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 13, 2019

Spark Energy, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	001-36559	46-5453215
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

12140 Wickchester Ln, Ste 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Class A common stock, par value $0.01 per share	SPKE	The NASDAQ Global Select Market
8.75% Series A Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Stock, par value $0.01 per share	SPKEP	The NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 1.01. Entry into a Material Definitive Agreement.

Third Amendment to Credit Agreement

On June 13, 2019, Spark Energy, Inc., a Delaware corporation (the "Company"), entered into Amendment No. 3 (the "Third Amendment") to its Credit Agreement, dated May 19, 2017, as amended (the "Credit Agreement"), by and among the Company, the Co-Borrowers (as defined in the Third Amendment), the Issuing Banks party thereto (as defined in the Third Amendment), Coöperatieve Rabobank U.A., New York Branch, as agent (the "Agent"), and the Banks party thereto (as defined in the Third Amendment).

The Third Amendment amends the Credit Agreement to extend the expiration date by one year to May 19, 2021. The Third Amendment also changes the Fixed Charge Coverage Ratio to permit, upon satisfaction of a Step Down Condition (as defined below), for the Company to elect to reduce the minimum required Fixed Charge Coverage Ratio from 1.25:1.00 to 1.10:1.00 for a period of one (1) year. Under the Third Amendment, a "Step-Down Condition" means the consummation, on or after May 7, 2019, by the Company of share buybacks of its preferred stock with an aggregate purchase price of not less than $10.0 million. The Third Amendment makes additional changes to defined terms and calculations, and also contains customary representations, warranties and agreements of the Company and Co-Borrowers.

A copy of the Third Amendment is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference in this Item 1.01. The description above is a summary of the Third Amendment and is qualified in its entirety by the complete text of the Third Amendment.

Amended and Restated Subordinated Facility

On June 13, 2019, the Company entered into an Amended and Restated Subordinated Promissory Note (the "A&R Subordinated Facility"), by and among the Company, Spark HoldCo, LLC, a Delaware limited liability company and subsidiary of the Company ("Spark HoldCo"), and Retailco, LLC ("Retailco"). The A&R Subordinated Facility amends and restates that certain Subordinated Promissory Note, dated as of December 27, 2016, by and among the Company, Spark HoldCo and Retailco, solely to extend the expiration date from July 1, 2020 to December 31, 2021. The original terms and conditions of the Subordinated Promissory Note were reviewed and approved by a special committee of the Board consisting solely of the Company's independent directors.

The A&R Subordinated Facility allows the Company to borrow up to $25.0 million through one or more advances in increments of no less than $1.0 million. Borrowings under the A&R Subordinated Facility accrue interest at a rate of 5% per annum from the date of advance, which interest may be capitalized by the Company. The A&R Subordinated Facility is subordinated in certain respects to the Company's Credit Agreement (as amended by the Third Amendment) pursuant to a subordination agreement. Payment of principal and interest under the A&R Subordinated Facility is accelerated upon the occurrence of certain bankruptcy events and change of control or sale transactions. The A&R Subordinated Facility matures on December 31, 2021.

Retailco is owned indirectly by W. Keith Maxwell, III, who serves as the Chairman of the Board of Directors (the "Board") of the Company. W. Keith Maxwell, III, through Retailco and other entities, owns a majority of the Company's voting power. The extension of the expiration date of the A&R Subordinated Facility was reviewed and approved by the Audit Committee of the Board consisting solely of the Company's independent directors.

A copy of the A&R Subordinated Facility is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated by reference in this Item 1.01. The description above is a summary of the A&R Subordinated Facility and is qualified in its entirety by the complete text of the A&R Subordinated Facility.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The description of the Third Amendment and A&R Subordinated Facility set forth in Item 1.01 is incorporated by reference into this Item 2.03.

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

As described below, on June 13, 2019, James G. Jones II resigned from the Board of the Company, effective as of June 13, 2019. Upon Mr. Jones's resignation, the Audit Committee of the Board consisted of only two independent directors. On June 13, 2019, the Company provided notice to the NASDAQ Global Select Market ("NASDAQ") that it did not satisfy NASDAQ Listing Rule 5605(c)(2)(A), which requires the Company's audit committee to consist of at least three independent directors. On June 17, 2019, the Company received a letter from NASDAQ noting the deficiency. The Company intends to rely upon a cure period under NASDAQ Listing Rule 5605(c)(4)(B), which cure period expires at the Company's 2020 annual meeting of shareholders or June 13, 2020, whichever is earlier. The Board is actively working to fill the vacancy left by Mr. Jones's resignation and the Company expects to be compliant with the audit committee composition requirements under NASDAQ Listing Rule 5605(c)(2)(A) by or before the end of the cure period.

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

On June 13, 2019, Mr. Jones resigned from the Board of the Company, effective as of June 13, 2019. On June 14, 2019, the Board appointed Mr. Jones to serve as the Company's Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer). Biographical information for Mr. Jones is contained on page 6 of the Company's Proxy Statement for its 2019 annual meeting of shareholders filed with the Securities Exchange Commission on April 10, 2019 and incorporated herein by reference. There are no understandings or arrangements between Mr. Jones and any other person pursuant to which he was selected to serve as Chief Financial Officer, other than his existing relationship with the Company. Additionally, there are no existing relationships between Mr. Jones and the Company that would require 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. Nathan G. Kroeker will no longer serve as interim Chief Financial Officer effective as of Mr. Jones's appointment.

In connection with Mr. Jones's appointment as Chief Financial Officer, the Company and Mr. Jones entered into an employment agreement, dated as of June 14, 2019 (the "Employment Agreement"). Pursuant to the Employment Agreement, Mr. Jones will receive an annual base salary of $300,000, as adjusted from time to time by the Company. The Employment Agreement provides for an initial term ending on December 31, 2020, and provides for subsequent one-year renewals unless either party gives at least 30 days prior notice to the end of the then existing term.

The Employment Agreement provides that, in the event Mr. Jones is terminated by the Company for convenience, or Mr. Jones's employment terminates due to either the Company's election not to renew the term of the agreement or Mr. Jones's resignation for "good reason," Mr. Jones 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;
- any bonus earned for the calendar year prior to the year the termination occurs but that is unpaid as of the date of termination;

- a pro rata annual bonus for the year of termination, calculated based upon the Company's actual performance through such date and payable in twelve substantially equal installments; and
- full vesting of any outstanding unvested awards held by Mr. Jones under the Company's Second Amended and Restated Long Term Incentive Plan (the "Incentive Plan").

"Cause" under the Employment Agreement is generally defined to include: (a) a material uncured breach by Mr. Jones 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 Board, 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.

If, within 120 days prior to execution of a definitive agreement for a "Change in Control" transaction and ending 365 days after consummation or final closing of such transaction, Mr. Jones's employment is terminated by the Company other than for "cause" or Mr. Jones's employment terminates due to either the Company's election not to renew the term of the agreement or Mr. Jones's resignation for "good reason," subject to execution of a release of claims and other conditions, Mr. Jones is entitled to receive the following payments and benefits:

- a lump sum payment equal to 1.0 times base salary then in effect, and the full target annual bonus for the year the termination occurs, and payable within 15 days following the date Mr. Jones's employment is terminated;
- any bonus earned for the calendar year prior to the year the termination occurs but that is unpaid as of the date of termination, payable within 15 days following the date Mr. Jones's employment is terminated;
- a pro rata annual bonus for the year of termination, calculated based upon the Company's actual performance through such date and payable within 15 days following the date Mr. Jones's employment is terminated;
- full vesting of any outstanding awards held by Mr. Jones under the Incentive Plan; and
- reimbursement or payment of certain continuing health benefits, if elected by Mr. Jones.

The Employment Agreement generally defines "Change in Control" to mean:

- the consummation of an agreement to acquire or a tender offer for beneficial ownership by any person, of 50% or more of the combined voting power of the Company's outstanding voting securities entitled to vote generally in the election of directors, or by any person of 90% or more of the then total outstanding shares of Class A common stock;
- individuals who constitute the incumbent Board cease for any reason to constitute at least a majority of the Board;
- consummation of certain reorganizations, mergers or consolidations or a sale or other disposition of all or substantially all of the Company's assets;
- approval by the Company's shareholders of a complete liquidation or dissolution;
- a public offering or series of public offerings by Retailco and its affiliates, as a selling shareholder group, in which their total interest drops below certain thresholds of the Company's total outstanding voting securities;
- a disposition by Retailco and its affiliates in which their total interest drops below certain thresholds of the Company's total outstanding voting securities; or
- any other business combination, liquidation event of Retailco and its affiliates or restructuring of the Company which the Compensation Committee of the Board deems in its discretion to achieve the principles of a Change in Control.

The Employment Agreement also provides for noncompetition and nonsolicitation covenants which are in effect during the period of Mr. Jones's employment and for a period of 12 months thereafter. The Employment Agreement also

provides for a minimum stock ownership level to be achieved by April 1, 2023, which is set at two times Mr. Jones's base salary.

In connection with his appointment and pursuant to the Employment Agreement, the Board and Compensation Committee of the Board approved a grant of 30,000 restricted stock units ("RSUs") to Mr. Jones. The RSUs vest as follows: (1) 49% on May 18, 2020, (2) 17% on May 18, 2021, (3) 17% on May 18, 2022 and (4) 17% on May 18, 2023. The grant of RSUs will be made pursuant to the Company's Form of Restricted Stock Unit Agreement and Form of Notice of Grant of Restricted Stock Unit.

A copy of the Employment Agreement is filed as Exhibit 10.3 to this Current Report on Form 8-K and is incorporated by reference in this Item 5.02. The description above is a summary of the Employment Agreement and is qualified in its entirety by the complete text of the Employment Agreement.

Item 7.01 Regulation FD Disclosure.

On June 13, 2019, the Company issued a press release announcing certain of the events described in this Current Report on Form 8-K. A copy of the Company's press release is furnished as Exhibit 99.1, to this Current Report on Form 8-K and incorporated by reference in this Item 7.01. The information contained in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the Company under the Securities Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Amendment No. 3 to the Credit Agreement, dated as of June 13, 2019, by and among Spark Energy, Inc., the Co-Borrowers, the Issuing Banks party thereto, Coöperatieve Rabobank U.A., New York Branch, as agent, and the Banks party thereto.
10.2	Amended and Restated Subordinated Promissory Note of Spark HoldCo, LLC and Spark Energy, Inc., dated June 13, 2019.
10.3†	Employment Agreement, dated June 14, 2019, by and between Spark Energy, Inc. and James G. Jones II.
99.1	Press Release of Spark Energy, Inc. dated June 13, 2019.

† Compensatory plan or arrangement.

Exhibit Index

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99.1	Press Release of Spark Energy, Inc. dated June 13, 2019.

† Compensatory plan or arrangement.

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 18, 2019

SPARK ENERGY, INC.

By: /s/ Nathan Kroeker

Name: Nathan Kroeker

Title: President and Chief Executive Officer

[EXECUTION VERSION]

AMENDMENT NO. 3

THIS **AMENDMENT NO. 3** (this " Amendment "), entered into on, and effective as of June 13, 2019 (the " Effective Date "), is made by and among **SPARK HOLDCO, LLC** (" HoldCo "), a Delaware limited liability company, **SPARK ENERGY, LLC** (" Spark "), a Texas limited liability company, **SPARK ENERGY GAS, LLC** (" SEG "), a Texas limited liability company, **CENSTAR ENERGY CORP.** , a New York corporation (" CenStar "), **CENSTAR OPERATING COMPANY, LLC** , a Texas limited liability company (" Censtar Opco "), **OASIS POWER, LLC** , a Texas limited liability company (" Oasis "), **OASIS POWER HOLDINGS, LLC** , a Texas limited liability company (" Oasis Holdings "), **ELECTRICITY MAINE, LLC** , a Maine limited liability company (" Maine "), **ELECTRICITY N.H., LLC** , a Maine limited liability company (" NH "), **PROVIDER POWER MASS, LLC** , a Maine limited liability company (" Mass "), **MAJOR ENERGY SERVICES LLC** , a New York limited liability company (" Major "), **MAJOR ENERGY ELECTRIC SERVICES LLC** , a New York limited liability company (" Electric "), **RESPOND POWER LLC** , a New York limited liability company (" Respond "), **PERIGEE ENERGY, LLC** , a Texas limited liability company (" Perigee "), **VERDE ENERGY USA, INC.** , a Delaware corporation (" Verde Inc. "), **VERDE ENERGY USA COMMODITIES, LLC** , a Delaware limited liability company (" Verde Commodities "), **VERDE ENERGY USA CONNECTICUT, LLC** , a Delaware limited liability company (" Verde Connecticut "), **VERDE ENERGY USA DC, LLC** , a Delaware limited liability company (" Verde DC "), **VERDE ENERGY USA ILLINOIS, LLC** , a Delaware limited liability company (" Verde Illinois "), **VERDE ENERGY USA MARYLAND, LLC** , a Delaware limited liability company (" Verde Maryland "), **VERDE ENERGY USA MASSACHUSETTS, LLC** , a Delaware limited liability company (" Verde Massachusetts "), **VERDE ENERGY USA NEW JERSEY, LLC** , a Delaware limited liability company (" Verde New Jersey "), **VERDE ENERGY USA NEW YORK, LLC** , a Delaware limited liability company (" Verde New York "), **VERDE ENERGY USA OHIO, LLC** , a Delaware limited liability company (" Verde Ohio "), **VERDE ENERGY USA PENNSYLVANIA, LLC** , a Delaware limited liability company (" Verde Pennsylvania "), **VERDE ENERGY USA TEXAS HOLDINGS, LLC** , a Delaware limited liability company (" Verde Texas Holdings "), **VERDE ENERGY USA TRADING, LLC** , a Delaware limited liability company (" Verde Trading "), **VERDE ENERGY SOLUTIONS, LLC** , a Delaware limited liability company (" Verde Solutions "), **VERDE ENERGY USA TEXAS, LLC** , a Texas limited liability company (fka Potentia Energy, LLC) (" Verde Texas "), and **HIKO ENERGY, LLC** , a New York limited liability company (" Hiko ") (jointly, severally and together, the " Co-Borrowers ," and each individually, a " Co-Borrower "), **SPARK ENERGY, INC.** (" Parent "), a Delaware corporation, the Issuing Banks, **COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH** , as Agent, and each financial institution which is a party hereto (collectively, the " Banks "). Capitalized terms used herein but not defined herein shall have the meanings specified by the Credit Agreement referred to below.

W I T N E S S E T H:

WHEREAS , the Co-Borrowers, the Parent, the Agent, and the Banks have entered into the Credit Agreement dated as of May 19, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the " Credit Agreement "); and

WHEREAS , the parties hereto have agreed to make certain amendments to the Credit Agreement as provided for herein.

NOW THEREFORE , in consideration of the foregoing and the mutual agreements set forth herein, the parties hereto agree as follows:

SECTION 1. Amendments .

(a) Section 1.01 is amended as follows:

(i) The definition of "Borrowing Base Advance Cap" is deleted and replaced with the following:

"" Borrowing Base Advance Cap " means at any time an amount equal to the least of:

(a) the Commitments of the Banks at such time;

(b) the sum of:

(i) 100% of the amount of Cash Collateral and other liquid investments of the Co-Borrowers which are acceptable to the Agent in its sole discretion and which are subject to a first perfected security interest in favor of the Agent, for its benefit and the benefit of the Banks, and which have not been used in determining availability for any other advance or Letter of Credit Issuance; **plus**

(ii) 90% of equity (net liquidity value) in Approved Brokerage Accounts; **plus**

(iii) 90% of the amount of Tier I Accounts, net of deductions, offsets and counterclaims; **plus**

(iv) 85% of the amount of Tier II Accounts, net of deductions, offset and counterclaims; **plus**

(v) 85% of the amount of Tier I Unbilled Qualified Accounts, net of deductions, offset and counterclaims; **plus**

(vi) 80% of the amount of Tier II Unbilled Qualified Accounts, net of deductions, offset and counterclaims; **plus**

(vii) 80% of the amount of Eligible Inventory; **plus**

(viii) 85% of the amount of Hedged Eligible Inventory; **plus**

(ix) 80% of the amount of net Eligible Exchange Receivables; **plus**

(x) 80% of the amount of Letters of Credit for Product Not Yet Delivered; **plus**

(xi) 70% of In-the-Money Positions from counterparties due to any Co-Borrower with tenors up to twelve (12) months; **plus**

(xii) 50% of In-the-Money Positions from counterparties due to any Co-Borrower with tenors greater than twelve (12) months and up to twenty four (24) months; **plus**

(xiii) 50% of the Embedded Gross Margin; **plus**

(xiv) 40% of Eligible RECs; **less**

(xv) the amounts (including disputed items) which would be subject to a so-called "First Purchaser Lien" as defined in Texas Bus. & Com. Code Section 9.343, comparable laws of the states of Oklahoma, Kansas, Wyoming or New Mexico, or any other comparable law, except to the extent a Letter of Credit secures payment of amounts subject to such First Purchaser Liens; **less**

(xvi) 115% of the amount of any mark to market exposure to the Swap Banks under Swap Contracts other than Swap Contracts involving physical delivery as reported by the Swap Banks, reduced by cash collateral held by a Swap Bank; **less**

(xvii) with respect to Swap Contracts involving physical delivery, 115% of the amount of mark to market exposure to the Swap Banks under such Swap Contracts until nomination for delivery has been made and 115% of the amount of notional exposure to the Swap Banks under such Swap Contracts after such nomination for delivery has been made, in each case, reduced by cash collateral held by a Swap Bank; **less**

(xviii) Reserves deemed necessary by the Agent; **less**

(xix) storage and transportation expenses not covered by a Letter of Credit or cash collateral due within 60 days of the Collateral Position Report most recently received by the Agent pursuant to Section 7.02(b) ; **less**

(xx) sales Taxes.

provided that, (w) in no event shall the amounts described in (b)(xi), (b)(xii), and (b)(xiii) above in excess of the lesser of (1) forty percent (40%) of the sum of the items in subsections (b)(i) through (b)(xx) above, in the aggregate, and (2) forty percent (40%) of the Commitments of the Banks at such time, be counted when making the calculation under subsection (b) of this definition; (x) in

no event shall the amounts described in (b)(xiii) above be in excess of the lesser of (1) $50,000,000 and (2) 25% of the Commitments of the Banks at such time; (y) in no event shall any amounts described in (b)(i) through (b)(xx) above which may fall into more than one of such categories be counted more than once when making the calculation under subsection (b) of this definition; and (z) in the event the amounts described in (b)(iii) , (iv) , (v) , (vi) , (ix) , (xi) and (xii) in the aggregate for any counterparty exceed the amounts set forth on the Credit Limits Annex or the amount approved for other counterparties not listed on the Credit Limits Annex (including, without limitation the amounts set forth on Annex B), such excess amounts may not be included in the Borrowing Base Advance Cap unless approved by the Majority Banks."

(i) The definitions of "Eligible RECs", "REC Compliance Obligations", "REC Market Value" and "Renewable Energy Certificates" are each inserted in their appropriate alphabetical places as follows:

"" Eligible RECs " means Renewable Energy Certificates valued at the REC Market Value, (i) which are owned by a Co-Borrower and have not been transferred, sold, assigned or encumbered by such Co-Borrower (by contract, law or otherwise), (ii) which are registered on a state or regional Renewable Energy Certificates tracking system, (iii) which are valid for use in a state with a Renewable Energy Standard Program, (iv) which shall not be required to be retired to cover REC Compliance Obligations incurred on or prior to the date of determination of Eligible RECs, (v) which are subject to the first priority perfected lien of the Agent and which are subject to no other liens, (vi) with respect which the Agent shall have been given read-only access to the applicable state or regional Renewable Energy Certificates tracking system, (vii) which are currently saleable in the normal course of the applicable Co-Borrower's business without any notice to, or consent of, any Governmental Authority, except for any immaterial notice or consent incident to such sale where the failure to give such notice or consent does not prevent or rescind the sale or materially adversely affect the first priority perfected lien of the Agent therein and (viii) which have not otherwise been determined by the Agent to be unacceptable (in its reasonable discretion). Notwithstanding the foregoing, the aggregate amount of Eligible RECs included in the Borrowing Base Advance Cap at any time shall not exceed the lesser of (i) $20,000,000 (after giving effect to the applicable advance rate) and (ii) 10% of the Borrowing Base Advance Cap."

"" REC Compliance Obligations " means, with respect to any Co-Borrower and as of any date, in any state with a "Renewable Portfolio Standard Program", the Renewable Energy Certificates (expressed in units) that such Co-Borrower will be required to retire in order to meet its compliance obligations under the "Renewable Portfolio Standard Program" in such state."

"" REC Market Value " means the market value of Renewable Energy Certificates, based on a pricing methodology reasonably acceptable to the Agent, provided , that the quantity of Eligible RECs (for which the REC Market Value shall be calculated) shall be calculated at the lower of the quantity shown in the books and records of the applicable Co-Borrower and the quantity shown in the applicable state or regional Renewable

Energy Certificates tracking system and in the case of a manifest error in the applicable state or regional Renewable Energy Certificates tracking system, Eligible RECs shall be calculated based on the quantity shown in the books and records of the applicable Co-Borrower."

"" Renewable Energy Certificates " means renewable energy certificates, renewable energy credits, green tags, renewable electricity certificates or tradable renewable certificates that, in each case, represent evidence that one megawatt-hour of electricity was generated from an eligible renewable energy source in a state in which a "Renewable Portfolio Standard Program" has been implemented, and which are valid for the purpose of satisfying the compliance requirements imposed by such "Renewable Portfolio Standard Program"."

(iii) The definition of "Expiration Date" is deleted and replaced with the following:

""Expiration Date" means May 19, 2021."

(iv) The definition of "Verde Companies" is amended by inserting immediately after "Verde Energy USA Trading, LLC, a Delaware limited liability company," the following: "Verde Energy USA Texas, LLC, a Texas limited liability company".

(b) New Section 1.05 is inserted after Section 1.04 as follows:

"1.05 Divisions . For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time."

(c) Section 2.02(a) is amended by inserting the following new clause (v) after clause (iv) therein:

"(v) If, after giving effect to any increase under this Section 2.02(a), the outstanding Loans would not be held pro rata in accordance with the new Commitments, the Banks (including, without limitation, any new Bank) shall, on the effective date of the applicable increase, make advances among themselves so that after giving effect thereto the Loans will be held by the Banks (including, without limitation, any new Banks), on a pro rata basis in accordance with their respective Commitments hereunder (after giving effect to the applicable increase). Each Bank agrees to wire immediately available funds to the Agent in accordance with this Agreement as may be required by Agent in connection with the foregoing. Upon the effective date of each increase under this Section 2.02(a), the Commitments of the Banks shall reflect the changes contemplated under the applicable New Bank Agreement and/or Commitment Increase Agreement without any further action or consent of any party, and each Bank hereby agrees to the reallocation of the Commitments as necessary (but, for the avoidance of doubt, not any change in such Bank's Commitment unless otherwise agreed in writing) such that

after giving effect thereto, all Banks shall hold Loans in their respective Pro Rata Shares (after giving effect to the applicable increase)."

(d) Section 7.02 is amended as follows:

a. Clause (p) is deleted and replaced with the following:

"(p) concurrently with the delivery of the Collateral Position Report referred to in Section 7.02(b) , (i) a customer count calculated on the actual number of customers and a RCE basis, including (A) customer information categorized by fixed or variable price contracts (including remaining contract tenor reporting for fixed price customers) and commercial and industrial or residential contracts, (B) monthly attrition rates, (C) monthly customer additions, (D) monthly customer acquisition costs, with categorization for organic growth and acquisitions, both on a gross basis and RCE basis, (ii) an itemized and aggregate calculation of the Embedded Gross Margin, together with supporting documentation to the extent requested by the Agent, in each case in form and substance reasonably satisfactory to the Agent, (iii) a report of (A) total variable price RCEs, (B) expected weighted average gross margin per RCE under variable price contracts, and (C) actual weighted average historical attrition rate during the prior twelve month period, in each case, calculated as of the last day of the applicable month, (iv) a summary of the cash collateral covering storage and transportation expenses included in clause (b)(xviii) of the definition of Borrowing Base Advance Cap, (v) a summary of Eligible RECs and related environmental and other obligations and liabilities and (vi) all other information set forth in Exhibit D hereto and as otherwise requested by the Agent, in each case (under this clause (p)) in form and substance acceptable to the Agent; and";

b. Clause (t) is amended by deleting "and" at the end thereof;

c. Clause (u) is amended by deleting "." at the end thereof and inserting "; and" in lieu thereof.

d. New clause (v) is inserted after clause (u) as follows: "(v) promptly upon knowledge of any of the Co-Borrowers, notice of any change in the information provided in the certifications regarding beneficial ownership as required by 31 C.F.R. § 1010.230 that would result in a change to the list of beneficial owners identified in parts II(c) or II(d) of such certifications."

(e) Section 7.09(a) is deleted and replaced with the following:

"(a) Fixed Charge Coverage Ratio . Parent shall not permit the Fixed Charge Coverage Ratio as of the last day of any month, commencing the first month-end after the Closing Date, to be less than 1.25 to 1.00, provided , that upon satisfaction of the Step-Down Condition (as defined below), Parent may elect, by written notice to the Agent, on or before the date which is sixty (60) days after the date on which the Step-Down Condition is satisfied, to reduce

such required ratio to 1.10 to 1.00 for a period of one (1) year commencing on the date such notice is received by the Agent and ending on the first anniversary of such date. For purposes hereof, " Step-Down Condition " means the consummation, on or after May 7, 2019, by the Parent of Share Buybacks in respect of its preferred stock (pursuant to the Preferred Stock Buyback) with an aggregate purchase price paid by the Parent therefor of not less than $10,000,000."

(f) Section 7.10(o) is deleted and replaced with the following:

"(o) Liens arising from the escrow account and related escrow agreement in connection with the Verde Acquisition, provided , that the aggregate amount of cash in such escrow account does not exceed $8,000,000, provided , further that such amount may be increased to an amount not to exceed $11,000,000 with proceeds of the Verde Note."

(g) Section 8.01(j) is amended by deleting each of clauses (iii), (viii) and (ix) therein and replacing each of them as follows, respectively: "(iii) intentionally omitted," "(viii) intentionally omitted, or" and "(ix) intentionally omitted."

(h) Section 9.07 is amended by deleting "Bracewell LLP" and replacing it with "Zukerman Gore Brandeis & Crossman, LLP".

(i) Sections 9.08, 10.04(a) and 10.05(a) are amended by deleting each reference to "Joint Lead Arranger" and "Joint Lead Arrangers", and replacing it with "Lead Arranger".

(j) New Section 10.31 is inserted as follows:

"10.31 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (as defined in clause (b) below) (such support, " ***QFC Credit Support*** " and each such QFC a " ***Supported QFC*** "), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the " ***U.S. Special Resolution Regimes*** ") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity (as defined in clause (b) below) that is party to a Supported QFC (each, a " ***Covered Party*** ") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed

by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate (as defined in clause (b) below) of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights (as defined in clause (b) below) under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Bank shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 10.31, the following terms have the following meanings:

" ***BHC Act Affiliate*** " of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

" ***Covered Entity*** " means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §382.2(b).

" ***Default Right*** " has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

" ***QFC*** " has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D). "

(k) New Article 11 is inserted after Article 10 as follows:

"ARTICLE 11
CERTAIN ERISA MATTERS

(a) Each Bank (x) represents and warrants, as of the date such Person became a Bank party hereto, to, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, the Agent, and not, for the avoidance of doubt, to or for the benefit of the Co-Borrowers or any other Loan Party, that at least one of the following is and will be true:

(i) such Bank is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans (as defined below) with respect to such

Bank's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs (as defined below), such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Bank's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Bank is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Bank to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Bank, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Bank's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Bank.

(b) In addition, unless either (1) the immediately preceding clause (a)(i) is true with respect to a Bank or (2) a Bank has provided another representation, warranty and covenant in accordance with the immediately preceding clause (a)(iv), such Bank further (x) represents and warrants, as of the date such Person became a Bank party hereto, to, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, the Agent, and not, for the avoidance of doubt, to or for the benefit of the Co-Borrowers or any other Loan Party, that the Agent is not a fiduciary with respect to the assets of such Bank involved in such Bank's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

(c) For purposes of this Article 11, the following terms shall have the following meanings:

" ***Benefit Plan*** " means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I and/or IV of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

" ***PTE*** " means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time."

(l) Exhibit D is amended and restated in its entirety as set forth on Annex II hereto.

(m) Exhibit E is amended and restated in its entirety as set forth on Annex III hereto.

(n) The cover page to the Credit Agreement is amended by deleting:

"COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH and BBVA COMPASS,
as Joint Lead Arrangers,

COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH,
as Sole Bookrunner,

BBVA COMPASS AND BOKF, NA, A NATIONAL BANKING ASSOCIATION DBA BANK OF TEXAS ,
as co-Syndication Agents ,"

and replacing it with the following:

"COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH,
as Lead Arranger and Sole Bookrunner,

BOKF, NA, A NATIONAL BANKING ASSOCIATION DBA BANK OF TEXAS ,
as Syndication Agent ,".

(o) The preamble (first paragraph) of the Credit Agreement is amended by deleting: "COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH and BBVA Compass, as Joint Lead Arrangers and Sole Bookrunner" and replacing it with "COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH, as Lead Arranger and Sole Bookrunner".

SECTION 2. **Conditions to Effectiveness** . This Amendment shall be effective as of the Effective Date upon the satisfaction of the following conditions precedent:

(a) Documentation .

(i) The Agent shall have received counterparts hereof duly executed by the Loan Parties, the Agent, the Issuing Banks, and the Banks.

(ii) The Agent shall have received copies of the resolutions of each Loan Party authorizing the transactions contemplated hereby, certified as of the Effective Date by a Responsible Officer of such Loan Party.

(iii) The Agent shall have received a certificate of a Responsible Officer of each Loan Party certifying the names and true signatures of any Responsible Officers of such Loan Party who are authorized to act on behalf of each Loan Party.

(iv) The Agent shall have received the certificate of incorporation, certificate of formation, or certificate of limited partnership, as applicable, of each Loan Party as in effect on the Effective Date, each certified by the Secretary of State of each such Person's state of organization, the bylaws, regulations, operating agreement or partnership agreement, as applicable, of each Loan Party, each certified by a Responsible Officer of such Loan Party as a true and correct copy thereof as of the Effective Date, and evidence satisfactory to the Agent, that each Loan Party is in good standing under the laws of its state of organization.

(v) The Agent shall have received such legal opinions of counsel to the Parent and Co-Borrowers as the Banks shall request.

(vi) The Agent shall have received the Subordinated Creditor Consent (in the form of Annex I hereto) duly executed by Retailco.

(vii) The Agent shall have received all documentation and other information requested by the Agent, any Issuing Bank, or any Bank that is required by regulatory authorities under applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the USA Patriot Act.

(b) Fees and Expenses . The Agent shall have received evidence of payment by the Co-Borrowers of all fees, costs and expenses to the extent then due and payable on or prior to the Effective Date, together with Attorney Costs.

SECTION 3. Representations and Warranties . Each of the Co-Borrowers hereby represents and warrants that after giving effect hereto:

(a) The execution, delivery and performance by each Loan Party of this Amendment, have been duly authorized by all necessary corporate or limited liability company action, as applicable, and do not and will not contravene, conflict with or result in any breach or contravention of, or the creation of any Lien under any of such Loan Party's organizational and governing documents, or any document evidencing any contractual obligation to which such Loan Party is a party or any order, injunction, writ or decree of any Governmental Authority to which such Loan Party or its property is subject or any Requirement of Law, to the extent any such contravention, conflict or breach has or could reasonably be expected to have a Material Adverse Effect on the Loan Parties, taken as a whole.

(b) The representations and warranties of the Loan Parties contained in the Loan Documents are true and correct in all material respects (except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which representation and warranty shall be true and correct in all respects) on and as of the Effective Date (except to the extent such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date) and after giving effect to this Amendment.

(c) No event has occurred and is continuing which constitutes a Default, an Event or Default or both.

SECTION 4. **Ratification of Obligations; Reaffirmation of Guaranty Agreement and Liens**. Each of the Loan Parties hereby ratifies and confirms its Obligations under the Credit Agreement and the other Loan Documents and acknowledges that all other terms, provisions and conditions of the Credit Agreement and the other Loan Documents remain unchanged (except as modified hereby) and are in full force and effect. The Parent hereby ratifies, confirms, acknowledges and agrees that its obligations under the Guaranty Agreement are in full force and effect and that it continues to unconditionally and irrevocably guarantee the prompt payment in full when due, whether at stated maturity, by acceleration or otherwise, and performance of all of the Obligations. Each Loan Party hereby ratifies, confirms, acknowledges and agrees that all Liens now or hereafter held by the Agent for the benefit of the Secured Parties as security for payment of the Obligations remain in full force and effect.

SECTION 5. **Governing Law**. This Amendment shall be construed in accordance with, and this Amendment, and all matters arising out of or relating in any way whatsoever to this Amendment (whether in contract, tort, or otherwise) shall be governed by, the law of the State of New York, other than those conflict of law provisions that would defer to the substantive laws of another jurisdiction. This governing law election has been made by the parties in reliance (at least in part) on Section 5-1401 of the General Obligation Law of the State of New York, as amended (as and to the extent applicable), and other applicable law.

SECTION 6. **Execution in Counterparts**. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Amendment. The words "execution," "signed," "signature," and words of like import in this Amendment shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 7. Miscellaneous .

(a) The third paragraph of Section 8 of the Commitment Increase Agreement dated as of January 28, 2019 is hereby deleted.

(b) Notwithstanding anything to the contrary contained herein, BBVA USA (formerly known as Compass Bank) consents to and approves of all terms and provisions contained in this Amendment other than Section 1(e) above.

SECTION 8. Loan Document. This Amendment is a Loan Document.

SECTION 9. Headings. The captions and headings of this Amendment are for convenience of reference only and shall not affect the interpretation of this Amendment.

SECTION 10. Entire Agreement. THIS AMENDMENT, TOGETHER WITH THE OTHER LOAN DOCUMENTS, EMBODIES THE ENTIRE AGREEMENT AND UNDERSTANDING AMONG THE PARTIES HERETO, AND SUPERSEDES ALL PRIOR OR CONTEMPORANEOUS AGREEMENTS AND UNDERSTANDINGS OF SUCH PERSONS, VERBAL OR WRITTEN, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO RELATING TO THE SUBJECT MATTER HEREOF.

SECTION 11. Severability. Any provision of this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

CO-BORROWERS:

SPARK HOLDCO, LLC
SPARK ENERGY, LLC
SPARK ENERGY GAS, LLC
CENSTAR ENERGY CORP.
CENSTAR OPERATING COMPANY, LLC
OASIS POWER, LLC
OASIS POWER HOLDINGS, LLC
ELECTRICITY MAINE, LLC
ELECTRICITY N.H., LLC
PROVIDER POWER MASS, LLC
MAJOR ENERGY SERVICES LLC
MAJOR ENERGY ELECTRIC SERVICES LLC
RESPOND POWER LLC
PERIGEE ENERGY, LLC
VERDE ENERGY USA, INC.
VERDE ENERGY USA COMMODITIES, LLC
VERDE ENERGY USA CONNECTICUT, LLC
VERDE ENERGY USA DC, LLC
VERDE ENERGY USA ILLINOIS, LLC
VERDE ENERGY USA MARYLAND, LLC
VERDE ENERGY USA MASSACHUSETTS, LLC
VERDE ENERGY USA NEW JERSEY, LLC
VERDE ENERGY USA NEW YORK, LLC
VERDE ENERGY USA OHIO, LLC
VERDE ENERGY USA PENNSYLVANIA, LLC
VERDE ENERGY USA TEXAS HOLDINGS, LLC
VERDE ENERGY USA TEXAS, LLC
VERDE ENERGY USA TRADING, LLC
VERDE ENERGY SOLUTIONS, LLC
HIKO ENERGY, LLC

Each By: /s/ Nathan Kroeker
Name: Nathan Kroeker
Title: President and Chief Executive Officer

PARENT:

SPARK ENERGY, INC.,

By: /s/ Nathan Kroeker
Name: Nathan Kroeker
Title: President and Chief Executive Officer

BANKS:

COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH , as Agent, an Issuing Bank and a Bank

By: /s/Jan Hendrik de Graaff
Name: Jan Hendrik de Graaff
Title: Managing Director

By: /s/ Chung-Taek Oh
Name: Chung-Taek Oh
Title: Executive Director

BOKF, NA, A NATIONAL BANKING ASSOCIATION DBA BANK OF TEXAS, as a Bank

By: /s/Chris Frey
Name: Chris Frey
Title: AVP, Commercial Banking

BBVA USA (formerly known as Compass Bank) , as an Issuing Bank and a Bank

By: /s/Collis Sanders
Name: Collis Sanders
Title: Executive Vice President

WOODFOREST NATIONAL BANK , as a Bank

By: /s/Andy Gaines
Name: Andy Gaines
Title: Vice President

CREDIT AGRICOLE CORPORATE & INVESTMENT BANK , as a Bank and an Issuing Bank

By: /s/William Purdy
Name: William Purdy
Title: Vice President

By: /s/ Zall Win
Name: Zall Win
Title: Managing Director

VERITEX COMMUNITY BANK (formerly known as Green Bank) , as a Bank

By: /s/ J. Cory LeBouf
Name: J. Cory LeBouf
Title: Executive Vice President

ANCOCK WHITNEY BANK, as a Bank

By: /s/ Ian McKie
Name: Ian McKie
Title: Vice President

ZIONS BANCORPORATION, N.A. DBA AMEGY BANK, as a Bank

By: /s/ Ryan Kim
Name: Ryan Kim
Title: Vice President

HSBC BANK USA, N.A. , as a Bank

By: /s/ Abhay Hardikar
Name: Abhay Hardikar
Title: Relationship Manager

Annex I to Amendment No. 3

Subordinated Creditor Consent

The undersigned hereby:

(i) reaffirms the terms, conditions and obligations under and pursuant to the Subordination and Intercreditor Agreement dated as of May 19, 2017 (as amended, supplemented or otherwise modified from time to time, the " Subordination Agreement ") among the Parent, certain of the Co-Borrowers, Coöperatieve Rabobank U.A., New York Branch as Senior Agent (as defined in the Subordination Agreement) and the undersigned as Junior Creditor (as defined in the Subordination Agreement);

(ii) agrees that its obligations under the Subordination Agreement are and shall remain in full force and effect after giving effect to Amendment No. 3 dated as of June 13, 2019 (" Amendment No. 3 ") among the Co-Borrowers, the Parent, the Issuing Banks and Coöperatieve Rabobank U.A., New York Branch, as Agent; and

(iii) agrees that "Senior Obligations" (as defined in the Subordination Agreement) includes the Obligations (as defined in the Credit Agreement).

Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in Amendment No. 3.

RETAILCO, LLC

By:_____
Name:
Title:
Date:

EXHIBIT D

FORM OF COLLATERAL POSITION REPORT

Coöperatieve Rabobank U.A., New York Branch, as Agent
Rabobank Loan Syndications
245 Park Avenue
New York, NY 10167

Attention: Loan Syndications
Facsimilie: (212) 808-2578
Email: syndications.ny@rabobank.com; with a copy to: Jasvir.sihra@rabobank.com

Re: Credit Agreement, dated as of May 19, 2017 (as amended or supplemented from time to time, the " Agreement "), by and among Spark Energy, Inc. (" Parent "), Spark HoldCo, LLC (" HoldCo "), Spark Energy, LLC (" Spark "), Spark Energy Gas, LLC (" SEG "), CenStar Energy Corp. (" CenStar "), Censtar Operating Company, LLC (" Censtar Opco "), Oasis Power, LLC (" Oasis "), Oasis Power Holdings, LLC (" Oasis Holdings "), Electricity Maine, LLC (" Maine "), Electricity N.H., LLC (" NH "), Provider Power Mass, LLC (" Mass "), Major Energy Services LLC (" Major "), Major Energy Electric Services LLC (" Electric "), Respond Power LLC (" Respond "), Perigee Energy, LLC (" Perigee "), Verde Energy USA, Inc., (" Verde Inc. "), Verde Energy USA Commodities, LLC (" Verde Commodities ") Verde Energy USA Connecticut, LLC (" Verde Connecticut "), Verde Energy USA DC, LLC (" Verde DC "), Verde Energy USA Illinois, LLC, (" Verde Illinois "), Verde Energy USA Maryland, LLC (" Verde Maryland "), Verde Energy USA Massachusetts, LLC (" Verde Massachusetts "), Verde Energy USA New Jersey, LLC (" Verde New Jersey "), Verde Energy USA New York, LLC (" Verde New York "), Verde Energy USA Ohio, LLC (" Verde Ohio "), Verde Energy USA Pennsylvania, LLC (" Verde Pennsylvania "), Verde Energy USA Texas Holdings, LLC (" Verde Texas Holdings "), Verde Energy USA Trading, LLC (" Verde Trading "), Verde Energy Solutions, LLC (" Verde Solutions "), Verde Energy USA Texas, LLC (" Verde Texas "), Hiko Energy, LLC (" Hiko "), Coöperatieve Rabobank U.A., New York Branch, as administrative agent, and the other financial institutions which may become a party thereto (collectively, the " Banks ").

Ladies and Gentlemen:

The undersigned Responsible Officer (as defined in the Agreement), who is authorized to act on behalf of each of Parent, HoldCo, Spark, SEG, CenStar, Censtar Opco, Oasis, Oasis Holdings, Maine, NH, Mass, Major, Electric, Respond, Perigee, Verde Inc., Verde Commodities, Verde Connecticut, Verde DC, Verde Illinois, Verde Maryland, Verde Massachusetts, Verde New Jersey, Verde New York, Verde Ohio, Verde Pennsylvania, Verde Texas Holdings, Verde Trading, Verde Solutions, Verde Texas and Hiko, delivers the attached report to the Banks and certifies to the Banks that it is in compliance with the Agreement. Further, the undersigned hereby certifies that the undersigned has no knowledge of any Defaults or Events of Default under the Agreement which exist as of the date of this letter.

The undersigned also certifies that the amounts set forth on the attached report constitute all Collateral which has been or is being used in determining availability for a Letter of Credit or Loan as of the date hereof. This certificate and attached report are submitted pursuant to Subsection 7.02(b) of the Agreement.

Very truly yours,

SPARK HOLDCO, LLC ,
a Delaware limited liability company

By: __
Name: __
Title: Responsible Officer

COLLATERAL POSITION REPORT

COLLATERAL POSITION REPORT AS OF: _____

To: Coöperatieve Rabobank U.A., New York Branch, as Agent
Rabobank Loan Syndications
245 Park Avenue
New York, NY 10167
Attention: Loan Syndications
Facsimilie: (212) 808-2578
Email: syndications.ny@rabobank.com; with a copy to: Jasvir.sihra@rabobank.com

I hereby certify that as of the date written above, the amounts indicated below were, to the best of my knowledge, true and accurate as of the date of preparation, **[and have not and are not being used in determining availability for any other Loan or Letter of Credit issuance]** .

I. COLLATERAL

	HoldCo	**Spark**	**SEG**	**CenStar/Censtar Opco**	**Oasis/Oasis Holdings**	**Provider Companies/Perigee**	**Major Companies**	**Verde Companies**	**Hiko Energy, LLC**	**Gross Collateral**	**Advance Rate**	**Net Collateral**
A. Cash Collateral & other liquid investments (not being used in determining availability for any other advance or Letter of Credit Issuance)	0	0	0	0	0	0	0	0	0	0	100%	0
B. Equity in Approved Brokerage Accounts	0	0	0	0	0	0	0	0	0	0	90%	0
C. Tier I Accounts net of deductions, offsets and counterclaims	0	0	0	0	0	0	0	0	0	0	90%	0
D. Tier II Accounts net of deductions, offsets and counterclaims	0	0	0	0	0	0	0	0	0	0	85%	0
E. Tier I Unbilled Qualified Accounts net of deductions, offsets and counterclaims	0	0	0	0	0	0	0	0	0	0	85%	0

F. Tier II Unbilled Qualified Accounts net of deductions, offsets and counterclaims	0	0	0	0	0	0	0	0	0	0	80%	0
G. Eligible Inventory	0	0	0	0	0	0	0	0	0	0	80%	0
H. Hedged Eligible Inventory	0	0	0	0	0	0	0	0	0	0	85%	0
I. Net Eligible Exchange Receivables	0	0	0	0	0	0	0	0	0	0	80%	0
J. Letters of Credit for Products Not Yet Delivered	0	0	0	0	0	0	0	0	0	0	80%	0
K-1. In-The-Money positions with tenors up to 12 months	0	0	0	0	0	0	0	0	0	0	70%	0
K-2. In-The-Money positions with tenors greater than 12 months and up to 24 months	0	0	0	0	0	0	0	0	0	0	50%	0
L. Embedded Gross Margin	0	0	0	0	0	0	0	0	0	0	50%	0
M. Eligible RECs	0	0	0	0	0	0	0	0	0	0	40%	0
Less the following:												
N. The amounts (including disputed items) which would be subject to a so-called “First Purchaser Lien” as explained in Clause (b)(xiv) of Borrowing Base Advance Cap	0	0	0	0	0	0	0	0	0	0	100%	0
O. The amount of any mark to market exposure to the Swap Banks under Swap Contracts other than Swap Contracts involving physical delivery as reported by the Swap Banks, reduced by Cash Collateral held by a Swap Bank	0	0	0	0	0	0	0	0	0	0	115%	0
P. With respect to Swap Contracts involving physical delivery, the amount of mark to market exposure to the Swap Banks under such Swap Contracts until nomination for delivery has been made and the amount of notional exposure to the Swap Banks under such Swap Contracts after such nomination for delivery has been made, in each case, reduced by cash collateral held by a Swap Bank	0	0	0	0	0	0	0	0	0	0	115%	0
Q. Reserves deemed necessary by the Agent	0	0	0	0	0	0	0	0	0	0	100%	0
R. storage and transportation expenses not covered by a Letter of Credit or cash collateral due within 60 days of the Collateral Position Report most recently received by the Agent	0	0	0	0	0	0	0	0	0	0	100%	0
S. sales Taxes	0	0	0	0	0	0	0	0	0	0	100%	0

II. TOTAL COMMITMENTS: **$**_____

III. OUTSTANDING LOANS AND LETTERS OF CREDIT:

Loans		**Letters of Credit**	
HoldCo =		HoldCo =	
Spark =		Spark =	
SEG =		SEG =	
CenStar/Censtar Opco =		CenStar/Censtar Opco =	
Oasis/Oasis Holdings =		Oasis/Oasis Holdings =	
Provider Companies/Perigee=		Provider Companies/Perigee	
Major Companies=		Major Companies=	
Verde Companies=		Verde Companies=	
Hiko USA, LLC =	_____	Hiko USA, LLC =	_____

TOTAL OUTSTANDING LOANS AND LETTERS OF CREDIT:

$_____

IV. EXCESS/(DEFICIT): $_____ ($_____)

V. Enclosed are all the necessary reports with details for the above including the following:

1. Schedule of qualified customers that shows the aging of such accounts.
2. Schedule of netted qualified exchange balances.
3. Schedule of qualified inventory.
4. Brokerage statements.
5. Detailed information related to forward in-the-money positions by counterparty.

6. Reporting by Swap Banks.

7. Bank statements.

8. Schedule of all contras applied against any of the above.

9. Mark-to-market profit and loss statement (if applicable).

10. A customer count calculated on the actual number of customers and a RCE basis, including (A) customer information categorized by fixed or variable price contracts (including remaining contract tenor reporting for fixed price customers) and commercial and industrial or residential contracts, (B) monthly attrition rates, (C) monthly customer additions, and (D) monthly customer acquisition costs, with categorization for organic growth and acquisitions, both on a gross basis and RCE basis.

11. An itemized and aggregate calculation of the projected Embedded Gross Margin, together with supporting documentation to the extent requested by the Agent.

12. A report of (A) total variable price RCEs, (B) expected weighted average gross margin per RCE under variable price contracts, and (C) actual weighted average historical attrition rate during the prior twelve month period, in each case, calculated as of the last day of the applicable month.

13. A summary of the cash collateral covering storage and transportation expenses included in clause (b)(xviii) of the definition of Borrowing Base Advance Cap.

14. A detailed summary of all Eligible RECs and related environmental and other obligations and liabilities.

VI. MAJOR COMPANIES, PROVIDER COMPANIES AND VERDE COMPANIES PAYMENT REPORTING

1. Aggregate amount of the Major MIPA Payments made as of the date hereof (which, for purposes of this report, shall include Major MIPA Payments made by the Major Companies and the Loan Parties): $_____

2. Aggregate amount of Provider MIPA Payments made as of the date hereof: $_____

3. Aggregate amount of Verde MIPA Payments made as of the date hereof: $_____

SPARK HOLDCO, LLC,
a Delaware limited liability company

By: __
Name: __
Title: Responsible Officer

Annex III to Amendment No. 3

EXHIBIT E

FORM OF COMPLIANCE CERTIFICATE

[Date]

Coöperatieve Rabobank U.A., New York Branch, as Agent
Rabobank Loan Syndications
245 Park Avenue
New York, NY 10167

Attention: Loan Syndications
Facsimilie: (212) 808-2578
Email: syndications.ny@rabobank.com; with a copy to: Jasvir.sihra@rabobank.com

- Re: Credit Agreement, dated as of May 19, 2017 (as amended or supplemented from time to time, the " Agreement "), by and among Spark Energy, Inc. (" Parent "), Spark HoldCo, LLC (" HoldCo "), Spark Energy, LLC (" Spark "), Spark Energy Gas, LLC (" SEG "), CenStar Energy Corp. (" CenStar "), Censtar Operating Company, LLC (" Censtar Opco "), Oasis Power, LLC (" Oasis "), Oasis Power Holdings, LLC (" Oasis Holdings "), Electricity Maine, LLC (" Maine "), Electricity N.H., LLC (" NH "), Provider Power Mass, LLC (" Mass "), Major Energy Services LLC (" Major "), Major Energy Electric Services LLC (" Electric "), Respond Power LLC (" Respond "), Perigee Energy, LLC (" Perigee "), Verde Energy USA, Inc., (" Verde Inc. "), Verde Energy USA Commodities, LLC (" Verde Commodities ") Verde Energy USA Connecticut, LLC (" Verde Connecticut "), Verde Energy USA DC, LLC (" Verde DC "), Verde Energy USA Illinois, LLC, (" Verde Illinois "), Verde Energy USA Maryland, LLC (" Verde Maryland "), Verde Energy USA Massachusetts, LLC (" Verde Massachusetts "), Verde Energy USA New Jersey, LLC (" Verde New Jersey "), Verde Energy USA New York, LLC (" Verde New York "), Verde Energy USA Ohio, LLC (" Verde Ohio "), Verde Energy USA Pennsylvania, LLC (" Verde Pennsylvania "), Verde Energy USA Texas Holdings, LLC (" Verde Texas Holdings "), Verde Energy USA Trading, LLC (" Verde Trading "), Verde Energy Solutions, LLC (" Verde Solutions "), Verde Energy USA Texas, LLC (" Verde Texas "), Hiko Energy, LLC (" Hiko "), as co-borrowers, Coöperatieve Rabobank U.A., New York Branch, as administrative agent, and the other financial institutions which may become a party thereto (collectively, the " Banks ").

Ladies and Gentlemen:

The undersigned Responsible Officer (as that term is defined in the Agreement) certifies to the Banks that Parent, HoldCo, Spark, SEG, CenStar, Censtar Opco, Oasis, Oasis Holdings, Maine,

NH, Mass, Major, Electric, Respond, Perigee, Verde, Inc., Verde Commodities, Verde Connecticut, Verde DC, Verde Illinois, Verde Maryland, Verde Massachusetts, Verde New Jersey, Verde New York, Verde Ohio, Verde Pennsylvania, Verde Texas Holdings, Verde Trading, Verde Solutions, Verde Texas, and Hiko are in compliance with the Agreement and in particular certifies the following as of _____, 20__:

1. Financial Covenants:

	Actual Level	Required Level
(i) Fixed Charge Coverage Ratio	_____ to _____;	1.25 to 1.00;
(ii) Total Leverage Ratio	_____ to _____;	2.50 to 1.00;
(iii) Senior Secured Leverage Ratio	_____ to _____;	1.85:1.00

2. Delivered herewith as Annex I are reasonably detailed calculations and supporting documentation demonstrating compliance by the Loan Parties with the financial covenants contained in Section 7.09 of the Credit Agreement.

3. Since [_____] [no Default or Event of Default has occurred under the Credit Agreement][a Default or Event of Default has occurred, as described on Annex 2 hereto, and the action proposed to be taken with respect thereto is described on Annex 2 hereto].

Very truly yours,

SPARK ENERGY, INC.

a Delaware corporation

By: _____

Name: _____

Title: Responsible Officer

Annex I

[Attached.]

Annex II

[Attached.]

NEITHER THIS NOTE NOR THE SECURITIES REPRESENTED HEREBY HAVE BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF EITHER SEI OR SPARK HOLDCO THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO EITHER SEI OR SPARK HOLDCO, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, (C) IN ACCORDANCE WITH RULE 144, RULE 145 OR RULE 144A UNDER THE SECURITIES ACT, IF APPLICABLE, AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES OR "BLUE SKY" LAWS OR (D) IF EITHER SEI OR SPARK HOLDCO HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO EITHER SEI OR SPARK HOLDCO, OR OTHERWISE SATISFIED ITSELF, THAT THE TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE U.S. STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES.

AMENDED AND RESTATED
SPARK HOLDCO, LLC AND SPARK ENERGY, INC.
SUBORDINATED PROMISSORY NOTE

Note No. 4 **Issuance Date: June 13, 2019**
Houston, Texas

For value received, Spark Energy, Inc., a Delaware corporation (" ***SEI*** "), and Spark HoldCo, LLC, a Delaware limited liability company (" ***Spark HoldCo,*** " and together with SEI, the " ***Issuers*** "), jointly and severally, promises to pay to the order of Retailco, LLC (the " ***Holder*** "), the principal sum of **Twenty-Five Million and No/100 US Dollars ($25,000,000.00) (** the " ***Loan*** " **)** or, if less, the aggregate outstanding principal amount of the Advances (as defined below) made by the Holder to the Issuers. This promissory note (this " ***Note*** ") is subject to the following terms and conditions.

1. Commitment, Advances, Interest, Maturity and Default

a) The Holder shall make available to the Issuers in one or more disbursements pursuant to subsection (b) (each an " ***Advance*** ") during the period from the Issuance Date until the Maturity Date in an aggregate amount not to exceed the Loan.

b) As a condition to the disbursement of any Advance, the Borrower shall, at least three days prior to the requested disbursement date, deliver to the Holder a written notice (the "Borrowing Notice") setting out: (i) the amount of the Advance, which amount must be in a minimum principal amount of $1,000,000; and (ii) the date on which the Advance is to be disbursed. Upon receipt of the Borrowing Notice, the Holder shall make available to the Issuers on the disbursement date the amount set out in the notice in immediately available funds.

c) Interest on this Note shall accrue on the unpaid principal balance of all Advances from the date each such Advance was made at a rate equal to five percent (5%) per annum, simple interest compounding annually with interest only payable semiannually in arrears on January 1 and July 1 of each year, commencing July 1, 2017 (each an "Interest Payment Date"), provided, however, that Issuers shall have the right to elect to pay-in-kind all or portions of the interest payable under this Note by sending to Holder a notice of such election (a "PIK Election Notice") at least two (2) business days prior to the applicable Interest Payment Date specifying (i) the amount of interest that will be paid in kind and (ii) the amount of cash that will be paid to Holder on the applicable Interest Payment Date, if any. Irrespective of the date a PIK Election Notice is made, the actual payment in kind will occur on the applicable Interest Payment Date. If a PIK Election Notice electing to pay interest in kind is made, on the applicable Interest Payment Date, the amount elected to be paid in kind will be capitalized, compounded and added to the unpaid principal amount of this Note effective as of such Interest Payment Date. Unless otherwise consented to in writing by the Holder, if the Issuers fail to deliver a PIK Election Notice to Holder on or before the date specified above for such notice and do not make an interest payment in cash on the applicable Interest Payment Date for all interest due, it shall be deemed that the Issuers have elected to pay the balance of the interest due on the applicable Interest Payment Date in kind. The principal and interest due under this Note shall be paid in full on December 31, 2021 (the "Maturity Date"), and if any principal or interest under this Note remains unpaid after the Maturity Date the interest rate on such unpaid amounts shall increase from five percent (5%) per annum to ten percent (10%) per annum, simple interest. Subject to Section 2, principal and any accrued but unpaid interest under this Note shall be due and payable upon written demand by the Holder at any time after the Maturity Date.

d) Notwithstanding the provisions of Section 1(c) above and subject to Section 2 below, the entire unpaid principal sum of this Note, together with accrued and unpaid interest thereon, shall become immediately due and payable upon (i) the execution by either Issuer of a general assignment for the benefit of creditors, (ii) the filing by or against either Issuer of a petition in bankruptcy or any petition for relief under the federal bankruptcy act or the continuation of such petition without dismissal for a period of ninety (90) days or more, (iii) the appointment of a receiver or trustee to take possession of the property or assets of either Issuer or (iv) one or more of the Issuers is involved either directly or indirectly in a Corporate Transaction; provided, however, that this subsection (iv) shall not apply until the later of (A) the date the Discharge of Senior Obligations (as defined in the Subordination Agreement (as defined below)) occurs, and (B) January 1, 2022. For all purposes hereof, the term "Corporate Transaction" means (a) a sale by either of the Issuers of all or substantially all of its assets, (b) a merger of one or more of the Issuers with or into another entity (if after such merger the holders of a majority of such Issuer's voting securities immediately prior to the transaction do not hold a majority of the voting securities of the successor entity) or (c) the transfer of more than fifty percent (50%) of such Issuer's voting securities to a natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee or entity in a representative capacity and any executive, legislative, judicial, regulatory or administrative agency, body, commission, department, board, court, tribunal, arbitrating body or authority of the United States or any foreign country, or any state, local or other governmental subdivision thereof.

2. Subordination

a) The indebtedness evidenced by this Note, including principal and interest, is hereby expressly subordinated and junior, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of all of the Issuers' Senior Indebtedness. "Senior Indebtedness" shall mean the principal of and unpaid interest and premium, if any, on (i) indebtedness of the Issuers or with respect to which either or both of the Issuers is a guarantor, whether outstanding on the date hereof or hereafter created, to banks, insurance companies or other lending or thrift institutions regularly engaged in the business of lending money, whether or not secured, and (ii) any deferrals, renewals, extensions, refunding, amendment, modification or any debentures, notes or other evidence of indebtedness issued in exchange for such Senior Indebtedness.

b) Upon any receivership, insolvency, assignment for the benefit of creditors, bankruptcy, reorganization, or arrangement which creditors (whether or not pursuant to bankruptcy or other insolvency laws), sale of all or substantially all of the assets, dissolution, liquidation, or any other marshaling of the assets and liabilities of the Issuers or in the event this Note shall be declared due and payable, (i) no amount shall be paid by the Issuers, whether in cash or property in respect of the principal of or interest on this Note at the time outstanding, unless and until the full amount of any Senior Indebtedness then outstanding shall be paid in full, and (ii) no claim or proof of claim shall be filed with either Issuer or otherwise by or on behalf of the holder of this Note which shall assert any right to receive any payments in respect of the principal of and interest on this Note except subject to the payment in full of all of the Senior Indebtedness then outstanding.

c) If an event of default has occurred with respect to any Senior Indebtedness, permitting the holder thereof to accelerate the maturity thereof, then unless and until such event of default shall have been cured or waived or shall have ceased to exist, or all Senior Indebtedness shall have been paid in full, no payment shall be made in respect of the principal of or interest on this Note.

d) Nothing contained in the preceding paragraphs shall impair, as between the Issuers and the Holder, the obligation of the Issuers, which is absolute and unconditional, to pay to the Holder hereof the principal hereof and interest hereon as and when the same shall become due and payable, or shall prevent the Holder, upon default hereunder, from exercising all rights, powers and remedies otherwise provided herein or by applicable law, all subject to the rights, if any, of the holders of Senior Indebtedness under the preceding paragraphs to receive cash or other properties otherwise payable or deliverable to the Holder pursuant to this Note. This Note and the indebtedness hereunder (including any payments thereof) are subject to that certain Subordination and Intercreditor Agreement dated as of May 19, 2017 among SEI, Spark HoldCo, Spark Energy Gas, LLC, Spark Energy, LLC, Censtar Energy Corp., Censtar Operating Company, LLC, Oasis Power, LLC, Oasis Power Holdings, LLC, Electricity Maine, LLC, Electricity N.H., LLC, Provider Power Mass, LLC, Major Energy ServicesLLC, Major Energy Electric Services LLC, Respond Power LLC, Perigee Energy, Cooperatieve Rabobank U.A., New York Branch and Holder (as amended and as may be further amended, restated, supplemented or otherwise modified from time to time, the " Subordination Agreement ").

3. Payment

All payments shall be made in lawful money of the United States of America at such place as the Holder hereof may from time to time designate in writing to either SEI or Spark HoldCo. Payment shall be credited first to the accrued but unpaid interest then due and payable and the remainder applied to principal. Any amounts due in connection with this Note may be prepaid in whole or in part at any time without penalty upon ten (10) days' advance notice by either SEI or Spark HoldCo to the registered holder of this Note.

4. Payment of Taxes

Issuers, jointly and severally, will pay all taxes (other than taxes based upon income or gross margin) and other governmental charges, if any, that may be imposed with respect to the issue or delivery of this Note.

5. Representations and Warranties of Holder

Holder hereby makes the representations and warranties set forth on attached Appendix A .

6. Transfer; Successors and Assigns

The terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Notwithstanding the foregoing, except for a pledge of this Note to a bank or other financial institution that creates a mere security interest in this Note in connection with a bona fide loan transaction, the Holder may not assign, pledge, or otherwise transfer this Note without the prior written consent of both Issuers. Subject to the preceding sentence, this Note may be transferred only upon surrender of the original Note to either Issuer for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to both Issuers, and, thereupon, a new note for the same principal amount and interest will be issued to, and registered in the name of, the transferee. Interest and principal are payable only to the registered holder of this Note.

7. Evidence of Debt

The Holder is authorized to record on the grid attached hereto as Appendix B each Advance made to the Issuers and each payment or prepayment thereof. The entries made by the Holder shall, to the extent permitted by applicable Law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided, however, that the failure of the Holder

to record such payments or prepayments, or any inaccuracy therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Advances in accordance with the terms of this Note.

8. Governing Law; Jurisdiction

This Note shall be governed by and construed under the laws of the State of Texas as applied to agreements among Texas residents, entered into and to be performed entirely within the State of Texas, without giving effect to principles of conflicts of law. The parties irrevocably consent to the jurisdiction and venue of the state and federal courts located in Harris County, Texas in connection with any action relating to this Note.

9. Specific Performance

Issuers acknowledge and agree that the remedies at law of Holder in the event of any default by SEI or Spark HoldCo in the performance of or compliance with any of the terms of this Note are not adequate and may be enforced by a decree for the specific performance of any agreement contained herein or by an injunction against a violation of any of the terms hereof or otherwise.

10. Notices

Any notice required or permitted by this Note shall be given in writing and shall be deemed effectively given (a) upon personal delivery to the party to be notified, (b) upon confirmation of receipt by fax by the party to be notified, (c) one (1) business day after deposit with a reputable overnight courier, prepaid for overnight delivery and addressed as set forth in subsection (d), or (d) three (3) days after deposit with the United States Post Office, postage prepaid, registered or certified with return receipt requested and addressed to the party to be notified at the address of such party indicated directly below, or at such other address as such party may designate by ten (10) days' advance written notice to the other party given in the foregoing manner.

SEI	**Spark HoldCo**	**Holder**
12140 Wickchester Ln. Suite 100 Houston, TX 77079 Attn: Chief Executive Officer	12140 Wickchester Ln. Suite 100 Houston, TX 77079 Attn: Chief Executive Office r	12140 Wickchester Ln. Suite 100 Houston, TX 77079 Attn: Chief Executive Officer

11. Amendments and Waivers

Any term of this Note may be amended only with the written consent of the Issuers and the Holder. Any amendment or waiver effectuated in accordance with this Section 11 shall be binding upon Issuers, Holder and each transferee of this Note.

12. Shareholders, Officers and Directors Not Liable

In no event shall any shareholder, officer or director of either SEI or Spark HoldCo be liable for any amounts due or payable pursuant to this Note.

13. Action to Collect on Note

If action at law or equity is necessary to enforce or interpret the terms of this Note, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

14. Severability

If any provision of this Note shall be judicially declared to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of the parties under this Note would not be materially and adversely affected thereby, such provision shall be fully separable, and this Note shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part thereof, and the remaining provisions of this Note shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance therefrom.

15. Waiver of Jury Trial

Each of SEI, Spark HoldCo and Holder hereby waives its right to trial by jury in any claim (whether based upon contract, tort or otherwise) under, related to or arising in connection with this Note.

16. Waivers By Issuers

EACH OF SEI AND SPARK HOLDCO HEREBY WAIVE PRESENTMENT, NOTICE OF DISHONOR, PROTEST AND NOTICE OF PROTEST, AND ANY OR ALL OTHER NOTICES OR DEMANDS IN CONNECTION WITH THE DELIVERY,

ACCEPTANCE, PERFORMANCE, DEFAULT, ENDORSEMENT OR COLLECTION OF THIS NOTE.

17. Amendment and Restatement

This Note amends and restates in its entirety the Subordinated Promissory Note dated December 27, 2016 (as amended, supplemented or otherwise modified from time to time prior to the effectiveness hereof) made by SEI and Spark HoldCo in favor of the Holder.

[*Signature Page Follows*]

SEI:

SPARK ENERGY, INC.

By: /s/ Nathan Kroeker
Name: Nathan Kroeker
Title: CEO

SPARK HOLDCO:

SPARK HOLDCO, LLC

By: /s/ Nathan Kroeker
Name: Nathan Kroeker
Title: CEO

AGREED TO AND ACCEPTED:

HOLDER:

RETAILCO, LLC

By: /s/ William K. Maxwell
Name: William K Maxwell
Title: Chief Executive Officer

APPENDIX A
To Subordinated Promissory Note

REPRESENTATIONS AND WARRANTIES OF THE HOLDER

The Holder represents and warrants to Issuers as follows:

A. **Investment Intent.** Holder hereby represents and warrants that Holder is acquiring the Note for the Holder's own account, not as nominee or agent, for beneficial interests and investment and not with a view to, or for resale in connection with, any distribution or public offering thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws.

B. **Restricted Securities** . The Holder understands that this Note is not a "restricted security" under the federal securities laws inasmuch as it is being acquired from Issuers in a transaction not involving a public offering and that under such law and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances. The Holder represents that is it familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

C. **Information Made Available to Holder.** Holder acknowledges that the Issuers have made available to the Holder, or to the Holder's attorney, accountant or representative, all documents that the Holder has requested, and the Holder has requested all documents and other information that the Holder has deemed necessary to consider in connection with an investment in Issuers. Holder acknowledges that it has had an opportunity to consult with Issuers management regarding SEI's and Spark HoldCo's prospects and the risks associated with SEI's and Spark HoldCo's business. Holder acknowledges that it has had an opportunity to review financial information relating to SEI's and Spark HoldCo's businesses. Holder is familiar with the current capitalization and ownership of Issuers.

APPENDIX B

To Subordinated Promissory Note

ADVANCES AND PAYMENTS ON THE LOAN

Date of Advance	Amount of Advance	Amount of Principal Paid	Unpaid Principal Amount of Note	Name of Person Making the Notation

Employment Agreement
Spark Energy, Inc.

This Employment Agreement (this "Agreement") dated June 14, 2019 is between James Jones ("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 for convenience 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 a termination of employment by Employee without Good Reason under Section 2(a) above, or a separation qualifying under Section 2(f) below, shall not give rise to a right to the Severance Payment or Post-Termination Bonus Payment under this subsection 2(e)(i).

(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 in Control, the Employee shall retain all outstanding long term incentive awards previously granted to Employee under the Long Term Incentive Plan subject to the existing vesting schedules, the terms of such awards and the terms of the Long Term Incentive Plan and any terms of this Agreement which might otherwise apply, 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 in Control.

(f) Effect of Change in Control . In the event of a Change in Control in which the Employee's employment is terminated by the Company for convenience under Section 2(a), for Good Reason

under Section 2(c) or as a result of a non-renewal of the Term of this Agreement by the Company pursuant to Exhibit A within that window consisting of the period commencing 120 days prior to execution of a definitive agreement for such Change in Control transaction and ending 365 days after consummation or final closing of such transaction, provided Employee: (A) executes within 50 days following the date on which Employee's employment so terminates under this Section 2(f), and does not revoke within the time provided by the Company to do so, a Release; and (B) abides by Employee's continuing obligations under Sections 3 and 4 of this Agreement, then the Company shall pay to Employee, and Employee shall be entitled to, the following, in lieu of any Severance Payment under Section 2(e)(i) and (ii) above:

(i) 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 sum shall be paid within 15 days following the date on which employment is terminated; plus

(ii) an 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, which sum shall be paid within 15 days following the date on which employment is terminated; plus

(iii) a lump sum payment equal to 1.0 times the sum of the Employee's annual Base Salary then in effect and the full target annual bonus for the year in which the termination date occurs, which shall be paid within 15 days following the date on which employment is terminated; plus

(iv) If the Employee timely and properly elects health continuation coverage under COBRA, for a period of 18 full months commencing on the first day of the month after the month in which employment was terminated, the Company shall reimburse the Employee for, or pay on Employee's behalf, the monthly COBRA premium paid by the Employee for himself and his dependents. Such reimbursement shall be paid to the Employee no later than the date on which Employee timely remits the premium payment. The Employee shall be eligible to receive such reimbursement until the earliest of: (i) the completion of the eighteen-month term set forth above; (ii) the date the Employee is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which the Employee receives substantially similar coverage from another employer or other source. The Company shall pay to the Employee, no later than the time taxes are required to be paid by the Employee or withheld by the Company, an additional amount (the "Gross-up Payment") equal to the sum of the withholding taxes payable by the Executive, plus the amount necessary to put the Employee in the same after-tax position (taking into account any and all applicable federal, state and local income, employment, and other taxes (including the any income and employment taxes imposed on the Gross-up Payment)) that he would have been in if the Employee had not incurred any withholding tax liability in connection with the COBRA payment.

(v) For the avoidance of doubt, the provisions of subsection (e)(iii) and (iv) of this Section 2 shall apply with respect to outstanding long term incentive awards previously granted to the Employee.

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.

Notwithstanding anything herein to the contrary, nothing in this Agreement shall (i) prohibit the Employee from making reports of possible violations of federal law or regulations to any governmental agency or entity in accordance with the provisions of and the rules promulgated under Section 21F of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulations or waive any right to monetary recovery in connection therewith, or (ii) require notification or prior approval by the Company of any reporting described in clause (i).

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, 2023, 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 2023. 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, 2023, 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 2022 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 separation from service date as defined in accordance with Section 409A in a lump sum, and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule.

12. Section 280G .

(a) Notwithstanding any other provision of this Agreement or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by the Company or its affiliates to the Employee or for the Employee's benefit pursuant to the terms of this Agreement or otherwise (" **Covered Payments** ") constitute parachute payments (" **Parachute Payments** ") within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the " **Code** ") and would, but for this Section 12 be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the " **Excise Tax** "), then prior to making the Covered Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Employee of the Covered Payments after payment of the Excise Tax to (ii) the Net Benefit to the Employee if the Covered Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the Covered Payments be reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the " **Reduced Amount** "). **"Net Benefit"** shall mean the present value of the Covered Payments net of all federal, state, local, foreign income, employment and excise taxes.

(b) Any such reduction shall be made in accordance with Section 409A of the Code and the following: the Covered Payments shall be reduced in a manner that maximizes the Employee's economic position. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero.

(c) Any determination required under this Section 12 shall be made in writing in good faith by the accounting firm that was the Company's independent auditor immediately before the change in control (the " **Accountants** "), which shall provide detailed supporting calculations to the Company and the Employee as requested by the Company or the Employee. The Company and the Employee shall provide the Accountants with such information and documents as the Accountants may reasonably request in order to make a determination under this Section 12. For purposes of making the calculations and determinations required by this Section 12, the Accountants may rely on reasonable, good faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Accountants' determinations shall be final and binding on the Company and the Employee. The Company shall be responsible for all fees and expenses incurred by the Accountants in connection with the calculations required by this Section 12.

(d) It is possible that after the determinations and selections made pursuant to this Section 12 the Employee will receive Covered Payments that are in the aggregate more than the amount otherwise provided under this Section 12 (" **Overpayment** ") or less than the amount otherwise provided under this Section 12 (" **Underpayment** ").

(i) In the event that: (A) the Accountants determine, based upon the assertion of a deficiency by the Internal Revenue Service against either the Company

or the Employee which the Accountants believe has a high probability of success, that an Overpayment has been made or (B) it is established pursuant to a final determination of a court or an Internal Revenue Service proceeding that has been finally and conclusively resolved that an Overpayment has been made, then the Employee shall pay any such Overpayment to the Company together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date of the Employee's receipt of the Overpayment until the date of repayment.

(ii) In the event that: (A) the Accountants, based upon controlling precedent or substantial authority, determine that an Underpayment has occurred or (B) a court of competent jurisdiction determines that an Underpayment has occurred, any such Underpayment will be paid promptly by the Company to or for the benefit of the Employee together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date the amount would have otherwise been paid to the Employee until the payment date.

13. **Effect of Termination**. The provisions of Sections 2(e), 2(f), 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.

14. **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.

15. **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/ James Jones
Employee Name: James Jones

SPARK ENERGY, INC.

By: /s/ Nathan Kroeker
Name: Nathan Kroeker
Title: President and Chief Financial Officer

EXHIBIT A TO EMPLOYMENT AGREEMENT

OF JAMES JONES

Title: 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 term of this Agreement shall be for the period beginning on the date of the Agreement and ending on December 31, 2020. On January 1, 2021 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 $300,000.00 (less applicable taxes and withholdings) as adjusted from time to time by the Company (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.

RSUs : Employee shall be awarded 30,000 RSUs upon the execution of this Agreement, which shall vest according to the following schedule:

May 18, 2020: 49%
May 18, 2021: 17%
May 18, 2022: 17%
May 18, 2023: 17%

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. 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) or 2(f), 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 JAMES JONES
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 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 in Control " means the occurrence of one of the following events

(i) The consummation of an agreement to acquire or a tender offer for beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act): (X) by any Person, of 50% or more of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"), or (Y) by any Person (including the Company or its affiliates) of 90% or more of the then total outstanding shares of Class A Common Stock of the Company; provided, however, that for purposes of this subsection (i), the following acquisitions shall

not constitute a Change in Control: (A) any acquisition directly from the Company, or (B) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company;

(ii) Individuals who constitute the Incumbent Board cease for any reason to constitute at least a majority of the Board;

(iii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or an acquisition of assets of another entity (a "Business Combination"), in each case, unless, following such Business Combination, (A) the Outstanding Company Voting Securities immediately prior to such Business Combination represent or are converted into or exchanged for securities that represent or are convertible into more than 50% of, respectively, the then outstanding shares of common stock or common equity interests and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors or other governing body, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that as a result of such transaction owns the Company, or all or substantially all of the Company's assets either directly or through one or more subsidiaries), (B) no Person (excluding any employee benefit plan (or related trust) of the Company or the entity resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock or common equity interests of the entity resulting from such Business Combination or the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors or other governing body of such entity, except to the extent that such ownership results solely from ownership of the Company that existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors or similar governing body of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination;

(iv) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company;

(v) a public offering or series of public offerings by Retailco, LLC and its affiliates, as a selling shareholder group, in which their total interest drops below 10 million of the total Outstanding Company Voting Securities;

(vi) a disposition by Retailco, LLC and its affiliates in which their total interest drops below 10 million of the total Outstanding Company Voting Securities; or

(vii) Any other business combination, liquidation event of Retailco, LLC and its affiliates or restructuring of the Company which the Compensation Committee deems in its discretion to achieve the principles of a Change in Control notwithstanding that such transaction does not fall with the foregoing list; provided for any transaction in which a member of the Compensation Committee shall have a financial interest (other than ownership of equity awards under the Long Term Incentive Plan and common stock constituting less than 1% of the total outstanding shares), such member shall not participate or vote in this determination.

" COBRA " means the Consolidated Omnibus Budget Reconciliation Act of 1985.

" 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.

" Incumbent Board " means the portion of the Board constituted of the individuals who are members of the Board as of the effective date of this Agreement and any other individual who becomes a director of the Company after the effective date of this Agreement and whose election or appointment by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Incumbent Board.

" 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, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Arizona, California, Colorado, Florida, Indiana, Michigan, Nevada, Delaware, the District of Columbia and Ohio.

" Person " means any person or entity of any nature whatsoever, specifically including an individual, a firm, a company, a corporation, a partnership, a limited liability company, a trust or other entity; a Person, together with that Person's affiliates and associates (as those terms are defined in Rule 12b-2 under the Exchange Act, provided that "registrant" as used in Rule 12b-2 shall mean the Company), and any Persons acting as a partnership, limited partnership, joint venture, association, syndicate or other group (whether or not formally organized), or otherwise acting jointly or in concert or in a coordinated or consciously parallel manner (whether or not pursuant to any express agreement), for the purpose of acquiring, holding, voting or disposing of securities of the Company with such Person, shall be deemed a single "Person."

" 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.

Spark Energy, Inc. Announces Amendment and Extension of Credit Facilities; Names James G. Jones II as New Chief Financial Officer

HOUSTON, June 13, 2019 (ACCESSWIRE) -- Spark Energy, Inc. ("Spark" or the "Company") (NASDAQ: SPKE), today announced an amendment and extension (the "Amendment") of its senior secured credit facility (the "Facility"). The Facility, which was set to mature in May 2020, now has a maturity date of May 21, 2021.

Additionally, the Company announced the extension of its $25 million subordinated debt facility with its majority shareholder. The subordinated facility, which was set to mature in July 2020, now has a maturity date of December 31, 2021.

"These facilities have enhanced flexibility that supports Spark's continued growth," said Nathan Kroeker, Spark's President and Chief Executive Officer. "We thank each of our lenders for renewing their commitments and continuing their support of our business."

Spark also announced the appointment of James G. Jones II as Chief Financial Officer of the Company, following Mr. Jones' resignation from Spark's Board. In his new role as CFO, Mr. Jones will oversee Spark's accounting, tax, SEC reporting, treasury, financial planning and analysis, and investor relations functions. He will also assume the role of Spark's Chief Risk Officer.

"I would like to welcome Jim to the Spark management team. I have worked with Jim and he has been involved with Spark for nine years dating back to his days as a partner at EY, and has served on Spark's Board and chaired the Audit Committee and Special Committee since our IPO in 2014. Given his financial background and management expertise, we are confident we have a strong leader to guide our finance organization through our next phase of growth."

"We want to thank Rabobank for their leadership in helping us close the Amendment and continue our journey in providing value to our shareholders," said Jim Jones, Spark's new Chief Financial Officer. "Mr. Maxwell has reconfirmed his commitment to Spark by extending his subordinated debt facility. Spark is well positioned with ample liquidity to continue to streamline the business and pursue opportunities in the marketplace."

About Spark Energy, Inc.

Spark Energy, Inc. is an independent retail energy services company founded in 1999 that provides residential and commercial customers in competitive markets across the United States with an alternative choice for their natural gas and electricity. Headquartered in Houston, Texas, Spark currently operates in 19 states and serves 94 utility territories. Spark offers its customers a variety of product and service choices, including stable and predictable energy costs and green product alternatives.

We use our website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Investors should note that new materials, including press releases, updated investor presentations, and financial and other filings with the Securities and Exchange Commission are posted on the Spark Energy Investor Relations website at ir.sparkenergy.com. Investors are urged to monitor our website regularly for information and updates about the Company.

Cautionary Note Regarding Forward Looking Statements

This release contains forward-looking statements that are subject to a number of risks and uncertainties, many of which are beyond our control. These forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") can be identified by the use of forward-looking terminology including "may," "should," "likely," "will," "believe," "expect," "anticipate," "estimate," "continue," "plan," "intend," "project," or other similar words. Forward-looking statements appear in this press release and include statements about our repurchase program. The forward-looking statements in this press release are subject to risks and uncertainties. Important factors that could cause actual results to materially differ from those projected in the forward-looking statements include, but are not limited to the "Risk Factors" in our latest Annual Report on Form 10-K for the year ended December 31, 2018, in our Quarterly Reports on Form 10-Q, and other public filings and press releases.

You should review the risk factors and other factors noted throughout this press release. All forward-looking statements speak only as of the date of this press release. Unless required by law, we disclaim any obligation to publicly update or revise these statements whether as a result of new information, future events or otherwise. It is not possible for us to predict all risks, nor can we assess the impact of all factors on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

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