

GUARANTEE

This Guarantee dated August 1, 2016, is made by **Spark Energy, Inc.** ("Guarantor"), in favor of **New Hampshire Public Utilities Commission** (the "Commission").

WITNESSETH:

WHEREAS, **Electricity, N. H., LLC**, a Maine limited liability company ("ENH") has applied or will apply for renewal registration of its status as a competitive electric power supplier ("CEPS") in the State of New Hampshire;

WHEREAS, as a registered CEPS in the State of New Hampshire, ENH is required to comply with the applicable provisions of the Competitive Electric Power Supplier and Aggregator Rules (N.H. Code Admin. Rules PUC 2000 et seq.) that apply to any CEPS in the State of New Hampshire and other applicable New Hampshire laws and regulations (collectively, the "Rules and Regulations" or individually, "Rule or Regulation"); and

WHEREAS, pursuant to Section PUC 2003.03 of the Rules and Regulations, Guarantor has agreed to provide this Guarantee to the Commission;

NOW, THEREFORE, Guarantor agrees with the Commission as follows:

1. **Guarantee.** Guarantor unconditionally, absolutely and irrevocably guarantees to the Commission and its successors and assigns the full and prompt payment when due of all debts, obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, secured or unsecured, primary or secondary, at any time owing by ENH to the Commission or remaining unpaid by ENH to the Commission incurred under, or arising out of, the Rules and Regulations or any order of the Commission issued thereunder or pursuant thereto (all such debts, obligations and liabilities are collectively referred to as the "Guaranteed Obligations"). Guaranteed Obligations shall not include any amounts: paid by ENH to the Commission; exceeding any amounts settled or compromised between ENH and the Commission; or exceeding any amounts charged to ENH and released or forgiven by the Commission. Guarantor shall pay interest on any amounts due under this Guarantee as set forth in Section 18. Guarantor shall pay any and all out-of-pocket costs, including reasonable legal fees and expenses, and other expenses incurred by the Commission in enforcing Guarantor's obligations under this Guarantee; provided that Guarantor shall not be liable for such expenses of the Commission if the Commission is not successful in such enforcement action. The aggregate amount of Guaranteed Obligations guaranteed under this Guarantee by Guarantor shall not exceed **\$350,000 in US Currency**. Any fees, costs or expenses incurred in enforcing this Guarantee or applicable interest amounts, payable under the Rules and Regulations or Section 18 herein, are not subject to, nor included in, any calculation of the aggregate amount. This is a guarantee of payment and not of collection. This Guarantee is in addition to, and does not limit, any other guarantee of Guarantor.
2. **Liability as principal debtor.** The Commission may recover from Guarantor as a principal debtor any Guaranteed Obligations that the Commission may not recover from Guarantor as guarantor under Section 1, and Guarantor agrees to pay all such Guaranteed Obligations to the Commission as principal debtor. The provisions of this Guarantee shall apply generally with the necessary changes as to the points of detail to the liability of Guarantor as principal debtor hereunder.
3. **Guarantee absolute.** The liability of Guarantor is unconditional, absolute and irrevocable and shall remain in full force and effect without regard to, and shall not be released, suspended, discharged,

impaired, terminated, limited or otherwise affected by, any circumstance or occurrence whatsoever, including, without limitation:

- a) any action or inaction by the Commission as contemplated in Section 4;
- b) any change in the structure, form of entity, ownership or existence of ENH, Guarantor or the Commission or any other change in the relationship between ENH, the Commission or Guarantor;
- c) any change in the financial condition of ENH, Guarantor or the Commission;
- d) the bankruptcy, winding-up, liquidation, dissolution, insolvency, reorganization or other similar proceeding affecting ENH or its assets or any resulting release, stay or discharge of any Guaranteed Obligations;
- e) any event or occurrence beyond the reasonable control of any party (other than any such event or occurrence that relieves ENH of liability for the performance of any Guaranteed Obligation under any Rule or Regulation);
- f) any law, regulation or other circumstance that might otherwise constitute a defense available to, or a discharge of, ENH or Guarantor in respect of any of the Guaranteed Obligations, other than the payment in full of the Guaranteed Obligations;
- g) if the Commission, ENH or Guarantor, respectively, is a partnership, any change in the membership of the Commission, ENH or Guarantor through the death or retirement of one or more partners or the introduction of one or more partners or otherwise, any change in the constitution of the Commission, ENH or Guarantor, or any incorporation of the Commission, ENH or Guarantor; or
- h) any lack or limitation of power, incapacity or disability on the part of ENH or of its directors, partners or agents or any other irregularity, defect or informality on the part of ENH in the Guaranteed Obligations.

4. **No release.** The liability of Guarantor for the Guaranteed Obligations is not released, suspended, discharged, impaired, terminated, limited or in any way affected by anything the Commission does, suffers or permits in connection with any duties or liabilities of ENH to the Commission or any security for those duties or liabilities, including without limitation any loss of or in respect of any security received by the Commission from ENH or others. The Commission may, at any time and from time to time, without the consent of or notice to Guarantor, and without impairing, releasing, discharging, limiting or otherwise affecting in whole or in part the obligations of Guarantor for the Guaranteed Obligations hereunder:

- a) change the manner, place or terms of payment of, and/or exchange or extend the time of payment of, renew, amend, alter, release, discharge or terminate, any of the Rules and Regulations or the Guaranteed Obligations;
- b) sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any assets securing the Guaranteed Obligations;
- c) exercise or refrain from exercising any rights against ENH or others or otherwise act or refrain from acting;

- d) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof;
 - e) apply any sums, regardless of how realized, to any liability owing by ENH to the Commission under or pursuant to the Rules and Regulations;
 - f) consent to or waive any breach of, or any act, omission or default under any Rule or Regulation or otherwise amend, modify, restate, amend and restate or supplement any Rule or Regulation;
 - g) act or fail to act in any manner referred to in this Guarantee which may deprive Guarantor of any right against ENH of the type described in Section 12 to recover any payments made pursuant to this Guarantee;
 - h) release ENH or any other party liable in any manner for payment of any or all of the Guaranteed Obligations;
 - i) take or abstain from taking security or collateral from ENH or from perfecting security or collateral of ENH; and
 - j) otherwise deal with ENH and security as the Commission sees fit.
5. **No exhaustion of remedies.** The Commission is not bound or obliged to commence or exhaust its recourse against ENH or any other persons or any security or collateral it may hold or take any other action before being entitled to demand payment from Guarantor.
6. **No set-off or counterclaim.** Subject to Section 13, payments under this Guarantee shall be made without set-off or counterclaim whatsoever and free of any deductions or withholdings.
7. **Continuing guarantee.** This Guarantee is a continuing guarantee and is binding as a continuing obligation of Guarantor. This Guarantee shall apply to any ultimate balance due or remaining due to the Commission for the Guaranteed Obligations, and Guarantor shall continue to be bound, despite the payment from time to time during the term of this Guarantee of the whole or any part of the remaining amount of the Guaranteed Obligations owed by ENH to the Commission. This Guarantee shall continue to be effective or shall be reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Commission upon the occurrence of any action or event, including, without limitation, the bankruptcy, reorganization, winding-up, liquidation, dissolution or insolvency of ENH or Guarantor, all as though such payment had not been made.
8. **Representations and warranties.** Guarantor represents and warrants to the Commission that:
- a) Guarantor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and (ii) has the power and authority to own its property and assets, to transact the business in which it is engaged and to enter into and perform its obligations under this Guarantee;
 - b) the execution, delivery, observance and performance of this Guarantee by Guarantor do not and will not conflict with or result in a breach of the articles, certificate, by-laws, or other organizational or formation documents of Guarantor, or of the terms or provisions of any judgment, law, decree, order, statute, rule, regulation or agreement, indenture or instrument to which Guarantor is a party or by which Guarantor or its assets are bound or to which Guarantor or its assets are subject, or constitute a default under any of them;

- c) this Guarantee has been duly authorized, executed and delivered by Guarantor;
 - d) this Guarantee constitutes a legal, valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms, except as enforceability may be limited by principles of equity, or by bankruptcy, insolvency, reorganization, moratorium or other similar laws;
 - e) ENH is a direct or indirect wholly-owned subsidiary of Guarantor; and
 - f) this Guarantee reasonably may be expected to benefit Guarantor, either directly or indirectly.
9. **Demand for payment.** Guarantor shall pay to the Commission, within five (5) business days (as determined in the location where payment is to be made) after demand by the Commission and in immediately available funds, all Guaranteed Obligations due under the Rules and Regulations. Guarantor shall make all such payments in accordance with the instructions set forth in such demand. There are no other requirements of notice, presentment or demand that are required to be made under this Guarantee.
10. **Stay of acceleration.** If acceleration of the time for payment of any amount payable by ENH in respect of the Guaranteed Obligations is stayed on the insolvency, bankruptcy, arrangement or reorganization of ENH or on any moratorium affecting the payment of the Guaranteed Obligations, Guarantor shall nonetheless pay immediately on demand all amounts that would otherwise be subject to acceleration.
11. **Termination.** This Guarantee is a continuing guarantee effective from and after the date hereof; however, Guarantor may terminate its liability under this Guarantee with respect to Guaranteed Obligations incurred by ENH or arising under the Rules and Regulations on or after the Effective Date (as defined below) by providing written notice of such termination to the Commission in accordance with Section 23. Guarantor's notice of termination will become effective on the thirtieth (30th) day (the "Effective Date") after receipt of the notice by the Commission. From and after the Effective Date, Guarantor will not be liable pursuant to this Guarantee for any debts, obligations or liabilities incurred by ENH or arising out of any Rule or Regulation on or after the Effective Date; **PROVIDED, HOWEVER, Guarantor will continue to remain liable for any and all Guaranteed Obligations under any Rule or Regulation provided such Guaranteed Obligation was incurred by ENH or arose prior to the Effective Date.** In addition, the termination of this Guarantee shall not affect Guarantor's liability for interest accruing as set forth in Section 18 on all Guaranteed Obligations for which Guarantor remains liable and shall not affect Guarantor's liability for legal fees, costs and other expenses incurred by the Commission in collecting such Guaranteed Obligations.
12. **Subordination and subrogation.** If and to the extent that Guarantor makes any payment to the Commission pursuant to this Guarantee, any claim which Guarantor may have against ENH by reason thereof shall be subject and subordinate to the prior payment in full of all of the Guaranteed Obligations.
13. **Liability for Taxes.** Any and all payments made by Guarantor to the Commission shall be made in full, without set-off or counterclaim, and free and clear of and without deduction for any and all present and future taxes, liens, imposts, stamp taxes, deductions, charges or withholdings, and all liabilities with respect thereto and any interest, additions to tax and penalties imposed with respect thereto. If Guarantor shall be required by law to deduct any taxes, deductions, charges or withholdings from or in respect of any sum payable hereunder to the Commission (i) the sum payable shall be increased as may be necessary so that after making all required deductions

(including deductions applicable to additional sums payable under this section) the Commission receives an amount equal to the sum it would have received had no such deductions been made and (ii) Guarantor shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

14. **Waivers.** Guarantor waives diligence, division, presentment, protest, notice of acceptance of this Guarantee and notice of any liability to which it may apply, notice of dishonor or nonpayment, and any other notice not expressly required by this Guarantee.
15. **No merger.** Neither an action or proceeding brought under this Guarantee regarding the Guaranteed Obligations nor any judgment or recovery in consequence of that action or proceeding operates as a bar or defense to any further action or proceeding that may be brought under this Guarantee. Any action, proceeding, judgment or recovery does not constitute a merger of any of the Commission's rights or remedies under this Guarantee. Any judgment obtained by the Commission in whole or in part of any of the Guaranteed Obligations under this Guarantee does not constitute a merger of this Guarantee into that judgment.
16. **Foreign currency obligations.** Guarantor shall make any payments under this Guarantee in the currency (the "Original Currency") in which ENH is required to pay its Guaranteed Obligations. If Guarantor makes payment in a currency other than Original Currency (whether voluntarily or under an order or judgment of a court or tribunal of any jurisdiction), the payment constitutes a discharge of Guarantor's liability only to the extent of the amount of Original Currency that the Commission is able to purchase with the amount of the currency it receives on the date of receipt utilizing the Commission's customary foreign exchange practices as in effect on such date. Guarantor agrees to indemnify and hold harmless the Commission from and against any loss arising out of any currency-related deficiency in payment. This indemnity constitutes a separate and independent obligation giving rise to a separate cause of action. A certificate of an authorized representative of the Commission certifying any deficiency or loss is, in the absence of manifest error, prima facie evidence of that deficiency or loss.
17. **Benefit of the Guarantee.** Subject to the terms of Section 24, this Guarantee shall be binding upon Guarantor and its successors and permitted assigns and shall inure to the benefit of and be enforceable by the Commission and its successors and assigns and shall apply to ENH and its successors and assigns.
18. **Interest.** If payment of interest is not provided for in any Rule or Regulation, then Guarantor shall pay to the Commission interest on the unpaid portion of the Guaranteed Obligations under such Rules and Regulations at an annual rate equal to the lesser of (i) two percent (2%) above the prime rate of interest from time to time published under "Money Rates" in The Wall Street Journal (or if at the time of determination thereof, such rate is not being published in The Wall Street Journal, such comparable rate from a federally insured bank in New York, New York as the Commission may reasonably determine), or (ii) the maximum rate of interest permitted by applicable law, the rate in either case to be calculated daily from and including the due date until payment is made in full.
19. **Entire agreement.** This Guarantee represents the entire rights and obligations of the parties pertaining to the subject matter hereof and supersedes all prior oral or written agreements, representations and understandings pertaining hereto.
20. **No waiver, remedies.** No failure or delay on the part of the Commission in exercising any right, power or privilege under this Guarantee and no course of dealing between Guarantor or the Commission shall operate as a waiver thereof, nor shall any single or partial exercise of any right,

power or privilege under this Guarantee preclude any other or further exercise thereof or any other right, power or privilege. The rights, powers or remedies in this Guarantee are cumulative and not exclusive of any rights, powers or remedies which the Commission would otherwise have.

21. **Amendments.** No amendment or waiver of any provision of this Guarantee nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed (i) in the case of an amendment, by Guarantor and the Commission, and (ii) in the case of a waiver or consent, by the Commission, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
22. **Severability.** If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will apply only to that provision and all other provisions of this Guarantee will continue in full force and effect as if such invalid or unenforceable provision were omitted. If this Guarantee is determined to be invalid or unenforceable for any reason, such invalidity or unenforceability will not apply to any of the representations and warranties provided in Section 8, which is deemed to be a separate and independent legal, valid, binding and enforceable agreement between Guarantor and the Commission and will continue in full force. The Commission is entitled to proceed with any remedy available to it as a result of Guarantor's breach of any of the representations and warranties provided in Section 8.
23. **Notices.** All notices and other communications hereunder shall be in writing and may be given in any manner described below (except that a demand notice may not be given by facsimile) to the address or facsimile number set forth below or at such other address or facsimile number for a party as shall be designated in a written notice by such party to the other party and will be deemed effective as indicated:
 - a) if delivered in person or by courier, on the date it is delivered;
 - b) if sent by mail, registered or certified, postage prepaid and return receipt requested, on the date it is delivered; or
 - c) if sent by facsimile transmission, on the date it is received by the recipient in legible form, unless the date of delivery or receipt, as applicable, is not a local business day or that communication is delivered or received, as applicable, after the close of business on a local business day, in which case that communication will be deemed given and effective on the first following day that is a local business day:

If to Guarantor, to:

Spark Energy, Inc.
12140 Wickchester Lane, Suite 100
Houston, Texas 77079
Attention: Credit Manager

If to the Commission, to:

New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire USA 03301-2429
Attention: Executive Director

24. **Assignment.** Guarantor may not assign its obligations under this Guarantee in part or in whole

without the prior written consent of the Commission, and any purported assignment or delegation without such consent shall be null, void and of no effect. The Commission may assign all or any of its rights under this Guarantee without the consent of ENH or Guarantor.

25. **Governing law.** This Guarantee is governed by and to be construed according to the laws of the State of New York without giving effect to any choice or conflict of law rules or provisions that would require the application of the laws of another jurisdiction. Guarantor irrevocably consents to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court, in each case located in the borough of Manhattan in New York City for the purposes of any action or proceeding arising out of or related to this Guarantee. Guarantor agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives, to the fullest extent permitted by law, any claim of inconvenient forum or other objection which it may now or hereafter have to the laying of venue in any such court. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section shall affect the Commission's right to bring any action or proceeding against Guarantor or its property in the courts of other jurisdictions.
26. **Headings and section references.** The headings contained in this Guarantee are for reference purposes only and shall not affect the meaning or interpretation of this Guarantee. Unless the context indicates otherwise, all references in this Guarantee to sections shall refer to the corresponding section of this Guarantee.
27. **Facsimile signature, counterparts.** A signature delivered by facsimile or by any other reliable electronic transmission shall be deemed to be an original signature for purposes of the Guarantee and shall be binding upon Guarantor as an original signature. Notwithstanding that Guarantor may deliver a signature by facsimile or by any other reliable electronic transmission, Guarantor covenants to deliver an originally executed counterpart of this Guarantee to the Commission within a reasonable period of time after executing the Guarantee. This Guarantee may be executed in counterparts, each of which shall be deemed an original but which together will constitute one and the same instrument.

IN WITNESS WHEREOF, Guarantor has signed and delivered this Guarantee to be effective as of the date first-above written.

Spark Energy, Inc.

New Hampshire Public Utilities Commission

By: 

By: _____

Name: Gil Melman

Name: _____

Title: Vice President, General Counsel

Title: _____