees or Agents located, or (D) contemplates doing any of the foregoing, which such area includes Texas, Connecticut, Illinois, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Arizona, California, Colorado, Florida, Indiana, Michigan, Nevada, Ohio, Maine and New Hampshire.

“ Prohibited Activity ” means:

(a)

to engage in or participate within the Market Area in competition with the Company or any of its subsidiaries in any aspect of the Business, including directly or indirectly owning, managing, operating, joining, becoming an employee or consultant of, or loaning money to or selling or leasing equipment or real estate to or otherwise being affiliated with any person or entity engaged in, or planning to engage in, the Business in competition, or anticipated competition, in the Market Area, with the Company or any of its subsidiaries;

(b)

to appropriate any Business Opportunity of, or relating to, the Company or any of its subsidiaries located in the Market Area;

(c)

to solicit, canvass, approach, entice or induce any Covered Customer or Supplier to cease, fail to establish, or lessen such Covered Customer or Supplier's business with the Company or any of its subsidiaries; or

(d)

to solicit, canvass, approach, entice or induce any Covered Employee or Agent to alter, lessen or terminate his, her or its employment, engagement or relationship with the Company or any of its subsidiaries.

## **SEPARATION AND RELEASE AGREEMENT**

THIS SEPARATION AND RELEASE AGREEMENT (the "Agreement") is entered into effective as of June 2, 2016, by and between Spark Energy, Inc., a Delaware corporation (the "Company") and Georganne Hodges, the undersigned individual ("Executive") (together, the "Parties" and individually, a "Party").

### **RECITALS**

WHEREAS, Executive is employed by the Company pursuant to the terms of the Employment Agreement between the Company and Executive, dated April 15, 2015 (the "Employment Agreement"); and

WHEREAS, the Parties mutually desire to arrange for Executive's termination and separation from employment and to provide or cause to be provided those certain payments and benefits from the Company or its subsidiaries, pursuant to the terms and conditions set forth herein and mutually desire to resolve, fully and finally, all outstanding matters between them; and

WHEREAS, Executive acknowledges that certain of the Company's obligations under this Agreement are conditioned upon Executive's timely execution, without revocation, of a waiver and release of claims against the Company, its subsidiaries and its affiliates; and

WHEREAS, the Company and Executive acknowledge that the Executive is a participant in the Company's Long-Term Incentive Plan, Effective Date July 28, 2014 (the "Long-Term Incentive Plan"); and

WHEREAS, the Company and the Executive agree that this Agreement shall control all payments and obligations otherwise due under the Long-Term Incentive Plan and shall supersede any interests the Executive may have under the Long-Term Incentive Plan; and

WHEREAS, in consideration of the mutual promises contained herein, the Company is willing to enter into this Agreement upon the terms and conditions herein set forth.

NOW, THEREFORE, intending to be legally bound and in consideration of the mutual covenants and agreements hereinafter set forth, the Company and Executive agree to the following terms and conditions:

### **AGREEMENT**

1. Separation of Employment. Effective as of July 15, 2016 (the "Separation Date"), Executive's employment with the Company and any subsidiaries and affiliated entities shall be terminated by the Company pursuant to Section 2(a) of the Employment Agreement, and Executive, effective as of June 2, 2016 (the "Effective Date"), hereby resigns from all officer (or equivalent) positions with the Company and any subsidiaries and affiliated entities and as a member of any

Board of Directors (the "Board") of any subsidiary or affiliated entity of the Company, in each case effective as of the Effective Date. As of the Effective Date, Executive shall no longer be an officer of the Company or an officer or member of any Board of any subsidiary or affiliated entity of the Company. Executive agrees to take any and all further acts reasonably requested by the Company which are necessary to evidence and effect such resignations. Notwithstanding the foregoing, at the Company's election, the Company, through its Chief Executive Officer, shall have the right to cause Executive to cease any functions as an employee of the Company as of any date earlier than the Separation Date (the "Early Separation Date"). All severance benefits and post-termination obligations will be calculated and measured from the Separation Date or Early Separation Date (as the case may be).

2. Release. Certain terms of this Agreement are contingent on Executive's timely execution of a full and complete release of claims against the Company, its affiliates, officers and directors ("Release") attached as **Exhibit A** hereto, which executed Release must be delivered to the Company on or before the fiftieth (50th) day after the Separation Date or Early Separation Date, as applicable (provided such Release is not thereafter revoked, a "Final Release"). In the absence of a timely executed Release, or in the case Executive revokes such Release prior to the date the Release becomes irrevocable pursuant to its terms, this Agreement shall have no further force or effect; *provided, however*, that any failure to timely execute the Release or revocation of the Release shall have no impact on the resignations referred to in Section 1.

3. Payments. Executive shall be entitled to receive the payments and benefits provided below:

(a) Accrued Obligations. Executive shall be entitled to receive all accrued but unpaid salary through the Separation Date or Early Separation Date, as applicable, which shall be paid to the Executive in accordance with the Company's or its subsidiaries' normal payroll practices, but not later than thirty (30) days after the Separation Date or Early Separation Date, as applicable. Executive shall also be entitled to receive all accrued but unused vacation through the Separation Date or Early Separation Date, as applicable, which shall be paid in one lump sum to the Executive in accordance with the Company's or its subsidiaries' normal payroll practices, but not later than thirty (30) days after the Separation Date or Early Separation Date, as applicable.

(b) Benefits Under Section 2(e) of Employment Agreement. Subject to Executive's compliance with Section 3 (Confidentiality) and Section 4 (Non-Competition and Non-Solicitation) of the Employment Agreement, Executive shall be entitled to receive all of the payment and benefits as set forth in Section 2(e) of Employment Agreement, including, without limitation, the Severance Payment (as defined in the Employment Agreement) and the vesting of all outstanding unvested long term incentive awards granted to the Executive during her employment with the Company under the Company's Long Term Incentive Plan, as provided for in Section 2(e)(iii) of the Employment Agreement. For the avoidance of doubt, the portion of the Severance Payment attributable to 2016 bonus shall be in the amount of \$108,740, subject to pro rata reduction upon the occurrence of an Early Separation Date. Any Severance Payments payable to Executive shall be paid in accordance with Section 2(e) of the Employment Agreement.

4. Restrictive Covenants and Acknowledgments.

(a) Covenants. The Executive previously agreed to the restrictive covenants contained in the Employment Agreement (collectively hereinafter referred to as the "Covenants").

(b) Forfeiture of Benefits. The Executive acknowledges and agrees that the compensation and benefits provided for in Section 3 hereof are subject to the Executive's continued compliance with the Covenants, and such compensation and benefits shall cease in the event of a final determination by a Court of competent jurisdiction, of a breach by the Executive of any provision of the Covenants, and such cessation of payments and benefits shall not reduce any monetary damages that may be available to the Company or its subsidiaries, as a result of such breach; *provided, however*, that nothing contained in this Agreement or the Release shall effect, reduce, or diminish the Executive's rights under COBRA.

(c) Retirement Savings Plan. Executive acknowledges that she is not eligible to participate in the Company's or any subsidiaries' or affiliated entities' Retirement Savings Plan following her termination of employment on the Separation Date or Early Separation Date, as applicable. Notwithstanding the foregoing, nothing contained in this Section 4(d) or elsewhere in this Agreement shall divest or constitute a release or forfeiture of any accrued vested benefit or account in the Company's, an affiliate's or subsidiary's Retirement Savings Plan or other qualified Executive benefit plan, as any interest Executive may have therein shall be governed by the appropriate plan and/or trust agreement. All employee contributions and employer matching contributions under the Company's Retirement Savings Plan prior to and as of the Separation Date or Early Separation Date, as applicable, shall be fully vested on and as of the Separation Date or Early Separation Date, as applicable.

(d) Enforcement/Remedies.

(i) Executive acknowledges and agrees: (1) that her services to the Company or its subsidiaries and affiliates are unique, (2) that the restrictions in the Covenants are reasonable and necessary to protect the legitimate business interests of the Company, its subsidiaries and affiliates and will not preclude her from becoming gainfully employed following her termination of employment, (3) that any violation of any provision of the Covenants will irreparably injure the Company and its subsidiaries, (4) that in the event of such violation the Company shall be entitled to preliminary and permanent injunctive relief without proof of actual damages and to an equitable accounting of all earnings, profits and other benefits arising from such violation, which rights shall be cumulative and in addition to any other rights or remedies to which the Company or its subsidiaries may be entitled.

(ii) In the event any provision relating to the time period or scope of the confidentiality, non-disparagement or non-solicitation restrictions shall be declared by a court of competent jurisdiction to exceed the maximum time period or scope such court deems reasonable and enforceable, such time period or scope shall be deemed amended and reformed to the minimum degree necessary to be enforceable.

(iii) Executive agrees that, if she is found upon final determination by a Court of competent jurisdiction to have breached any provision in the Covenants, then she shall be obligated to pay the reasonable attorney's fees and expenses incurred by the Company or its subsidiaries to enforce its rights in connection with such breach.

(iv) Company agrees that, if it is found upon final determination by a Court of competent jurisdiction to have breached any provision in this Agreement, then it shall be obligated to pay the reasonable attorney's fees and expenses incurred by the Executive to enforce his rights in connection with such breach.

5. Cooperation. Executive acknowledges that in the course of her employment with the Company or its subsidiaries, Executive has gained knowledge and experience and/or was a witness to events and circumstances that may arise in or relate to the Company's or its subsidiaries' defense or prosecution of current or subsequent proceedings. Following the Separation Date or Early Separation Date, as applicable, Executive agrees to cooperate fully with the Company's or its subsidiaries' reasonable request as a witness and/or consultant in defending or prosecuting claims of all kinds, including but not limited to, any litigation, administrative actions or arbitrations. Such assistance following the Separation Date, or Early Separation Date, as applicable, shall be furnished at mutually agreeable times and for mutually agreeable compensation, *provided, however*, that Executive shall not be entitled to compensation if the Company or its subsidiaries' only request that Executive provide de minimis assistance to answer questions and transition her duties and day-to-day responsibilities not exceeding four (4) hours in any week during the period from the Separation Date or Early Separation Date, as applicable through May 31, 2017.

6. On or before the Separation Date or Early Separation Date, as applicable, Executive shall return to the Company all files, records, credit cards, keys, equipment, and all other Company property or documents maintained by Executive for the Company's use or benefit.

7. Miscellaneous.

(a) Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without regard to conflict of law principles. Further, for any dispute related to this Agreement, Executive and Company irrevocably submit to the exclusive jurisdiction of the Federal courts of the United States of America located in the Southern District of Texas, Houston Division, or the State District Courts of Texas located in Harris County, Texas. Executive and Company consent to and grant any such court jurisdiction over the person of such parties and over the subject matter of any such dispute.

(b) Entire Agreement. This Agreement and the agreement referenced in Section 4 (a) herein, but only as to the Covenants, contain the entire agreement and understanding between the Parties hereto and supersede any prior or contemporaneous written or oral agreements, representations and warranties between them respecting the subject matter hereof.

(c) Amendment. This Agreement may be amended only by a writing signed by Executive and by a duly authorized representative of the Company.



(d) Tax Withholding. The Company or its subsidiaries may withhold from any benefits payable under this Agreement all federal, state, city or other taxes that will be required pursuant to any law or governmental regulation or ruling.

(e) Assignability. The Company or its subsidiaries shall have the right to assign this Agreement and its rights hereunder, in whole or in part, including but not limited to Executive's obligations under Sections 4(a) through 4(c) of this Agreement; *provided, however*, that no such assignment shall relieve the Company or its subsidiaries of their obligations to the Executive under this Agreement. Executive shall not have any right to pledge, hypothecate, anticipate, or in any way create a lien upon any amounts provided under this Agreement, and no payments or benefits due hereunder shall be assignable in anticipation of payment either by voluntary or involuntary acts or by operation of law.

(f) Severability. If any term, provision, covenant or condition of this Agreement, or the application thereof to any person, place or circumstance, shall be held to be invalid, unenforceable or void, the remainder of this Agreement and such term, provision, covenant or condition as applied to other persons, places and circumstances shall remain in full force and effect.

(g) Construction. The headings and captions of this Agreement are provided for convenience only and are intended to have no effect in construing or interpreting this Agreement. The language in all parts of this Agreement shall be in all cases construed according to its fair meaning and not strictly for or against the Company, its subsidiaries or Executive.

(h) Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, and all of which together will constitute one document.

(i) Rights Cumulative. The rights and remedies provided by this Agreement are cumulative, and the exercise of any right or remedy by either Party hereto (or by its successor), whether pursuant to this Agreement, to any other agreement, or to law, shall not preclude or waive its right to exercise any or all other rights and remedies.

(j) Nonwaiver. No failure or neglect of either party hereto in any instance to exercise any right, power or privilege hereunder or under law shall constitute a waiver of any other right, power or privilege or of the same right, power or privilege in any other instance. All waivers by either Party hereto must be contained in a written instrument signed by the Party to be charged and, in the case of the Company, by an officer of the Company (other than Executive) or other person duly authorized by the Company.

(k) Notices. Any notice, request, consent or approval required or permitted to be given under this Agreement or pursuant to law shall be sufficient if in writing, and if and when sent by certified or registered mail, with postage prepaid, to Executive's residence (as noted in the Company's or its subsidiaries' records), or to such other address as Executive may from time to time designate in writing, or to the Company's principal office, as the case may be.

(l) Review of Communication. Executive shall be provided with an opportunity to review and approve any written communication made by the Company or its subsidiaries, regarding Executive's separation from employment.

8. Section 409A. Each payment under this Agreement, including each payment in a series of installment payments, is intended to be a separate payment for purposes of Treas. Reg. § 1.409A-2(b), and is intended to be: (i) exempt from Section 409A of the Internal Revenue Code of 1986, the regulations and other binding guidance promulgated thereunder ("Section 409A"), including, but not limited to, by compliance with the short-term deferral exemption as specified in Treas. Reg. § 1.409A-1(b)(4) and the involuntary separation pay exception within the meaning of Treas. Reg. § 1.409A-1(b)(9)(iii), or (ii) in compliance with Section 409A, including, but not limited to, being paid pursuant to a fixed schedule or specified date pursuant to Treas. Reg. § 1.409A-3(a) and the provisions of this Agreement will be administered, interpreted and construed accordingly. The Company makes no representations that payments or benefits provided under the Agreement shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to any such payments or benefits. If this Agreement fails to meet the requirements of Section 409A, neither the Company nor any of its affiliates shall have any liability for any tax, penalty or interest imposed on Executive by Section 409A, and Executive shall have no recourse against the Company or any of its affiliates for payment of any such tax, penalty or interest imposed by Section 409A.

**[Signature Page Follows]**

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the date set forth below, but effective as of the Effective Date.

SPARK ENERGY, INC.

EXECUTIVE

By: /s/ GIL MELMAN

By: /s/ GEORGANNE HODGES

Name: Gil Melman

Name: Georganne Hodges

Title: Vice President and General Counsel

Date: June 2, 2016

#### **EXHIBIT A**

Dated: \_\_\_\_\_, 2016

#### **WAIVER AND RELEASE**

Pursuant to the terms of my Separation and Release Agreement with Spark Energy, Inc. dated \_\_\_\_\_, 2016 (the “Agreement”) and in exchange for the benefits provided in the Agreement (the “Separation Benefits”), I hereby waive all claims against and release (i) Spark Energy, Inc. and its directors, officers, employees, members, agents, insurers, predecessors, successors and assigns (collectively referred to as the “Company”), (ii) all of the affiliates (including all parent companies and all wholly or partially owned subsidiaries) of the Company and their directors, officers, employees, members, agents, insurers, predecessors, successors and assigns (collectively referred to as the “Affiliates”), (iii) the Company’s and its Affiliates’ employee benefit and incentive plans and the fiduciaries and agents of said plans (collectively referred to as the “Benefit Plans”); and (iv) the Company’s and its Affiliates’ equity incentive and equity investment plans and the fiduciaries and agents of said plans (collectively referred to as the “Equity Plans”) from any and all debts, agreements, promises, liabilities, claims, damages, actions, causes of action, or demands of any kind or nature including without limitation all claims of wrongful discharge, breach of contract, intentional infliction of emotional distress, breach of alleged implied covenant of good faith and fair dealing, invasion of privacy, defamation, and age or sex discrimination, or discrimination based on any other ground arising out of or relating in any way to my employment with or separation from employment with the Company, but specifically excluding from the above and foregoing release (i) any claims or rights that under law are non-waivable and (ii) benefits due pursuant to the Agreement. In addition, the waiver and release set forth above does not limit either party’s right, where applicable, to file or participate in an investigative proceeding of any federal, state or local governmental agency. (The Company, its Affiliates, the Benefit Plans and the Equity Plans are sometimes hereinafter collectively referred to as the “Released Parties.”)

**I understand that signing this Waiver and Release is an important legal act. I acknowledge that I have been advised in writing to consult an attorney before signing this Waiver and Release. I understand that, in order to be eligible for the Separation Benefits, I must sign (and return to the Company) this Waiver and Release before I will receive the Separation Benefits. I acknowledge that I have been given at least twenty-one (21) days to consider whether to accept the Separation Benefits and whether to execute this Waiver and Release.**

In exchange for the Separation Benefits, (1) I agree not to sue in any local, state and/or federal court regarding or relating in any way to my employment with or separation from employment with the Company and its Affiliates, and (2) I knowingly and voluntarily waive all claims and release the Released Parties from any and all claims, demands, actions, liabilities, and damages, whether known or unknown, arising out of or relating in any way to my employment with or separation from employment with the Company and its Affiliates, except to the extent that my rights are vested under the terms of any employee

benefit plans sponsored by the Company and its Affiliates and except with respect to such rights or claims as may arise after the date this Waiver and Release is executed. This Waiver and Release includes, but is not limited to, claims and causes of action under: Title VII of the Civil Rights Act of 1964, as amended; the Age Discrimination in Employment Act of 1967, as amended, including the Older Workers Benefit Protection Act of 1990; the Civil Rights Act of 1866, as amended; the Civil Rights Act of 1991; the Americans with Disabilities Act of 1990; the Workers Adjustment and Retraining Notification Act of 1988; the Pregnancy Discrimination Act of 1978; the Employee Retirement Income Security Act of 1974, as amended; the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended; the Family and Medical Leave Act of 1993; the Fair Labor Standards Act; the Occupational Safety and Health Act; the Texas Labor Code §21.001 et. seq.; the Texas Labor Code; claims in connection with workers' compensation, retaliation or "whistle blower" statutes; and/or contract, tort, defamation, slander, wrongful termination and all other federal regulatory, statutory or common law and all other state and local equal employment, fair employment, civil or human rights laws, codes and ordinances, regardless of whether such claims are in past or present, personal or representative, known or unknown, or arising out of any occurrence to date and expressly including but not limited to any liability arising out of or in connection with the employment of Executive by Company, or her termination, and claims for attorneys' fees and costs, and any and all forms of compensation, including without limitation any incentive awards or bonuses, relating to such employment, other than as set forth in Section 3 of the Agreement,

Further, I expressly represent that no promise or agreement which is not expressed in this Waiver and Release has been made to me in executing this Waiver and Release, and that I am relying on my own judgment in executing this Waiver and Release, and that I am not relying on any statement or representation of the Company or its Affiliates or any of their agents. I agree that this Waiver and Release is valid, fair, adequate and reasonable, is with my full knowledge and consent, was not procured through fraud, duress or mistake and has not had the effect of misleading, misinforming or failing to inform me. I acknowledge and agree that the Company will withhold minimum amount of any taxes required by federal or state law from the Separation Benefits otherwise payable to me.

This Waiver and Release does not apply to any claims for unemployment compensation or any other claims or rights which, by law, cannot be waived, including the right to file an administrative charge or participate in an administrative investigation or proceeding; *provided, however*, that I disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding.

Notwithstanding anything to the contrary in this Waiver and Release, I do not release and expressly retain (a) all rights to indemnity, contribution, and a defense, and directors and officers and other liability coverage that I may have under any statute, the bylaws of the Company or by other agreement; (b) the right to receive the Separation Benefits; (c) the right to enforce all obligations undertaken by the Company under this Agreement; and (d) the right to any, unpaid reasonable business expenses and any accrued benefits payable under any Company welfare plan or tax-qualified plan or other Benefit Plans.

I acknowledge that the Company's provision of the Separation Benefits is not an admission by any one or more of the Released Parties that they engaged in any wrongful or unlawful act or that they violated any federal or state law or regulation. I acknowledge that neither the Company nor its Affiliates have promised me continued employment or represented to me that I will be rehired in the future. I acknowledge that my employer and I contemplate an unequivocal, complete and final dissolution of my employment relationship. I acknowledge that this Waiver and Release does not create any right on my part to be rehired by the Company or its Affiliates, and I hereby waive any right to future employment by the Company or its Affiliates.

I understand that for a period of seven (7) calendar days following the date that I sign this Waiver and Release, I may revoke my acceptance of this Waiver and Release, provided that my written statement of revocation is received on or before that seventh (7th) day by the Company's Vice President, General Counsel, Gil M. Melman, 12140 Wickchester Lane, Suite 100, Houston, Texas 77079, facsimile number: (832) 320-2943, in which case the Waiver and Release will not become effective. If I timely revoke my acceptance of this Waiver and Release, the Company shall have no obligation to provide the Separation Benefits to me. I understand that failure to revoke my acceptance of the offer within seven (7) calendar days from the date I sign this Waiver and Release will result in this Waiver and Release being permanent and irrevocable.

Should any of the provisions set forth in this Waiver and Release be determined to be invalid by a court, agency or other tribunal of competent jurisdiction, it is agreed that such determination shall not affect the enforceability of other provisions of this Waiver and Release. I acknowledge that this Waiver and Release sets forth the entire understanding and agreement between me and the Company and its Affiliates concerning the subject matter of this Waiver and Release and supersedes any prior or contemporaneous oral and/or written agreements or representations, if any, between me and the Company or its Affiliates.

I acknowledge that I have read this Waiver and Release, have had an opportunity to ask questions and have it explained to me and that I understand that this Waiver and Release will have the effect of knowingly and voluntarily waiving any action I might pursue, including breach of contract, personal injury, retaliation, discrimination on the basis of race, age, sex, national origin, or

disability and any other claims arising prior to the date of this Waiver and Release. By execution of this document, I do not waive or release or otherwise relinquish any legal rights I may have which are attributable to or arise out of acts, omissions, or events of the Company or its Affiliates which occur after the date of the execution of this Waiver and Release.

Georganne Hodges

Company's Representative

Signature Date

Company's Execution Date

## INDEMNIFICATION AGREEMENT

This Indemnification Agreement (“Agreement”) is made as of June 2, 2016, by and between Spark Energy, Inc., a Delaware corporation (the “Corporation”), and Robert Lane (“Indemnitee”).

### RECITALS:

WHEREAS, directors, officers and other persons in service to corporations or business enterprises are subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Corporation or business enterprise itself;

WHEREAS, highly competent persons have become more reluctant to serve as directors, officers or in other capacities unless they are provided with adequate protection through insurance and adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Board of Directors of the Corporation (the “Board”) has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Corporation and its stockholders and that the Corporation should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, (i) the Amended and Restated Bylaws of the Corporation (as may be amended, the “Bylaws”) require indemnification of the officers and directors of the Corporation, (ii) Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (“DGCL”) and (iii) the Bylaws and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive and thereby contemplate that contracts may be entered into between the Corporation and members of the Board, officers and other persons with respect to indemnification;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws and the Amended and Restated Certificate of Incorporation of the Corporation (as may be amended, the “Certificate of Incorporation”) and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefore, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, (i) Indemnitee does not regard the protection available under the Bylaws and insurance as adequate in the present circumstances, (ii) Indemnitee may not be willing to serve or continue to serve as a director or officer of the Corporation without adequate protection, (iii) the Corporation desires Indemnitee to serve in such capacity, and (iv) Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Corporation on the condition that he be so indemnified.

### AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Corporation and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. (a) As used in this Agreement:

“Affiliate” of any specified Person shall mean any other Person controlling, controlled by or under common control with such specified Person.

“Corporate Status” describes the status of a person who is or was a director, officer, employee or agent of (i) the Corporation or (ii) any other corporation, limited liability company, partnership or joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Corporation.

“Disinterested Director” shall mean a director of the Corporation who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

“Enterprise” shall mean the Corporation and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnatee is or was serving at the request of the Corporation as a director, officer, employee, agent or fiduciary.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

“Expenses” shall mean all reasonable costs, expenses, fees and charges, including, without limitation, attorneys’ fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also shall include, without limitation, (i) expenses incurred in connection with any appeal resulting from, incurred by Indemnatee in connection with, arising out of, or in respect of or relating to, any Proceeding, including, without limitation, the premium, security for, and other costs relating to any cost bond, supersedes bond, or other appeal bond or its equivalent, (ii) for purposes of Section 12(d) hereof only, expenses incurred by Indemnatee in connection with the interpretation, enforcement or defense of Indemnatee’s rights under this Agreement, by litigation or otherwise, (iii) any federal, state, local or foreign taxes imposed on Indemnatee as a result of the actual or deemed receipt of any payments under this Agreement, and (iv) any interest, assessments or other charges in respect of the foregoing. “Expenses” shall not include “Liabilities.”

“Indemnity Obligations” shall mean all obligations of the Corporation to Indemnatee under this Agreement, including the Corporation’s obligations to provide indemnification to Indemnatee and advance Expenses to Indemnatee under this Agreement.

“Independent Counsel” shall mean a law firm of fifty (50) or more attorneys, or a member of a law firm of fifty (50) or more attorneys, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Corporation or Indemnatee in any matter material to either such party (other than with respect to matters concerning Indemnatee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder; provided, however, that the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Corporation or Indemnatee in an action to determine Indemnatee’s rights under this Agreement.

“Liabilities” shall mean all claims, liabilities, damages, losses, judgments, orders, fines, penalties and other amounts payable in connection with, arising out of, or in respect of or relating to any Proceeding, including, without limitation, amounts paid in settlement in any Proceeding and all costs and expenses in complying with any judgment, order or decree issued or entered in connection with any Proceeding or any settlement agreement, stipulation or consent decree entered into or issued in settlement of any Proceeding.

“Person” shall mean any individual, corporation, partnership, limited partnership, limited liability company, trust, governmental agency or body or any other legal entity.

“Proceeding” shall mean any threatened, pending or completed action, claim, suit, arbitration, alternate dispute resolution mechanism, formal or informal hearing, inquiry or investigation, litigation, inquiry, administrative hearing or any other actual, threatened or completed judicial, administrative or arbitration proceeding (including, without limitation, any such proceeding under the Securities Act of 1933, as amended, or the Exchange Act or any other federal law, state law, statute or regulation), whether brought in the right of the Corporation or otherwise, and whether of a civil, criminal, administrative or investigative nature, in each case, in which Indemnatee was, is or will be, or is threatened to be, involved as a party, witness or otherwise by reason of the fact that Indemnatee is or was a director or officer of the Corporation, by reason of any actual or alleged action taken by Indemnatee or of any action on Indemnatee’s part while acting as director or officer of the Corporation, or by reason of the fact that he is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, in each case whether or not serving in such

capacity at the time any liability or expense is incurred for which indemnification, reimbursement, or advancement can be provided under this Agreement.

(b) For the purpose hereof, references to “fines” shall include any excise tax assessed with respect to any employee benefit plan; references to “serving at the request of the Corporation” shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a Person who acted in good faith and in a manner he reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Agreement.

Section 2. Indemnity in Third-Party Proceedings. The Corporation shall indemnify and hold harmless Indemnitee, to the fullest extent permitted by applicable law, from and against all Liabilities and Expenses suffered or reasonably incurred (and, in the case of retainers, reasonably expected to be incurred) by Indemnitee or on Indemnitee’s behalf in connection with any Proceeding (other than any Proceeding brought by or in the right of the Corporation to procure a judgment in its favor), or any claim, issue or matter therein.

Section 3. Indemnity in Proceedings by or in the Right of the Corporation. The Corporation shall indemnify and hold harmless Indemnitee, to the fullest extent permitted by applicable law, from and against all Liabilities and Expenses suffered or incurred by Indemnitee or on Indemnitee’s behalf in connection with any Proceeding brought by or in the right of the Corporation to procure a judgment in its favor, or any claim, issue or matter therein. No indemnification for Liabilities and Expenses shall be made under this Section 3 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to the Corporation, unless and only to the extent that the Delaware Court of Chancery or any court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to such indemnification.

Section 4. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement, and without limiting the rights of Indemnitee under any other provision hereof, including any rights to indemnification pursuant to Sections 2 or 3 hereof, to the fullest extent permitted by applicable law, to the extent that Indemnitee is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Corporation shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee’s behalf in connection with each successfully resolved Proceeding, claim, issue or matter. For purposes of this Section 4 and without limitation, the termination of any Proceeding or claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 5. Indemnification For Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee’s Corporate Status, a witness or otherwise a participant in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses suffered or incurred (or, in the case of retainers, reasonably expected to be incurred) by Indemnitee or on Indemnitee’s behalf in connection therewith.

Section 6. Additional Indemnification. Notwithstanding any limitation in Sections 2, 3 or 4 hereof, the Corporation shall indemnify Indemnitee to the fullest extent permitted by applicable law if Indemnitee is a party to or threatened to be made a party to any Proceeding (including a Proceeding by or in the right of the Corporation to procure a judgment in its favor) against all Liabilities and Expenses suffered or reasonably incurred by Indemnitee in connection with such Proceeding, including but not limited to:

(a) the fullest extent permitted by the provision of the DGCL that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the DGCL; and

(b) the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.



Section 7. Exclusions. Notwithstanding any provision in this Agreement, the Corporation shall not be obligated under this Agreement to indemnify or hold harmless Indemnitee:

- (a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy obtained by the Corporation except with respect to any excess beyond the amount paid under such insurance policy;
- (b) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Corporation within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law;
- (c) except as provided in Section 12(d) of this Agreement, in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Corporation or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (ii) the Corporation provides the indemnification, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law; or
- (d) if a final decision by a court having jurisdiction in the matter shall determine that such indemnification is not lawful.

Section 8. Advancement. In accordance with the pre-existing requirements of the Bylaws, and notwithstanding any provision of this Agreement to the contrary, the Corporation shall advance, to the extent not prohibited by applicable law, the Expenses reasonably incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within thirty (30) days after the receipt by the Corporation of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall include any and all Expenses reasonably incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Corporation to support the advances claimed. Indemnitee shall qualify for advances upon the execution and delivery to the Corporation of this Agreement, which shall constitute an undertaking providing that Indemnitee undertakes to repay the amounts advanced to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Corporation. This Section 8 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 7 hereof.

Section 9. Procedure for Notification and Defense of Claim.

(a) Indemnitee shall promptly notify the Corporation in writing of any Proceeding with respect to which Indemnitee intends to seek indemnification or advancement hereunder following the receipt by Indemnitee of written notice thereof. The written notification to the Corporation shall include a description of the nature of the Proceeding and the facts underlying the Proceeding. To obtain indemnification under this Agreement, Indemnitee shall submit to the Corporation a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such Proceeding. Any delay or failure by Indemnitee to notify the Corporation hereunder will not relieve the Corporation from any liability which it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay or failure in so notifying the Corporation shall not constitute a waiver by Indemnitee of any rights under this Agreement. The Corporate Secretary of the Corporation shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

(b) In the event Indemnitee is entitled to indemnification and/or advancement with respect to any Proceeding, Indemnitee may, at Indemnitee's option, (i) retain counsel selected by Indemnitee and approved by the Corporation to defend Indemnitee in such Proceeding, at the sole expense of the Corporation (which approval shall not be unreasonably withheld, conditioned or delayed), or (ii) have the Corporation assume the defense of Indemnitee in such Proceeding, in which case the Corporation shall assume the defense of such Proceeding with counsel selected by the Corporation and approved by Indemnitee (which approval shall not be unreasonably withheld, conditioned or

delayed) within ten (10) days of the Corporation's receipt of written notice of Indemnatee's election to cause the Corporation to do so. If the Corporation is required to assume the defense of any such Proceeding, it shall engage legal counsel for such defense, and the Corporation shall be solely responsible for all fees and expenses of such legal counsel and otherwise of such defense. Such legal counsel may represent both Indemnatee and the Corporation (and any other party or parties entitled to be indemnified by the Corporation with respect to such matter) unless, in the reasonable opinion of legal counsel to Indemnatee, there is a conflict of interest between Indemnatee and the Corporation (or any other such party or parties) or there are legal defenses available to Indemnatee that are not available to the Corporation (or any such other party or parties). Notwithstanding either party's assumption of responsibility for defense of a Proceeding, each party shall have the right to engage separate counsel at its own expense. The party having responsibility for defense of a Proceeding shall provide the other party and its counsel with all copies of pleadings and material correspondence relating to the Proceeding. Indemnatee and the Corporation shall reasonably cooperate in the defense of any Proceeding with respect to which indemnification is sought hereunder, regardless of whether the Corporation or Indemnatee assumes the defense thereof. Indemnatee may not settle or compromise any Proceeding without the prior written consent of the Corporation, which consent shall not be unreasonably withheld, conditioned or delayed. The Corporation may not settle or compromise any Proceeding without the prior written consent of Indemnatee.

#### Section 10. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnatee for indemnification pursuant to Section 9(a) hereof, if any determination by the Corporation is required by applicable law with respect to Indemnatee's entitlement thereto, such determination shall be made (i) if Indemnatee shall request such determination be made by Independent Counsel, by Independent Counsel, and (ii) in all other circumstances, (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnatee, or (D) if so directed by the Board, by the stockholders of the Corporation; and, if it is so determined that Indemnatee is entitled to indemnification, payment to Indemnatee shall be made within ten (10) days after such determination. Indemnatee shall cooperate with the person, persons or entity making such determination with respect to Indemnatee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnatee and reasonably necessary to such determination. Any Expenses incurred by Indemnatee in so cooperating with the person, persons or entity making such determination shall be borne by the Corporation (irrespective of the determination as to Indemnatee's entitlement to indemnification) and the Corporation hereby indemnifies and agrees to hold Indemnatee harmless therefrom. The Corporation will not deny any written request for indemnification hereunder made in good faith by Indemnatee unless a determination as to Indemnatee's entitlement to such indemnification described in this Section 10(a) has been made. The Corporation agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Liabilities and Expenses arising out of or relating to this Agreement or its engagement pursuant hereto.

(b) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(a) hereof, (i) the Independent Counsel shall be selected by the Corporation within ten (10) days of the Submission Date (the cost of such Independent Counsel to be paid by the Corporation), (ii) the Corporation shall give written notice to Indemnatee advising it of the identity of the Independent Counsel so selected and (iii) Indemnatee may, within ten (10) days after such written notice of selection shall have been given, deliver to the Corporation Indemnatee's written objection to such selection. Such objection by Indemnatee may be asserted only on the ground that the Independent Counsel selected does not meet the requirements of "Independent Counsel" as defined in this Agreement. If such written objection is made and substantiated, the Independent Counsel selected shall not serve as Independent Counsel unless and until Indemnatee withdraws the objection or a court has determined that such objection is without merit. Absent a timely objection, the person so selected shall act as Independent Counsel. If no Independent Counsel shall have been selected and not objected to before the later of (i) thirty (30) days after the later of submission by Indemnatee of a written request for indemnification pursuant to Section 10(a) hereof (the "Submission Date") and (ii) ten (10) days after the final disposition of the Proceeding, each

of the Corporation and Indemnitee shall select a law firm or member of a law firm meeting the qualifications to serve as Independent Counsel, and such law firms or members of law firms shall select the Independent Counsel. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 12(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person, persons or entity making such determination shall, to the fullest extent not prohibited by applicable law, presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 9(a) of this Agreement, and the Corporation shall, to the fullest extent not prohibited by applicable law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of the Corporation (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Corporation (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) Subject to Section 12(e) hereof, if the person, persons or entity empowered or selected under Section 10 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Corporation of the request therefore, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by applicable law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent a prohibition of such indemnification under applicable law; *provided, however*, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if (i) the determination is to be made by Independent Counsel and Indemnitee objects to the Corporation's selection of Independent Counsel and (ii) the Independent Counsel ultimately selected requires such additional time for the obtaining or evaluating of documentation or information relating thereto; *provided further, however*, that such 60-day period may also be extended for a reasonable time, not to exceed an additional sixty (60) days, if the determination of entitlement to indemnification is to be made by the stockholders of the Corporation.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

(d) Reliance as Safe Harbor. For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with the reasonable care by the Enterprise. The provisions of this Section 11(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(e) Actions of Others. The knowledge or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 12. Remedies of Indemnatee.

(a) Subject to Section 12(e) hereof, in the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnatee is not entitled to indemnification under this Agreement, (ii) advancement is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(a) of this Agreement within ninety (90) days after receipt by the Corporation of the request for indemnification, (iv) payment of indemnification is not made pursuant to Sections 4 or 5 or the last sentence of Section 10(a) of this Agreement within ten (10) days after receipt by the Corporation of a written request therefor, (v) payment of indemnification pursuant to Sections 2, 3 or 6 of this Agreement is not made within ten (10) days after a determination has been made that Indemnatee is entitled to indemnification, or (vi) in the event that the Corporation or any other Person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, Indemnatee the benefits provided or intended to be provided to Indemnatee hereunder, Indemnatee shall be entitled to an adjudication by a court of Indemnatee's entitlement to such indemnification or advancement. Alternatively, Indemnatee, at Indemnatee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Corporation shall not oppose Indemnatee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnatee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 12 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnatee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 12 the Corporation shall have the burden of proving Indemnatee is not entitled to indemnification or advancement, as the case may be.

(c) If a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnatee is entitled to indemnification, the Corporation shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a prohibition of such indemnification under applicable law.

(d) The Corporation shall, to the fullest extent not prohibited by applicable law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Corporation is bound by all the provisions of this Agreement. It is the intent of the Corporation that Indemnatee not be required to incur Expenses associated with the interpretation, enforcement or defense of Indemnatee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnatee hereunder. The Corporation shall indemnify Indemnatee against any and all such Expenses and, if requested by Indemnatee, shall (within ten (10) days after receipt by the Corporation of a written request therefore) advance, to the extent not prohibited by applicable law, such Expenses to Indemnatee, which are incurred by Indemnatee in connection with any action brought by Indemnatee for indemnification or advancement from the Corporation under this Agreement or under any directors' and officers' liability insurance policies maintained by the Corporation, regardless of whether Indemnatee ultimately is determined to be entitled to such indemnification, advancement or insurance recovery, as the case may be.

(e) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding; *provided* that, in absence of any such determination with respect to such Proceeding, the Corporation shall advance Expenses with respect to such Proceeding.

Section 13. Non-Exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnatee may at any time be entitled under applicable law, the Certificate of Incorporation, the Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of

Indemnatee under this Agreement in respect of any action taken or omitted by such Indemnatee in Indemnatee's Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement than would be afforded currently under the Bylaws or this Agreement, it is the intent of the parties hereto that Indemnatee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Corporation hereby acknowledges that Indemnatee may have certain rights to indemnification, advancement and insurance provided by one or more Persons with whom or which Indemnatee may be associated. The Corporation hereby acknowledges and agrees that (i) the Corporation shall be the indemnitor of first resort with respect to any Proceeding, Expense, Liability or matter that is the subject of the Indemnity Obligations, (ii) the Corporation shall be primarily liable for all Indemnity Obligations and any indemnification afforded to Indemnatee in respect of any Proceeding, Expense, Liability or matter that is the subject of Indemnity Obligations, whether created by applicable law, organizational or constituent documents, contract (including this Agreement) or otherwise, (iii) any obligation of any other Persons with whom or which Indemnatee may be associated to indemnify Indemnatee or advance Expenses or Liabilities to Indemnatee in respect of any Proceeding shall be secondary to the obligations of the Corporation hereunder, (iv) the Corporation shall be required to indemnify Indemnatee and advance Expenses or Liabilities to Indemnatee hereunder to the fullest extent provided herein without regard to any rights Indemnatee may have against any other Person with whom or which Indemnatee may be associated or insurer of any such Person and (v) the Corporation irrevocably waives, relinquishes and releases any other Person with whom or which Indemnatee may be associated from any claim of contribution, subrogation or any other recovery of any kind in respect of amounts paid by the Corporation hereunder. In the event any other Person with whom or which Indemnatee may be associated or their insurers advances or extinguishes any liability or loss which is the subject of any Indemnity Obligation owed by the Corporation or payable under any Corporation insurance policy, the payor shall have a right of subrogation against the Corporation or its insurer or insurers for all amounts so paid which would otherwise be payable by the Corporation or its insurer or insurers under this Agreement. In no event will payment of an Indemnity Obligation by any other Person with whom or which Indemnatee may be associated or their insurers affect the obligations of the Corporation hereunder or shift primary liability for any Indemnity Obligation to any other Person with whom or which Indemnatee may be associated. Any indemnification, insurance or advancement provided by any other Person with whom or which Indemnatee may be associated with respect to any Liability arising as a result of Indemnatee's Corporate Status or capacity as an officer or director of any Person is specifically in excess over any Indemnity Obligation of the Corporation or any collectible insurance (including but not limited to any malpractice insurance or professional errors and omissions insurance) provided by the Corporation under this Agreement.

(c) To the extent that the Corporation maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Corporation or of any other Enterprise, Indemnatee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies and such policies shall provide for and recognize that the insurance policies are primary to any rights to indemnification, advancement or insurance proceeds to which Indemnatee may be entitled from one or more Persons with whom or which Indemnatee may be associated to the same extent as the Corporation's indemnification and advancement obligations set forth in this Agreement. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Corporation has director and officer liability insurance in effect, the Corporation shall give prompt notice of the commencement of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Corporation shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnatee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(d) In the event of any payment under this Agreement, the Corporation shall not be subrogated to the rights of recovery of Indemnatee, including rights of indemnification provided to Indemnatee from any other person or entity with whom Indemnatee may be associated; *provided, however*, that the Corporation shall be subrogated to the extent

of any such payment of all rights of recovery of Indemnitee under insurance policies of the Corporation or any of its subsidiaries.

(e) The indemnification and contribution provided for in this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of Indemnitee.

Section 14. Duration of Agreement; Not Employment Contract. This Agreement shall continue until and terminate upon the latest of: (i) ten (10) years after the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Corporation or any other Enterprise and (ii) the date of final termination of any Proceeding then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement relating thereto. This Agreement shall be binding upon the Corporation and its successors and assigns and shall inure to the benefit of Indemnitee and Indemnitee's heirs, executors and administrators. This Agreement shall not be deemed an employment contract between the Corporation (or any of its subsidiaries or any other Enterprise) and Indemnitee. Indemnitee specifically acknowledges that Indemnitee's employment with the Corporation (or any of its subsidiaries or any other Enterprise), if any, is at will, and Indemnitee may be discharged at any time for any reason, with or without cause, except as may be otherwise provided in any written employment contract between Indemnitee and the Corporation (or any of its subsidiaries or any other Enterprise), other applicable formal severance policies duly adopted by the Board, or, with respect to service as a director of the Corporation, by the Certificate of Incorporation, the Bylaws or the DGCL.

Section 15. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by applicable law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 16. Enforcement.

(a) The Corporation expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director, officer, employee or agent of the Corporation, and the Corporation acknowledges that Indemnitee is relying upon this Agreement in serving as a director, officer, employee or agent of the Corporation.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; *provided, however*, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, the Bylaws and applicable law, and shall not be deemed a substitute therefore, nor diminish or abrogate any rights of Indemnitee thereunder.

Section 17. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provision of this Agreement nor shall any waiver constitute a continuing waiver.

Section 18. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier

and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

- (a) If to Indemnitee, at such address as Indemnitee shall provide to the Corporation.
- (b) If to the Corporation to:

Spark Energy, Inc.  
12140 Wickchester Lane, Suite 100  
Houston, Texas 77079  
Attention: Board of Directors

or to any other address as may have been furnished to Indemnitee by the Corporation.

Section 19. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Corporation, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for Liabilities or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Corporation and Indemnitee as a result of the event(s) and transaction(s) giving cause to such Proceeding; and (ii) the relative fault of the Corporation (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and transaction(s).

Section 20. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 12(a) of this Agreement, the Corporation and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "Delaware Court"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 21. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 22. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

SPARK ENERGY, INC.      INDEMNITEE

By: /s/ NATHAN KROEKER      By: /s/ ROBERT LANE

Name: Nathan Kroeker      Name: Robert Lane

Title: President and Chief Executive Officer      Title: Vice President and Chief Financial Officer

*Signature Page to Indemnification Agreement*