SPARK ENERGY, INC.

FORM 8-K
(Current report filing)

Filed 03/25/20 for the Period Ending 03/19/20

Address	12140 WICKCHESTER LANE SUITE 100 HOUSTON, TX, 77079
Telephone	(713) 600-2600
CIK	0001606268
Symbol	SPKE
SIC Code	4931 - Electric and Other Services Combined
Industry	Electric Utilities
Sector	Utilities
Fiscal Year	12/31

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): March 19, 2020

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

Employment Agreement

On March 25, 2020, Spark Energy, Inc. (the "Company") entered into an employment agreement, effective as of March 23, 2020 (the "Employment Agreement"), with Mr. Kevin McMinn. Pursuant to the Employment Agreement, Mr. McMinn will serve as Chief Operating Officer, and 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, 2021, 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. McMinn is terminated by the Company other than for "Cause" or Mr. McMinn's employment terminates due to either the Company's election not to renew the term of the Employment Agreement or Mr. McMinn's resignation for "Good Reason," Mr. McMinn will, subject to execution of a release of claims, be entitled to receive the following payments and benefits:

- twelve months' base salary plus an additional amount equal to Mr. McMinn's target annual bonus for the year of termination pro-rated based upon the number of days Mr. McMinn was employed in the calendar year of termination and based upon the Company's relative performance through such date of termination, payable in twelve substantially equal installments (the "Severance Payment");
- any bonus earned for the calendar year prior to the year the termination occurs that is unpaid as of the date of termination (the "Post-Termination Bonus Payment"); and
- full vesting of any outstanding unvested awards held by Mr. McMinn under the Company's Long Term Incentive Plan.

"Cause" under the Employment Agreement is generally defined to include: (a) a material uncured breach by Mr. McMinn of the Employment Agreement or any other material obligation owed to the Company, (b) commission of an act of gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft or embezzlement, which has or can reasonably be expected to have an adverse effect on the Company, (c) any conviction, indictment or plea of nolo contendere with respect to any felony or any crime involving moral turpitude, (d) uncured willful failure or refusal to perform obligations pursuant to the Employment Agreement or uncured willful failure or refusal to follow the lawful instructions of the Company's Board of Directors, and (e) any conduct which is materially injurious to the Company.

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

A non-renewal of the term of the Employment Agreement by Mr. McMinn, a termination by reason of Mr. McMinn's death or disability, a termination by the Company for "Cause," a termination of employment by Mr. McMinn without "Good Reason," or a separation in connection with a "Change in Control" described below, does not give rise to a right to the Severance Payment or Post-Termination Bonus Payment.

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

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

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 10 million of the Company's total outstanding voting securities;
- a disposition by Retailco and its affiliates in which their total interest drops below 10 million 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 that the Compensation Committee deems in its discretion to achieve the principles of a Change in Control.

The Employment Agreement also provides for noncompetition and nonsolicitation covenants that are in effect during the period of Mr. McMinn's employment and for a period of 12 months thereafter, and customary provisions regarding the return of property.

In connection with his appointment and pursuant to the Employment Agreement, the Board approved a grant of 30,000 restricted stock units ("RSUs") with dividend equivalent rights to Mr. McMinn. The RSUs vest as follows: (1) 25% on May 18, 2021, (2) 25% on May 18, 2022, (3) 25% on May 18, 2023 and (4) 25% on May 18, 2024. 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 10.1 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.

Transition Agreement

On March 19, 2020, the Company and Nathan Kroeker entered into a Transition and Resignation Agreement and Mutual Release of Claims (the "Transition Agreement"), pursuant to which Mr. Kroeker resigned from all positions of employment (including as President, Chief Executive Officer and as a director), but will remain with the Company in an advisory role through April 1, 2020 (the "Separation Date").

Pursuant to the Transition Agreement, Mr. Kroeker will assist the Company in transitioning his duties and provide services that the Company may reasonably request of him through the Separation Date. Subject to the terms and conditions of the Transition Agreement, Mr. Kroeker will receive total separation payments in the amount of $597,844 (the "Separation Payment"), less ordinary withholdings for federal income, Social Security and Medicare taxes. The Separation Payment will be paid in twenty-six substantially equal bi-weekly installments, less applicable withholdings, in accordance with the Company's normal payroll practices beginning in April 2020. Prior to the Separation Date, he will continue to receive his current base salary in accordance with normal payroll practices. Mr. Kroeker will also receive $268,500 attributable to a bonus with respect to the year ended December 31, 2019, payable in a lump sum on April 1, 2020. The Transition Agreement also provides for the accelerated vesting of 187,709 restricted stock units granted to Mr. Kroeker under the Company's Amended and Restated Long-Term Incentive Plan, subject to the conditions of the Transition Agreement and withholding of shares to satisfy tax obligations. Mr. Kroeker is retaining his restricted stock units that vest upon a change in control, which will continue to be subject to vesting under their terms, if at all, for a maximum of 120 days.

The Transition Agreement also provides for a release by Mr. Kroeker of any claims against the Company, its affiliates and its agents, and affirmation of existing confidentiality, non-competition, non-solicitation and non-disparagement obligations, and other restrictive covenants, as set forth in Mr. Kroeker's employment agreement with the Company.

Within twenty-one days following the Separation Date, and no later than April 22, 2020, Mr. Kroeker is required to execute a confirming release of claims (the "Confirming Release"). The Confirming Release may be revoked by Mr. Kroeker during the seven-day period beginning on the date Mr. Kroeker executes the Confirming Release.

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

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1*†	Employment Agreement, effective as of March 23, 2020, by and between Spark Energy, Inc. and Kevin McMinn.
10.2*†	Transition and Resignation Agreement and Mutual Release of Claims, dated March 19, 2020, by and between Spark Energy, Inc. and Nathan Kroeker.

* Filed herewith.
† Management plan or arrangement.

Exhibit Index

Exhibit No.	Description
10.1*†	Employment Agreement, effective as of March 23, 2020, by and between Spark Energy, Inc. and Kevin McMinn.
10.2*†	Transition and Resignation Agreement and Mutual Release of Claims, dated March 19, 2020, by and between Spark Energy, Inc. and Nathan Kroeker.

* Filed herewith.
† Management 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: March 25, 2020

SPARK ENERGY, INC.

By: /s/ James G. Jones II

Name: James G. Jones II

Title: Chief Financial Officer

Employment Agreement
Spark Energy, Inc.

This Employment Agreement (this "Agreement") dated March 23, 2019 is between Kevin McMinn ("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.

Employee Name: Kevin McMinn

SPARK ENERGY, INC.

By: /s/ James G Hones II
Name: James G. Jones II
Title: CFO

EXHIBIT A TO EMPLOYMENT AGREEMENT

OF KEVIN MCMINN

Title: Chief Operating 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, 2021. On January 1, 2022 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, 2021: 25%
May 18, 2022: 25%
May 18, 2023: 25%
May 18, 2024: 25%

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 hereby agrees to indemnify, defend and hold harmless Employee (and their legal representatives and other successors) to the fullest extent permitted under applicable law against all costs, charges and expenses whatsoever (including all judgments, fines and amounts paid in settlement and all attorneys' fees and disbursements) incurred or sustained by Employee (or their legal representatives or successors) in connection with any action, suit, proceeding or claim to which Employee may be a party, whether personally sued or subject to an action, by reason of his being an officer, employee, agent or otherwise acting on behalf of the Company or any affiliate or subsidiary thereof, assuming Employee acted in good faith, for a purpose which they reasonably believed to be in the interest of the Company. The Employee will have the ability to select their counsel for such matters. The Company shall use its best efforts to maintain Director and Officer insurance, containing commercially reasonable terms and conditions, including but not limited to tail coverage for officers and directors.

.

EXHIBIT B
TO EMPLOYMENT AGREEMENT OF KEVIN MCMINN
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.

TRANSITION AND RESIGNATION AGREEMENT
AND MUTUAL RELEASE OF CLAIMS

This Transition and Resignation Agreement and Mutual Release of Claims (this "***Agreement***") is entered into by and between Nathan Kroeker ("***Employee***") and Spark Energy, Inc. (the "***Company***").

WHEREAS, Employee and the Company are parties to that certain Amended and Restated Employment Agreement dated August 1, 2018 (the "***Employment Agreement***");

WHEREAS, Employee is currently employed by the Company and wishes to resign from such employment;

WHEREAS, the Company seeks to retain Employee for a period of time, as set forth below, for the purpose of transitioning his duties prior to his separation from employment;

WHEREAS, Employee's employment with the Company will end as of the Separation Date (as defined below);

WHEREAS, the parties agree that Employee shall receive severance pay and additional consideration as set forth in this Agreement, which pay and consideration is conditioned upon Employee's timely execution (and non-revocation) of this Agreement and Employee's compliance with the terms of this Agreement; and

WHEREAS, the parties wish to resolve any and all claims that Employee has or may have against the Company or any of the other Company Parties (as defined below), including any claims that Employee may have arising out of Employee's employment or the end of such employment, as well as claims the Company may have against Employee as set forth herein.

NOW, THEREFORE, in consideration of the promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. **Transition Services; Separation from Employment**. Employee promises that, between the date he signs this Agreement and his final day of employment with the Company, he will assist the Company in transitioning the duties of the President & Chief Executive Officer positions, and otherwise provide those services that the Company may reasonably request of him from time to time. Employee's employment with the Company will end at 11:59 p.m. on April 1, 2020 (the "***Separation Date***"), and the parties acknowledge and agree that Employee's separation shall be pursuant to his voluntary resignation. The parties further agree that the provisions set forth herein shall in all respects supersede the provisions of the Employment Agreement pertaining to the separation or termination of Employee's employment (including such provisions with respect to any severance pay). Following the Separation Date, Employee will not have any further employment relationship with the Company or any other Company Party (as defined below), and Employee will no longer serve as an officer of the Company or any other Company Party.

Separation Payment. Provided that Employee (i) executes this Agreement and returns it to the Company, care of Grae Griffin at 12140 Wickchester Lane, Suite 100, Houston, TX 77079 (e-mail: ggriffin@sparkenergy.com) so that it is received by Mr. Griffin no later than March 20, 2020; (ii) provides the assistance and services described in Section 1 above; (iii) timely executes and returns the Confirming Release (as defined below) to the Company as set forth in Section 7 below (and does not exercise his revocation right as described in the Confirming Release); and (iv) abides by each of Employee's commitments

set forth herein, then the Company will provide Employee with a total severance payment equal to $597,844 less ordinary withholdings for federal income, Social Security, and Medicare taxes (the "***Separation Payment***"). The Separation Payment will be paid in twenty-six substantially equal bi-weekly installments of $22,994.00, less applicable withholdings. Company shall pay Employee the Board approved amount of Employee's 2019 bonus totaling $268,500 based on 59% of target. This payment shall be paid in a lump sum on April 1, 2020. In the event that any other executive officer receives a bonus payment greater than 59% of their 2019 target bonus, whether in a single payment or multiple payments prior to March 1, 2021, the Company shall pay Employee an additional amount equal to the corresponding increased percentage achievement amount for the Employee's 2019 bonus. The Company represents that neither the Company nor any Company Party has any right of set-off in connection with the Separation Payment or the Accelerated Shares except as expressly provided in this Agreement. The first installment payment of the Separation Payment shall be due on the first regularly scheduled bi-weekly pay date of the Company that falls on or after the tenth (10th) business day following the date on or after April 1, 2020, that Employee returns to Company an executed copy of the Confirming Release. Each of the remaining installments shall be paid on the Company's regular bi-weekly payroll dates thereafter.

2. **Acceleration of Vesting**. Provided that Employee satisfies (through the date he returns the Confirming Release) the requirements to receive the Separation Payment as set forth in Section 1 above (and so long as Employee does not exercise his revocation right with respect to the Confirming Release), then as of the Separation Date, the Company shall accelerate the vesting of all outstanding unvested long-term incentive awards (excluding those awards granted pursuant to a Notice of Grant of Change in Control Restricted Stock Unit) granted to Employee pursuant to the Company's Amended and Restated Long Term Incentive Plan (the "***LTIP'***) such that a total of 187,709 Restricted Stock Units (as defined in the LTIP) that were unvested as of the date immediately before the Separation Date shall become vested as of the Separation Date (such Restricted Stock Units subject to this accelerated vesting are referred to herein as the "***Accelerated Shares***"); provided, however 73,864 (39.35%) of the Accelerated Shares will be withheld by the Company as withholding towards Employee's federal income tax obligations. The Company agrees that it will timely remit to the U.S. Treasury on Employee's behalf such income tax withholding in an amount equal to the value of 73,864 shares of the Company's publicly-traded stock as of the Separation Date. The Company expressly promises and agrees that, no later than the first (1s business day following the date that the Confirming Release has been executed by Employee and returned to the Company pursuant to Section 7 below and become no longer revocable, it shall initiate the process to cause the remaining 113,845 Accelerated Shares to be fully settled and freely tradeable by Employee in his personal trading account as currently designated to the Company as his repository for all vested LTIP grants. Employee expressly agrees and promises that, following the Separation Date, he shall not sell more than 15,000 of the Accelerated Shares in any one day.

3. **Satisfaction of All Leaves and Payment Amounts; Prior Rights and Obligations**. In consideration of the promises made in this Agreement, Employee expressly acknowledges and agrees that, following the date he signs this Agreement, Employee shall be entitled to receive only Employee's base salary and benefits for services performed through the Separation Date and the other consideration set forth in this Agreement. Employee further acknowledges that he has received all leaves (paid and unpaid) to which he has been entitled through the date he signs this Agreement. Notwithstanding the foregoing, Employee remains entitled to receive Employee's base salary and benefits for services performed between the date that Employee signs this Agreement and the Separation Date, as well as reimbursement for any expenses properly incurred prior to the date of this Agreement (which reimbursement shall be paid within thirty (30) days after the Separation Date).

4. General Release of Claims.

(a) In exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged by Employee, Employee hereby releases, discharges and forever acquits the Company, NuDevco, their respective parents, subsidiaries and affiliates, and each of the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans), in their personal and representative capacities (collectively, the "***Company Parties***" or any one, individually, a "***Company Party***"), from liability for, and Employee hereby waives, any and all claims, damages, demands, or causes of action of any kind that Employee has or could have, whether known or unknown, against any Company Party, including any and all claims, damages, demands, or causes of action relating to his employment, engagement or affiliation with any Company Party, the termination of such employment, engagement or affiliation, Employee's status as a shareholder of a Company Party, or any other acts or omissions related to any matter occurring or existing on or prior to the date that Employee executes this Agreement, including, (i) any alleged violation through such date of: (A) Title VII of the Civil Rights Act of 1964; (B) the Civil Rights Act of 1991; (C) Sections 1981 through 1988 of Title 42 of the United States Code; (D) the Americans with Disabilities Act of 1990; (E) the Employee Retirement Income Security Act of 1974 ("***ERISA***"); (F) the Immigration Reform Control Act; (G) the Americans with Disabilities Act of 1990; (H) the Occupational Safety and Health Act; (I) the Sarbanes-Oxley Act of2002; (J) the Dodd-Frank Wall Street Reform and Consumer Protection Act; (K) any federal, state, municipal or local anti-discrimination or anti-retaliation law, including the Texas Labor Code (including the Texas Payday Law, the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act); (L) any federal, state, municipal or local wage and hour law; (M) any other local, municipal, state, or federal law, regulation or ordinance; and (N) any public policy, contract, tort, or common law claim, including claims for breach of fiduciary duty, fraud, breach of implied or express contract, breach of implied covenant of good faith and fair dealing, wrongful discharge or termination, promissory estoppel, infliction of emotional distress, or tortious interference; (ii) any allegation for costs, fees, or other expenses including attorneys' fees incurred in, or with respect to, a Released Claim; (iii) any and all rights, benefits or claims Employee may have under any employment contract (including the Employment Agreement, with the exception of Section 2(f)), incentive compensation plan (including the LTIP and any award agreement thereunder), equity-based plan, or other agreement with any Company Party; (iv) any claim, whether direct or derivative, arising from, or relating to, Employee's status as a member or holder of any interests in the Company, the Parent, or any of their subsidiaries; and (v) any claim for compensation, benefits, or damages of any kind not expressly set forth in this Agreement (collectively, the "***Released Claims***"). THIS RELEASE INCLUDES MATTERS ATTRIBUTABLE TO THE SOLE OR PARTIAL NEGLIGENCE (WHETHER GROSS OR SIMPLE) OR OTHER FAULT, INCLUDING STRICT LIABILITY, OF ANY OF THE COMPANY PARTIES.

(b) The Released Claims do not include any claims arising out of this Agreement, to the Separation Payment, for reimbursement of properly incurred expenses that are outstanding as of the date Employee signs this Agreement or are properly incurred after the date Employee signs this Agreement, any rights or claims that first arise after Employee's execution of this Agreement, or any payments due pursuant to Section 2(f) under the Employment Agreement. Further, in no event shall the Released Claims include any right of Employee to indemnification under the Employment Agreement, the Company's by-laws and amended and restated certificate of incorporation, or the Indemnification Agreement between Employee and the Company dated August 1, 2014 (the "***Indemnification Agreement'***). The Company expressly reaffirms its obligation to indemnify Employee following the Separation Date to the extent required by these instruments.

(c) In no event shall the Released Claims include any claim to vested benefits under an employee benefit plan of the Company that is subject to ERISA (including any rights to vested benefits under health and retirement plans). Further notwithstanding this release of liability, *nothing in this Agreement prevents Employee from filing any non-legally waivable claim (including a challenge to the validity of this Agreement) with the Equal Employment Opportunity Commission, National Labor Relations Board, Occupational Safety and Health Administration, Securities and Exchange Commission, or other federal, state or local governmental agency or commission (collectively "**Governmental Agencies**") or participating in any investigation or proceeding conducted by any Governmental Agencies or communicating or cooperating with such an agency; however, Employee understands and agrees that, to the extent permitted by law, Employee is waiving any and all rights to recover any monetary or personal relief from any Company Party as a result of such Governmental Agency proceeding or subsequent legal actions.* Nothing herein waives Employee's right to receive an award for information provided to a Governmental Agency.

(d) Employee hereby represents and warrants that, as of the time Employee executes this Agreement, Employee has not brought or joined any lawsuit or filed any charge or claim against any of the Company Parties in any court or before any government agency or arbitrator for or with respect to a matter, claim or incident that occurred or arose out of one or more occurrences that took place on or prior to the time at which Employee signs this Agreement. Employee hereby further represents and warrants that Employee has not: (i) assigned, sold, delivered, transferred or conveyed any rights Employee has asserted or may have against any of the Company Parties to any person or entity, in each case, with respect to any Released Claims; or (ii) assisted or advised any employee, officer or agent of any Company Party with respect to his or her pursuit or evaluation of any claim or cause of action against a Company Party.

(e) Employee represents that he has not engaged in any breach of fiduciary duty, breach of any duty of loyalty or disclosure, breach of contract, fraudulent activity, tortious activity, or illegal activity, in each instance: (i) towards or with respect to the Company or its subsidiaries; or (ii) with respect to any action or omission undertaken (or that was failed to be undertaken) in the course of his employment or engagement with the Company or its subsidiaries. In express reliance on Employee's representations set forth herein, including those in the previous sentence, the Company, for itself and its subsidiaries, hereby releases, discharges and forever acquits Employee (including all immediate family members) from liability for, and waives, any and all claims, damages, demands, or causes of action of any kind that the Company or any of its subsidiaries has or could have, whether known or unknown, against Employee, including any and all claims, damages, demand, or causes of action relating to Employee's employment, engagement or affiliation with any Company Party, the termination of his employment, engagement or affiliation, his status as a shareholder of a Company Party, or any other acts or omissions related to any matter occurring or existing on or prior to Employee's execution of this Agreement. For the avoidance of doubt, the claims released in the previous sentence do not include any claims arising out of this Agreement or any rights or claims that first arise after Employee's execution of this Agreement.

5. Acknowledgements.

(a) By executing and delivering this Agreement, Employee expressly acknowledges that:

(1) Employee has carefully read this Agreement;

(2) Employee is not otherwise entitled to the consideration set forth in this Agreement, but for his entry into this Agreement;

(3) Employee has had sufficient time to consider this Agreement before the execution and delivery to Company;

(4) Employee has been advised, and hereby is advised in writing, to discuss this Agreement with an attorney of Employee's choice and Employee has had adequate opportunity to do so prior to executing this Agreement;

(5) Employee fully understands the final and binding effect of this Agreement; the only promises made to Employee to sign this Agreement are those stated within the four comers of this document; and Employee is signing this Agreement knowingly, voluntarily and of Employee's own free will, and that Employee understands and agrees to each of the terms of this Agreement; and

(6) No Company Party has provided any tax or legal advice regarding this Agreement and Employee has had an adequate opportunity to receive sufficient tax and legal advice from advisors of Employee's own choosing such that Employee enters into this Agreement with full understanding of the tax and legal implications thereof.

6. Confirming Release. Within twenty-one (21) days following the Separation Date, and no later than April 22, 2020, Employee shall execute the Confirming Release Agreement that is attached as Exhibit A (the "***Confirming Release***") and return the executed Confirming Release to the Company such that it is received by Grae Griffin at 12140 Wickchester Lane, Suite 100, Houston, TX 77079 (e-mail: ggriffin@sparkenergy.com).

7. Affirmation of Restrictive Covenants; Continued Cooperation.

(a) Employee acknowledges that he has made certain commitments with respect to confidentiality and non-disclosure of Confidential Information (as defined in the Employment Agreement), non-competition, non-solicitation and non-disparagement, as set forth in Sections 3 and 4 of the Employment Agreement. Employee recognizes the continuing effectiveness and enforceability of such provisions of the Employment Agreement and reaffirms his promise to abide by such provisions following the Separation Date.

(b) Notwithstanding the foregoing, nothing in this Agreement (including in Sections 9 and 10 below) shall prohibit or restrict Employee from lawfully (A) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any Governmental Agency regarding a possible violation of any law; (B) responding to any inquiry or legal process directed to Employee from any such Governmental Agency; (C) testifying, participating or otherwise assisting in any action or proceeding by any such Governmental Agency relating to a possible violation of law, or (D) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (1) is made (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law or (3) is made in a complaint or other document filed in a law suit or proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company that Employee has engaged in any such conduct.

(c) Employee agrees to provide reasonable cooperation and assistance to the Company and the other Company Parties that it may designate with respect to any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Employee's employment or affiliation

with the Company or any other Company Party. Such cooperation and assistance following the Separation Date shall be furnished at mutually agreeable times and Employee will be compensated by the Company at the rate of $250 per complete hour (pro-rated for partial hours) that he provides such cooperation and assistance following the Separation Date. Employee agrees that when providing such cooperation he shall provide full and complete information to the best of his ability or recollection, and only truthful testimony.

8. Non-Disparagement; Resignation Announcement.

(a) As a material inducement for the Company to enter into this Agreement, Employee agrees to refrain from making any statements that are critical, disparaging, or derogatory about, or which injure the reputation of, the Company or any other Company Party. The Company agrees that (i) it will not make any statement that is critical, disparaging, or derogatory about, or that injure the reputation of, Employee, and (ii) it will instruct its officers, directors and human resources representatives to refrain from making any statements that are critical, disparaging, or derogatory about, or which injure the reputation of, Employee.

(b) The parties agree to the release of the statement attached as Exhibit B (with the date of such statement modified, as applicable) in order to communicate Employee's resignation from employment.

9. Entire Agreement. This Agreement (and Sections 2(f), 3 and 4 of the Employment Agreement, the "Indemnity and D&O Insurance" section in Exhibit A to the Employment Agreement, and the Indemnification Agreement) constitutes the entire agreement between the parties with respect to the matters herein provided. No modifications or waiver of any provision hereof shall be effective unless in writing and signed by each party.

10. Governing Law; Jurisdiction. The validity, interpretation, construction, performance and enforcement of this Agreement shall be governed by the laws of the State of Texas, without giving effect to the principles of conflicts of law. With respect to any claim arising out of or relating to this Agreement or Employee's employment or the termination thereof, the parties hereby consent to the exclusive jurisdiction, forum and venue of the state and federal courts (as applicable) located in Houston, Texas.

11. Headings; Interpretation. Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof. Unless the context requires otherwise, all references herein to laws, regulations, contracts, agreements, instruments and other documents shall be deemed to refer to such laws, regulations, agreements, instruments and other documents as they may be amended, supplemented, modified and restated from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. The word "or" as used herein is not exclusive and is deemed to have the meaning "and/or." The words "herein", "hereof", "hereunder" and other compounds of the word "here" shall refer to the entire Agreement, including all exhibits, and not to any particular provision hereof. The use herein of the word "including" following any general statement, term or matter shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation", "but not limited to", or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties.

12. **Third Party Beneficiaries**. Each Company Party that is not a signatory hereto shall be a third-party beneficiary of Employee's release and representations as set forth in Section 5, and entitled to enforce such provisions as if it was a party hereto.

13. **Return of Property**. Employee expressly represents and warrants that he has complied, or as of the Separation Date he will comply, with the requirements of Section 3 of the Employment Agreement, and Employee further represents and warrants that he has, or as of the Separation Date he will have returned to the Company all property belonging to the Company and any other Company Party, including all documents, computer files and other electronically stored information, electronically stored information and other materials provided to Employee by the Company or any other Company Party in the course of his employment or affiliation. Employee further represents and warrants that he has not maintained (or, after the Separation Date, he will not maintain) a copy of any such materials in any form.

14. **No Waiver**. No failure by any party at any time to give notice of any breach by the other party of, or to require compliance with, any condition or provision of this Agreement shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

15. **Severability and Modification**. To the extent permitted by applicable law, the parties agree that any term or provision of this Agreement (or part thereof) that renders such term or provision (or part thereof) or any other term or provision (or part thereof) of this Agreement invalid or unenforceable in any respect shall be severable and shall be modified or severed to the extent necessary to avoid rendering such term or provision (or part thereof) invalid or unenforceable, and such severance or modification shall be accomplished in the manner that most nearly preserves the benefit of the parties' bargain hereunder.

16. **Withholding of Taxes and Other Employee Deductions**. The Company may withhold from any payments made pursuant to this Agreement all federal, state, local, and other taxes and withholdings as may be required pursuant to any law or governmental regulation or ruling. Employee shall satisfy all of his tax obligations arising from his receipt of the consideration and benefits set forth herein, and shall indemnify and hold harmless the Company and the other Company Parties for any costs, expenses or liabilities arising from his failure to do so. The Company shall satisfy all of its tax obligations arising out of this Agreement, including its obligation to remit to the U.S. Treasury: (i) all amounts withheld from the Separation Pay; and (ii) the amounts that the Company has agreed to remit as described in Section 3 above; the Company shall indemnify and hold harmless Employee for any costs, expenses or liabilities arising from its failure to do so.

17. **Counterparts**. This Agreement may be executed in one or more counterparts (including portable document format (.pdf) and facsimile counterparts), each of which shall be deemed to be an original, but all of which together will constitute one and the same agreement.

18. **Section 409A**. Neither this Agreement nor the payments provided hereunder are intended to constitute “deferred compensation” subject to the requirements of Section 409A of the Internal Revenue Code of 1986 and the Treasury regulations and interpretive guidance issued thereunder (collectively, “**Section 409A**”), and this Agreement shall be construed and administered in accordance with such intent. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. Notwithstanding the foregoing, the Company makes no representations that this Agreement or the payments provided under this Agreement complies with or is exempt from the requirements of Section 409A and in no event shall the Company or any other Company Party be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee on account of non compliance with Section 409A.

19. **No Assignment**. Company shall not assign its obligations under this Agreement to any other person or entity. Company further agrees that in the event of a Change in Control of the Company (as defined in the LTIP), all of Company's payment obligations set forth herein shall accelerate and shall be paid on or before the effective date of such Change in Control. In the event that Company merges or otherwise combines with any other entity, Company agrees that such merger or combination agreement shall require the successor entity to assume all of Company's obligations under the terms of this Agreement.

[Signatures begin on the following page]

IN WITNESS WHEREOF, the parties have executed this Agreement with the intent to be legally bound.

Nathan Kroeker

/s/ Nathan Kroeker
Nathan Kroeker

Date: March 18, 2020

Spark Energy, Inc.

By: /s/ James G. Jones II

Name: James G. Jones

Title: Chief Financial Officer

Date March 19, 2020

EXHIBIT A

CONFIRMING RELEASE AGREEMENT

This Confirming Release Agreement (this "***Confirming Release***") is that certain Confirming Release referenced in Section 7 of the Transition and Resignation Agreement and Mutual Release of Claims (the "***Resignation Agreement***") entered into by and between Nathan Kroeker ("***Employee***") and Spark Energy, Inc. (the "Company"). Capitalized terms used herein that are not otherwise defined have the meanings assigned to them in the Resignation Agreement.

1. General Release of Claims.

(a) For good and valuable consideration, including Employee's receipt of the consideration described in Sections I or 2 of the Resignation Agreement (and any portion thereof), Employee hereby forever releases, discharges and acquits the Company, NuDevco, their respective parents, subsidiaries and affiliates, and each of the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans), in their personal and representative capacities (collectively, the "***Confirming Release Company Parties***" or any one, individually, a "***Confirming Release Company Party***"), from liability for, and Employee hereby waives, any and all claims, damages, demands, or causes of action of any kind that Employee has or could have, whether known or unknown, against any Confirming Release Company Party, including any and all claims, damages, demands, or causes of action relating to his employment, engagement or affiliation with any Confirming Release Company Party, the termination of such employment, engagement or affiliation, his status as a shareholder of any Company Party, or any other acts or omissions related to any matter occurring or existing on or prior to the date that Employee executes this Confirming Release, including, (i) any alleged violation through such date of: (A) Title VII of the Civil Rights Act of 1964; (B) the Civil Rights Act of 1991; (C) Sections 1981 through 1988 of Title 42 of the United States Code; (D) the Americans with Disabilities Act of 1990; (E) the Employee Retirement Income Security Act of 1974 ("***ERISA***"); (F) the Immigration Reform Control Act; (G) the Americans with Disabilities Act of 1990; (H) the Occupational Safety and Health Act; (I) the Age Discrimination in Employment Act of 1967 (including as amended by the Older Workers Benefit Protection Act); (J) the Sarbanes-Oxley Act of 2002; (K) the Dodd-Frank Wall Street Reform and Consumer Protection Act; (L) any federal, state, municipal or local anti-discrimination or anti-retaliation law, including the Texas Labor Code (including the Texas Payday Law, the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act); (N) any federal, state, municipal or local wage and hour law; (M) any other local, municipal, state, or federal law, regulation or ordinance; and (N) any public policy, contract, tort, or common law claim, including claims for breach of fiduciary duty, fraud, breach of implied or express contract, breach of implied covenant of good faith and fair dealing, wrongful discharge or termination, promissory estoppel, infliction of emotional distress, or tortious interference; (ii) any allegation for costs, fees, or other expenses including attorneys' fees incurred in, or with respect to, a Confirming Released Claim; (iii) any and all rights, benefits or claims Employee may have under any employment contract (including the Employment Agreement, with the exception of 2(f)), incentive compensation plan (including the LTIP), equity-based plan, or other agreement with any Confirming Release Company Party; (iv) any claim, whether individual or derivative, arising from, or relating to, Employee's status as a member or holder of any interests in the Company, the Parent, or any of their subsidiaries; and (v) any claim for compensation, benefits, or damages of any kind not expressly set forth in this Agreement (collectively, the "***Confirming Released Claims***"). THIS RELEASE INCLUDES MATTERS ATTRIBUTABLE TO THE SOLE OR PARTIAL NEGLIGENCE (WHETHER GROSS OR SIMPLE) OR OTHER FAULT, INCLUDING STRICT LIABILITY, OF ANY OF THE CONFIRMING RELEASE COMPANY PARTIES.

(b) The Released Claims do not include any claims arising out of this Agreement, to the Separation Payment, for reimbursement of properly incurred expenses that are outstanding as of the date Employee signs this Agreement, any rights or claims that first arise after Employee's execution of this Agreement, or any payments due pursuant to Section 2(f) under the Employment Agreement. Further, in no event shall the Released Claims include any right of Employee to indemnification under the Employment Agreement, the Company's by-laws and amended and restated certificate of incorporation, or the Indemnification Agreement between Employee and the Company dated August 1, 2014 ("the ***Indemnification Agreement***"). The Company expressly reaffirms its obligation to indemnify Employee following the Separation Date to the extent required by these instruments.

(c) In no event shall the Confirming Released Claims include any claim to vested benefits under an employee benefit plan of the Company that is subject to ERISA (including any rights to vested benefits under health and retirement plans). Further notwithstanding this release of liability, *nothing in this Confirming Release prevents Employee from filing any non-legally waivable claim (including a challenge to the validity of this Agreement) with a Governmental Agency or participating in any investigation or proceeding conducted by any Governmental Agencies or communicating or cooperating with such agency; however, Employee understands and agrees that, to the extent permitted by law, Employee is waiving any and all rights to recover any monetary or personal relief from any Confirming Release Company Party as a result of such Governmental Agency proceeding or subsequent legal actions.* Nothing herein waives Employee's right to receive an award for information provided to a Governmental Agency.

(d) Employee hereby represents and warrants that, as of the time Employee executes this Confirming Release, Employee has not brought or joined any lawsuit or filed any charge or claim against any of the Confirming Release Company Parties in any court or before any government agency or arbitrator for or with respect to a matter, claim or incident that occurred or arose out of one or more occurrences that took place on or prior to the time at which Employee signs this Confirming Release. Employee hereby further represents and warrants that Employee has not: (i) assigned, sold, delivered, transferred or conveyed any rights Employee has asserted or may have against any of the Confirming Release Company Parties to any person or entity, in each case, with respect to any Confirming Released Claims; or (ii) assisted or advised any employee, officer or agent of any Confirming Release Company Party with respect to his or her pursuit or evaluation of any claim or cause of action against a Confirming Release Company Party.

2. <u>Satisfaction of All Leaves and Payment Amounts; Prior Rights and Obligations</u>. In signing this Confirming Release, Employee expressly acknowledges and agrees that since his execution of the Resignation Agreement he has received all leaves (paid and unpaid) to which Employee has been entitled following his execution of the Resignation Agreement, and that he has also received all wages (including the value of any accrued but unused vacation days), bonuses and other compensation owed or that has been owed or ever could be owed by the Company or any other Confirming Release Company Party (with the exception of the consideration set forth in Sections 2 and 3 of the Resignation Agreement), including all payments arising out of all incentive plans and any other bonus arrangements. Notwithstanding the foregoing, Employee remains entitled to receive, if still unpaid, any unpaid base salary and benefits for services performed in the pay period in which the Separation Date occurred. For the avoidance of doubt, Employee acknowledges and agrees that he has no further or future right to severance pay or benefits pursuant to the Employment Agreement.

3. <u>Employee's Acknowledgments; Binding Effect</u>. Employee has been advised, and hereby is advised in writing, to consult with an attorney of his choice regarding the form and content of this Confirming Release, and he represents that he has had a sufficient opportunity (and a full 21 days) to do so before execution and return, and that he has read this Confirming Release and enters into it voluntarily and

of his own free will. This Confirming Release and the releases and covenants contained herein shall be binding upon Employee, his heirs, executors, administrators, assigns, agents, attorneys in fact, attorneys at law, and representatives. This Confirming Release and the releases and covenants contained herein shall inure to the benefit of all Confirming Release Company Parties and each of their respective predecessors, successors, and assigns.

4. **Revocation Right**. Notwithstanding the initial effectiveness of this Confirming Release, Employee may revoke the delivery (and therefore the effectiveness) of this Confirming Release within the seven-day period beginning on the date Employee executes this Confirming Release (such seven day period being referred to herein as the "***Confirming Release Revocation Period***"). To be effective, such revocation must be in writing signed by Employee and must be received by the Company, care of Grae Griffin at 12140 Wickchester Lane, Suite 100, Houston, TX 77079 (e-mail: ggriffin@sparkenergy.com) so that it is received by Mr. Griffin no later than 11:59 p.m. Houston, Texas time, on the last day of the Confirming Release Revocation Period. In the event Employee exercises his revocation right as set forth herein, this Confirming Release will be of no force or effect, and Employee will not be entitled to receive the consideration set forth in Sections 2 or 3 of the Resignation Agreement.

IN WITNESS WHEREOF, Employee has executed this Confirming Release with the intent to be legally bound.

Nathan Kroeker

_____

Nathan Kroeker

Date: _____

EXHIBIT B

Spark Energy, Inc. Announces Management Changes

HOUSTON, March [X], 2020 (GLOBE NEWSWIRE) -- Spark Energy, Inc. ("Spark" or the "Company") (NASDAQ: SPKE), an independent retail energy services company, today announced the resignation of Nathan Kroeker, Spark's President and Chief Executive Officer. Mr. Kroeker is resigning to pursue other opportunities, effective April 1, 2020.

"It is with mixed feelings that we have accepted Nathan's resignation," said W. Keith Maxwell III, Spark's Executive Chairman of the Board. "He has been an important member of Spark's management team for over a decade, and has been instrumental in our growth, our acquisitions, and our initial public offering. We wish him the best ofluck in his future endeavors."

Spark's Founder and Executive Chairman of the Board, W. Keith Maxwell III, will serve as Spark's Interim President and Chief Executive Officer. Spark has begun a process to appoint a permanent successor for Mr. Kroeker.

About Spark Energy, Inc.

Spark Energy, Inc. is an established and growing 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 press 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," "projects," or other similar words. All statements, other than statements of historical fact included in this press release, regarding strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans, objectives and beliefs of management are forward-looking statements. Forward-looking statements appear in a number of places in this press release and may include statements about business strategy and prospects for growth, customer acquisition costs, ability to pay cash dividends, cash flow generation and liquidity, availability of terms of capital, competition and government regulation and general economic conditions. Although we believe that the expectations reflected

in such forward-looking statements are reasonable, we cannot give any assurance that such expectations will prove correct.
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:

- changes in commodity prices and the sufficiency of risk management and hedging policies;
- extreme and unpredictable weather conditions, and the impact of hurricanes and other natural disasters;
- federal, state and local regulation, including the industry's ability to address or adapt to potentially restrictive new regulations that may be enacted by the New York Public Service Commission;
- our ability to borrow funds and access credit markets and restrictions in our debt agreements and collateral requirements;
- credit risk with respect to suppliers and customers;
- changes in costs to acquire customers and actual customer attrition rates;
- accuracy of billing systems;
- whether our majority stockholder or its affiliates offer us acquisition opportunities on terms that are commercially acceptable to us;
- ability to successfully identify and complete, and efficiently integrate acquisitions into our operations;
- competition; and
- the “Risk Factors” in our latest Annual Report on Form 10-K, and in our quarterly reports, other public filings and press releases.

You should review the risk factors and other factors noted throughout or incorporated by reference in this press release that could cause our actual results to differ materially from those contained in any forward looking statement. 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.

Contact: Spark Energy, Inc.

Investors:

Mike Barajas, 832-217-1827

Media:

Kira Jordan, 832-255-7302