



An Income Opportunity like no other.

The Ambit Marketing Compensation Guide

Welcome to the Ambit Opportunity!

“Everyone has a group of friends, family and co-workers who are interested in their success. Our simple home-based business opportunity lets you create meaningful income by providing our energy service and our financial opportunity to those within your ambit of influence.”

Chris Chambless

*Chief Marketing Officer
and Co-Founder,
Ambit Energy*

Contents

2 Introduction

Company Overview
Management Team

4 Types of Independent Consultants

Marketing Consultant
Sales Consultant

5 Customers & Compensation

6 Instant Bonuses

Jump Start Bonuses
Team Builder Bonuses

7 Residual Income (Texas Market)

Customer Residual income (CRI)
Energy Usage Bands

8 Residual Income (New York Market)

Customer Residual income (CRI)
Energy Usage Bands

9 Leadership Positions

Regional Consultant (RC)
Senior Consultant (SC)
Executive Consultant (EC)
National Consultant (NC)

10 Leadership Bonuses (Texas Market)

Customer Residual Bonuses (CRB)
Consultant Leadership Bonuses (CLB)

11 Leadership Bonuses (New York Market)

Customer Residual Bonuses (CRB)
Consultant Leadership Bonuses (CLB)

Power Your Future.

Have you ever driven down the street in an exclusive neighborhood and wondered what the people who live in those houses do for a living? How do they afford it? Are they smarter than you? Do they work harder? What is their secret?

Many of the people in that neighborhood are no different from you – except for one thing: they have learned the invaluable secret about generating income that has changed their lives forever. They have learned how to leverage the motivated efforts of others to create a recurring income for themselves.

Work smarter, not harder.

Home-based business owners generated over \$30 billion in sales in 2005*. Over 80% of them worked less than 30 hours per week. Many of them have replaced the income from their full-time jobs and are now free to pursue a lifestyle they never could have imagined. And so can you. Achieving incredible financial success as a home-based entrepreneur starts with two simple but very important factors:

1. Pick the right product. The largest opportunities are often in the largest industries. You want a product that everyone needs. A product that is easy to explain. A product that isn't complicated to sell. A product that provides more value to your customer.

2. Pick the right timing. Some people call it luck. Some people call it smarts. But all agree that there is something critical called timing. Your opportunity for success is greatest when you spot and take advantage of the window of opportunity. That window is open widest in early periods.

The Opportunity Is Electric.

An incredible economic boom shook the telecommunications industry following deregulation in 1984. Hundreds of new companies entered the industry creating incredible innovations and generating fantastic savings for consumers. Hundreds of billions of dollars in new revenue flowed. Fortunes were made by savvy entrepreneurs who saw the changing landscape and were willing to venture into new waters.

Today an even larger industry is on the cusp of sweeping change. Electricity. All across America, state governments are evaluating the impact of deregulating their electric monopolies to provide their citizens with greater choice, lower prices and more innovative products. Several states now allow competition. Texas was an early leader. Other states continue to follow. And consumers are rushing to better choices and lower prices.

Electricity. The product is right. The timing is right.

The Future Is Bright.

Ambit Energy is a Retail Electric Provider (REP) based in Dallas, Texas. Ambit is positioned at the forefront of electricity deregulation. We have developed a proven business model that allows anyone to participate in the dynamic opportunities of energy deregulation. Regardless of your experience, age or race, we have a home-based opportunity that can work for you with great success. And we are looking for entrepreneurs who share our values and our vision.

Everyone uses electricity. Everyone likes to save money. By simply helping your friends save money on their electricity bill by switching their services to Ambit, and by introducing a few entrepreneurs like yourself to our home-based income opportunity, you can begin your own journey to financial independence.

The timing will never be better to brighten your future.

* According to the Direct Selling Association (DSA)

Our Dedicated Management Team.

Our experienced founders and management share common values and goals. Ambit Energy is committed to improving the lives of our Consultants, customers and employees. And we are guided by core principles established by our founders that emphasize integrity, excellence, commitment and enthusiasm in all that we do.

Jere W. Thompson, Jr. is Co-Founder and CEO of Ambit Energy. In 1992, Mr. Thompson was at the forefront of the telecommunications industry as it deregulated. He founded CapRock Fiber Networks to build fiber and broadband networks across Texas and neighboring states. As CEO, Mr. Thompson guided CapRock into new markets, took the company public and managed its growth from infancy to 1,300 employees and \$300 million in annual revenues. Prior to CapRock, Mr. Thompson's work experience included overseeing portfolio companies at The Thompson Company, community development at Trammell Crow Company and investment banking at Goldman, Sachs & Co.

Mr. Thompson received an AB in Economics at Stanford University and a MBA from the University of Texas in Austin. He sits on the boards of two schools, two hospital foundations and several civic organizations. He was Chairman and a member of the Board of the North Texas Tollway Authority for twelve years.

M. Chris Chambless is Co-Founder and Chief Marketing Officer of Ambit Energy. As an early member of the management team at Excel Communications, he participated in the development of Excel's compensation model which attracted over 1 million Independent Representatives. As a Vice President, he was responsible for all aspects of Excel's marketing and communications organization. Most recently the Vice President, Marketing at VarTec Telecom, he was responsible for the company's sales and marketing organization including marketing strategy, brand development, channel integration, sales management and new product development. Mr. Chambless has also held executive positions at Euphony Communications and up2 Technologies, Inc.

Mr. Chambless received his BA in English from the University of Texas, Tyler. He is an active board member of the Economic Development Corporation in his community.

Jim Timmer is Chief Financial Officer of Ambit Energy. A seasoned executive with more than two decades of experience in senior finance and operations roles, he has served as CFO of airBand Communications, Birch Telecom and Excel Communications. While at Excel, he was instrumental in formulating the direct sales compensation plan. In addition, Jim served as Vice President/Finance at Verizon, a \$26 billion entity.

Mr. Timmer holds a BA in Accounting from Loras College and an MBA from Drake University.

John Burke is the Chief Information Officer of Ambit Energy. He has over 15 years of leadership and consulting experience working in the electric utilities, telecommunications, financial services, venture capital and software development industries. He has successfully positioned technical organizations for high demand support roles while driving revenue initiatives and reducing operating costs. Mr. Burke has held several leadership roles, including the COO of a billing application service provider, the CIO of a Verizon call center, and the VP of Development for a retail financial transaction service provider. He has consulted to both electric co-ops and electric retail providers on strategic IT initiatives and has extensive experience building, integrating, and managing mission critical back-office billing and provisioning systems.

Mr. Burke earned an MBA in Information Systems from The University of Texas at Austin and a Bachelor of Arts in Economics from Rutgers University, where he graduated with Highest Honors. He is a member of Phi Beta Kappa and has served as a representative on The University of Texas at Austin Graduate School's Information Management Steering Committee.

Your Future as an Independent Consultant

Your journey to a brighter future starts with a single step: join our growing family of Independent Consultants. There are two types of Independent Consultants.

Marketing Consultants

Marketing Consultants (MCs) are Independent Consultants who choose to enroll in the optional Ambit Support and Services Program. The one-time cost of the Program is \$399* with no annual renewal fee.

Marketing Consultants receive the following services:

- ▶ FREE Marketing Consultant starter kit
- ▶ FREE initial supply of sales collateral
- ▶ FREE access to Power Zone, the company's online back office communication and downline management tool
- ▶ FREE access to real-time business monitoring software and reporting tools
- ▶ FREE access to the company's Consultant Support Group via a toll-free number.

Sales Consultants

Sales Consultants are Independent Consultants who choose not to enroll in the optional Ambit Support and Services Program. Instead, they pay a one-time, refundable application deposit of \$199[†]. Sales Consultants pay on a per-use basis for access to the company's Consultant Support Group, all business tracking software and reporting tools. Although a Sales Consultant qualifies for the same potential income from all downline levels of the Ambit Marketing Compensation Plan, a Sales Consultant's upline sponsor and leadership team will not receive Team Builder or Consultant Leadership Bonuses when the Sales Consultant gathers customers.

*Residents of Connecticut and North Carolina pay \$200, residents of South Carolina and South Dakota pay \$249, and residents of Louisiana and Washington pay \$299. Any Marketing Consultant may cancel their enrollment and receive a full refund if Ambit Energy receives a written notice of cancellation within 3 days of the date the MC Application and Agreement is received at Ambit Energy.

[†] A Sales Consultant may cancel their status with the company, in writing, at any time and they will receive a full refund (less any commissions earned) of their refundable deposit.

Customers and Compensation

All compensation in the Ambit Compensation Plan is directly tied to your success in enrolling new energy customers and to the help you provide new Consultants you sponsor enroll their own energy customers. As a new Consultant, you can count on help from your Sponsor and your upline leadership team in building your new Ambit Marketing business. As with any new business venture, however, your success will greatly depend on the amount of effort you are willing to devote to reach your personal goals and on the people you choose to work with.

Understanding your customers

Customers are the key to your business and before you go any further, we want to make sure you understand how we define the term “customer” as it relates to the Ambit Compensation Plan.

- ▶ **Pre-verified:** a customer whose order to switch service has been received by Ambit Energy but has not yet successfully completed the company’s Third-Party Verification (TPV) process.
- ▶ **Pending:** a customer whose order to switch service has been accepted by Ambit Energy, has passed the company’s Third-Party Verification (TPV) process, has completed the credit review that determines what deposits, if any, must be paid by the customer, and whose order has been submitted to be switched.
- ▶ **Energized:** a customer whose service has been successfully switched. These customers are currently being billed by Ambit Energy.
- ▶ **De-energized:** a customer who has chosen to switch their service to another energy provider and is no longer using Ambit Energy Service. Inactive status also includes customers disconnected for non-payment.

Multiple ways to earn

The Ambit Compensation Plan provides you with tremendous incentives to get started quickly and to build for the long-term.

1. Instant Bonuses

- ▶ **Jump Start Bonuses** are paid to you for your initial customer-gathering efforts.
- ▶ **Team Builder Bonuses** are paid to you for helping your Personally Sponsored Consultants gather customers.

2. Residual Income

- ▶ **Customer Residual Income (CRI)** is paid monthly on every active customer in your team through six levels.

3. Leadership Bonuses

- ▶ **Customer Residual Bonuses (CRB)** are paid to those in Leadership Positions for every active customer within their designated leadership organizations to unlimited levels.
- ▶ **Consultant Leadership Bonuses (CLB)** are paid to those in Leadership Positions to unlimited levels as new Marketing Consultants enter their leadership organization and gather four customers in their first four weeks.

Instant Bonuses

Jump Start and Team Builder Bonuses are designed to reward new Consultants for taking action immediately. Ambit pays Jump Start Bonuses when you enroll new energy customers and Team Builder Bonuses when you help your personally sponsored Marketing Consultants do the same. Both bonuses are paid every Friday on accepted pending or active energy customers.

Jump Start Bonuses

Jump Start 1

Earn \$100 when you personally enroll your first four (4) pending or energized customers within four (4) weeks of your Start Date. You may be one of the four customers, and you may substitute your Ambit Marketing Website for two customers.

Jump Start 2

Earn \$100 when you personally enroll an additional six (6) pending or energized customers for a total of ten (10) pending or energized customers within eight (8) weeks of your start date.

Jump Start 3

Earn \$50 when you personally enroll an additional five (5) accepted pending or active customers for a total of fifteen (15) pending or energized customers within eight (8) weeks of your start date.

Jump Start 4

Earn \$50 when you personally enroll an additional five (5) pending or energized customers for a total of twenty (20) pending or active customers within twelve (12) weeks of your start date.

Jump Start 5

Earn \$50 when you personally enroll an additional five (5) pending or energized customers for a total of twenty-five (25) pending or energized customers within twelve (12) weeks of your start date.

Jump Start 6

Earn \$50 when you personally enroll an additional five (5) pending or energized customers for a total of thirty (30) pending or energized customers within twelve (12) weeks of your start date.

 You	Jump Start 1	Jump Start 2	Jump Start 3	Jump Start 4	Jump Start 5	Jump Start 6	TOTAL
	\$100	\$100	\$50	\$50	\$50	\$50	= \$400
Customer Requirements	4 in 4 weeks	+6 in 8 weeks 10 Total	+5 in 8 weeks 15 Total	+5 in 12 weeks 20 Total	+5 in 12 weeks 25 Total	+5 in 12 weeks 30 Total	30

Team Builder Bonuses

Earn \$100 each time you personally sponsor a new Marketing Consultant and help them enroll their first four pending or energized customers within four weeks

of their start date. As with Jump Start Bonuses, a Marketing Consultant's Ambit Marketing personal website may be substituted for two customers.

 You	Bonus Type	Qualification	Amount
Level 1	Team Builder	Sponsor a new MC who enrolls 4 customers in their first four weeks	\$100

Residual Income: Texas Market

The most powerful component of the Ambit Compensation Plan is long-term Customer Residual Income (CRI). Ambit pays commissions each month on customers through six levels of your sales organization. The number of your pending and energized in good standing customers determines

the number of levels of downline customers for which you will be paid CRI. At all levels, your personal Ambit Marketing website can be substituted for two customers. Ambit also pays more for customers who use more electricity. This is described in Energy Usage Bands below.

Customer Residual Income (CRI)

The number of your pending and energized in good standing customers determines the number of levels of downline customers for which you will be paid CRI. For instance, you need to personally enroll 10 customers to qualify for CRI through four levels, and 20 customers to qualify through all six levels. The number of your customers is verified on the last day of each month (11:59 p.m. Central time). Full customer payments must be received during the month for a customer to count. Sometimes, customers may be slow to pay or may leave and therefore won't count. Ambit wants you to succeed and will help you while you replace these customers. If your previous customer count qualified you for a particular payout level and the latest count now falls short, your CRI for that level will be held for one month allowing you time to re-qualify. If after that second

Levels	Band Range	Required Points
You	\$0.50 – \$2.50	4
1	\$0.25 – \$1.50	4
2	\$0.50 – \$2.50	4
3	\$0.75 – \$3.50	4
4	\$1.00 – \$5.00	10
5	\$3.00 – \$15.00	15
6	\$3.00 – \$15.00	20

month you re-qualify, the held CRI will be paid. If you still do not qualify, all CRI being held at that former level will be purged and not paid. CRI will be paid on the 15th of each month for customers whose full payments were received during the prior month.

Energy Usage Bands

In addition to generous residual commissions, Ambit pays more for customers who use more electricity. That means that you earn more money customers for customers with larger monthly bills. The chart below details Ambit's Usage Bands and the corresponding CRI paid.

Levels	Band 1	Band 2	Band 3	Band 4	Band 5
kWh/Mo	500–2,500	2,501–4,000	4,001–6,000	6,001–8,000	8,001+
You	\$0.50	\$0.75	\$1.00	\$1.50	\$2.50
1	\$0.25	\$0.50	\$0.75	\$1.00	\$1.50
2	\$0.50	\$0.75	\$1.00	\$1.50	\$2.50
3	\$0.75	\$1.00	\$1.50	\$2.50	\$3.50
4	\$1.00	\$1.50	\$2.25	\$3.50	\$5.00
5	\$3.00	\$4.00	\$6.75	\$10.00	\$15.00
6	\$3.00	\$5.50	\$6.75	\$10.00	\$15.00
TOTAL	\$9.00	\$14.00	\$20.00	\$30.00	\$45.00

Residual Income: New York Market

Customer Residual Income (CRI)

The number of your pending and energized in good standing customers determines the number of levels of downline customers for which you will be paid CRI. For instance, you need to personally enroll 10 customers to qualify for CRI through four levels, and 20 customers to qualify through all six levels. The number of your customers is verified on the last day of each month (11:59 p.m. Central time). Full customer payments must be received during the month for a customer to count. Sometimes, customers may be slow to pay or may leave and therefore won't count. Ambit wants you to succeed and will help you while you replace these customers. If your previous customer count qualified you for a particular payout level and the latest count now falls short, your CRI for that level will be held for one month allowing you time to re-qualify. If after that second

Levels	Band Range	Required Points
You	\$0.05 – \$0.25	4
1	\$0.10 – \$0.50	4
2	\$0.15 – \$0.75	4
3	\$0.25 – \$1.00	4
4	\$0.50 – \$2.00	10
5	\$0.75 – \$3.00	15
6	\$1.50 – \$4.00	20

month you re-qualify, the held CRI will be paid. If you still do not qualify, all CRI being held at that former level will be purged and not paid. CRI will be paid on the 15th of each month for customers whose full payments were received during the prior month.

Energy Usage Bands

In addition to generous residual commissions, Ambit pays more for customers who use more electricity or gas. That means that you earn more money customers for customers with larger monthly bills. The chart below details Ambit's Usage Bands and the corresponding CRI paid.

Levels	Band 1	Band 2	Band 3	Band 4	Band 5
kWh/Mo	200 – 1,000	1,001 – 2,500	2,501 – 4,000	4,001 – 5,500	5,501+
Therm/Mo	50 – 1,000	1,001 – 2,500	2,501 – 4,000	4,001 – 5,500	5,501+
You	\$0.05	\$0.10	\$0.15	\$0.25	\$0.50
1	\$0.10	\$0.15	\$0.25	\$0.50	\$0.75
2	\$0.15	\$0.25	\$0.50	\$0.75	\$1.50
3	\$0.25	\$0.50	\$0.75	\$1.50	\$2.00
4	\$0.50	\$0.75	\$1.50	\$2.00	\$3.00
5	\$0.75	\$1.50	\$2.00	\$3.00	\$4.00
6	\$1.50	\$2.00	\$3.00	\$4.00	\$5.00
TOTAL	\$3.30	\$5.25	\$8.15	\$12.00	\$16.75

Residual Income: Illinois Market

Customer Residual Income (CRI)

The number of your pending and energized in good standing customers determines the number of levels of downline customers for which you will be paid CRI. For instance, you need to personally enroll 10 customers to qualify for CRI through four levels, and 20 customers to qualify through all six levels. The number of your customers is verified on the last day of each month (11:59 p.m. Central time). Full customer payments must be received during the month for a customer to count. Sometimes, customers may be slow to pay or may leave and therefore won't count. Ambit wants you to succeed and will help you while you replace these customers. If your previous customer count qualified you for a particular payout level and the latest count now falls short, your CRI for that level will be held for one month allowing you time to re-qualify. If after that second

Levels	Band Range	Required Points
You	\$0.05 – \$0.25	4
1	\$0.10 – \$0.50	4
2	\$0.15 – \$0.75	4
3	\$0.25 – \$1.00	4
4	\$0.50 – \$2.00	10
5	\$0.75 – \$3.00	15
6	\$1.50 – \$4.00	20

month you re-qualify, the held CRI will be paid. If you still do not qualify, all CRI being held at that former level will be purged and not paid. CRI will be paid on the 15th of each month for customers whose full payments were received during the prior month.

Energy Usage Bands

In addition to generous residual commissions, Ambit pays more for customers who use more gas. That means that you earn more money customers for customers with larger monthly bills. The chart below details Ambit's Usage Bands and the corresponding CRI paid.

Levels	Band 1	Band 2	Band 3	Band 4	Band 5
Therm/Mo	50 – 1,000	1,001 – 2,500	2,501 – 4,000	4,001 – 5,500	5,501+
You	\$0.05	\$0.10	\$0.15	\$0.25	\$0.50
1	\$0.10	\$0.15	\$0.25	\$0.50	\$0.75
2	\$0.15	\$0.25	\$0.50	\$0.75	\$1.50
3	\$0.25	\$0.50	\$0.75	\$1.50	\$2.00
4	\$0.50	\$0.75	\$1.50	\$2.00	\$3.00
5	\$0.75	\$1.50	\$2.00	\$3.00	\$4.00
6	\$1.50	\$2.00	\$3.00	\$4.00	\$5.00
TOTAL	\$3.30	\$5.25	\$8.15	\$12.00	\$16.75

Leadership Positions

Ambit wants you to succeed and to become a leader. The Ambit Compensation Plan rewards you for building your organization by gathering new customers and new Consultants and helping those Consultants build their own teams. The rewards are significant. In addition to Instant Income and Customer Residuals, Leadership Bonuses are paid to those who reach Leadership Positions. The bonuses increase in size as you are promoted to higher Leadership Positions. And the bonuses are paid on every qualifying new customer and new Marketing Consultant entering your organization through unlimited levels (not just six levels).

Ambit Energy will help you track your progress every step of the way to a Leadership Position. We will always let you know what you have to do to reach your next position. And when you get there, we'll pat you on the back and let others in your organization share in the excitement of your success.

With determination and effort, you can create a path to reach the following Leadership Positions:

Regional Consultant (RC)

- ▶ Personally enroll a total of five (5) pending or energized customer points.
- ▶ Personally sponsor two (2) Marketing Consultants.
- ▶ Develop an initial team of six (6) Marketing Consultants.

Senior Consultant (SC)

- ▶ Achieve Regional Consultant status.
- ▶ Personally enroll a total of ten (10) pending or energized customer points.
- ▶ As a RC, personally sponsor two (2) Marketing Consultants.
- ▶ Develop a Regional Consultant team of eighteen (18) Marketing Consultants.

Executive Consultant (EC)

- ▶ Achieve Senior Consultant status.
- ▶ Personally enroll a total of fifteen (15) pending or energized customer points.
- ▶ As a SC, develop five (5) Senior Consultants in your Senior Consultant Organization.

National Consultant (NC)

- ▶ Achieve Executive Consultant status.
- ▶ Personally enroll a total of twenty (20) pending or energized customer points.
- ▶ As a EC, develop five (5) Executive Consultants in your Executive Consultant Organization



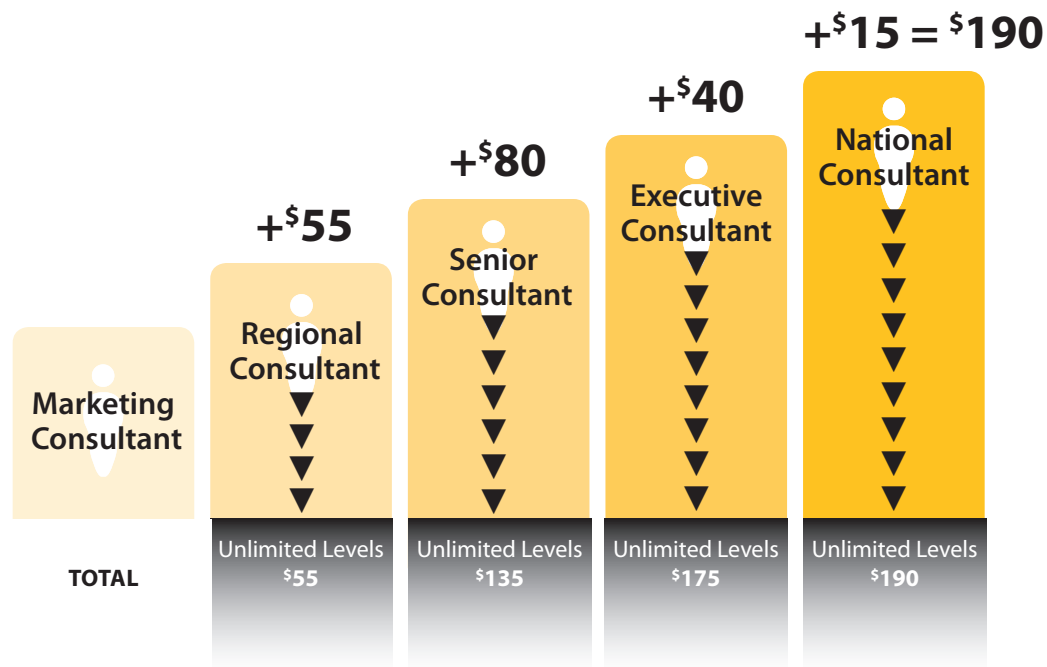
Leadership Bonuses

In addition to Instant Income and Customer Residuals, the Ambit Compensation Plan allows you to earn Leadership Bonuses as your new business grows. There are two types of Leadership Bonuses: Consultant Leadership Bonuses (CLB) and Customer Residual Bonuses (CRB). Both bonuses are paid once you qualify in a Leadership Position. Both bonuses get larger as you climb from one leadership level to the next.

Consultant Leadership Bonuses (CLB)

Earn Consultant Leadership Bonuses (CLB) when a new Marketing Consultant (MC) enters your leadership organization at any level and enrolls four (4) pending or energized customer points within four (4) weeks of their start date. CLB is paid weekly. Your leadership level and your number of pending or energized customer points will determine the amount of CLB you earn each week.

The minimum requirements are verified each week (Friday at 11:59 a.m. CST) before CLB is calculated and paid. If you do not have the required number of pending or energized customers for the leadership position you have achieved at the time verification is run, your CLB will be secured in holding status for three (3) additional verification periods to allow you to re-qualify. If after three (3) consecutive verification periods you still do not meet the minimum pending or energized customer requirements for your leadership position all CLB in hold status will be purged and you will not earn or accumulate any future CLB for those levels until your minimum customer requirements are met.



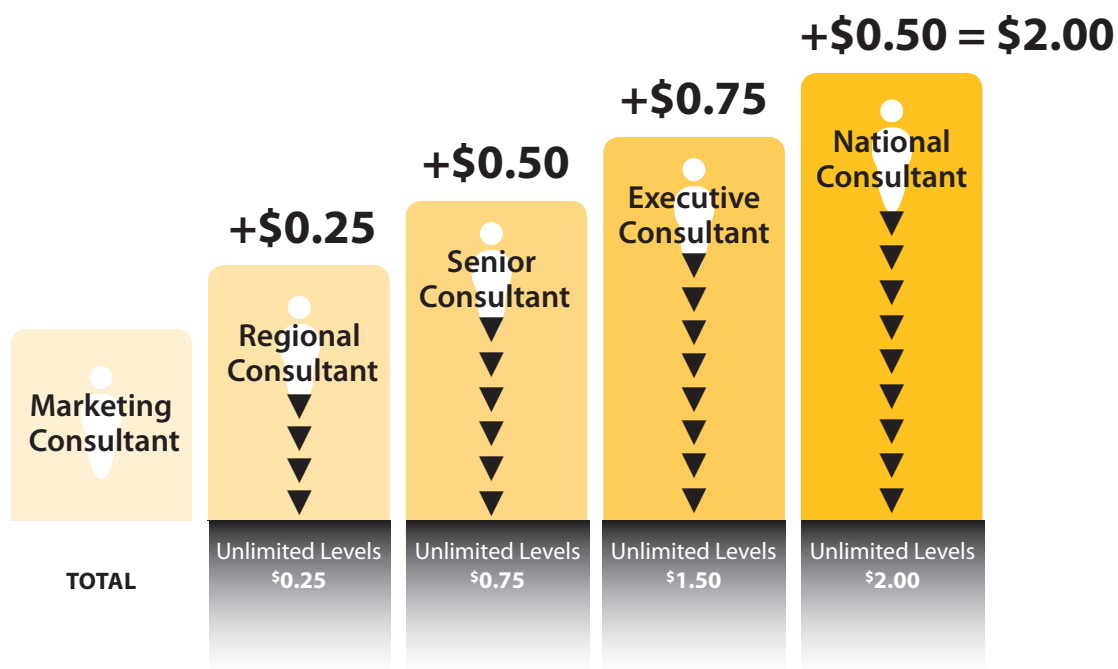
NOTE: This bonus structure is applicable to Consultants in both the Texas and New York markets.

Residual Bonuses: Texas Market

Customer Residual Bonuses (CRB)

As new Consultants enter your leadership organization, you can also earn monthly bonuses on their energized customers. Customer Residual Bonuses (CRB) are paid monthly on all energized (in good standing) customers any MC gathers into your leadership organization at any level. To qualify for CRB each month you must have maintained the minimum number of pending or energized customers for the leadership level you have achieved. The minimum requirements are verified on the last day of each month (11:59 p.m. CST) before commissions are calculated and paid on the 15th of the following month. If you do not have the required

number of pending or energized customers for the leadership position you have achieved at the time verification is run, your CRB will be held for one (1) additional month to allow you to re-qualify. If after one month you still do not meet the minimum customer requirements for your leadership position, all CRB in hold status will be purged and you will not earn or accumulate any new CRB for those levels until your minimum customer requirements are met.

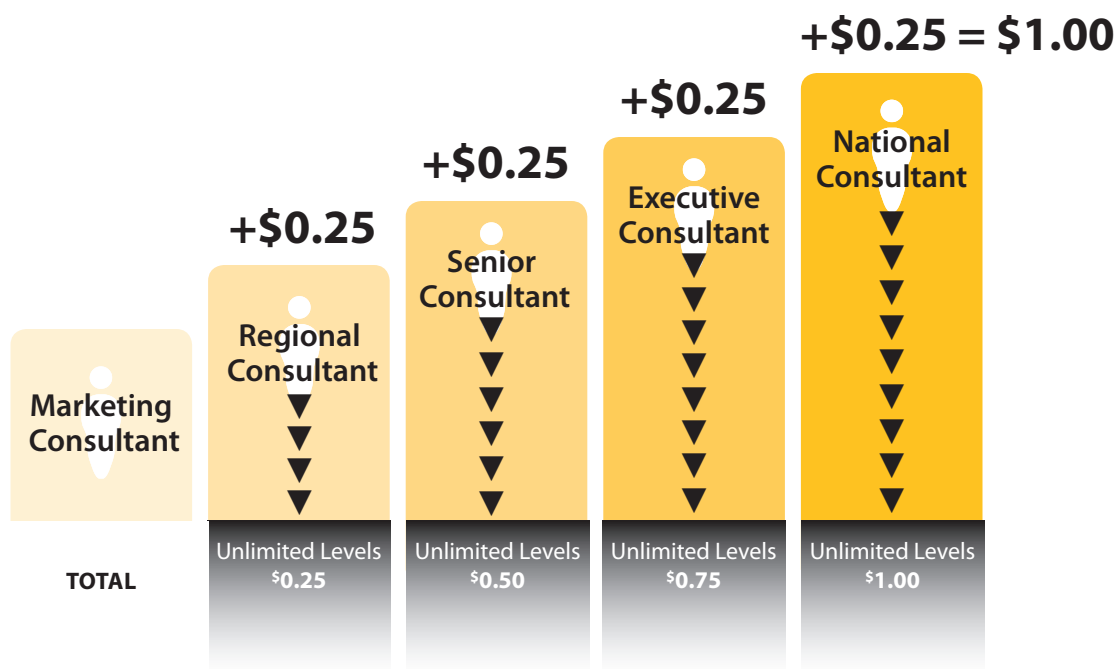


Residual Bonuses: New York and Illinois Markets

Customer Residual Bonuses (CRB)

As new Consultants enter your leadership organization, you can also earn monthly bonuses on their energized customers. Customer Residual Bonuses (CRB) are paid monthly on all energized (in good standing) customers any MC gathers into your leadership organization at any level. To qualify for CRB each month you must have maintained the minimum number of pending or energized customers for the leadership level you have achieved. The minimum requirements are verified on the last day of each month (11:59 p.m. CST) before commissions are calculated and paid on the 15th of the following month. If you do not have the required

number of pending or energized customers for the leadership position you have achieved at the time verification is run, your CRB will be held for one (1) additional month to allow you to re-qualify. If after one month you still do not meet the minimum customer requirements for your leadership position, all CRB in hold status will be purged and you will not earn or accumulate any new CRB for those levels until your minimum customer requirements are met.





1801 North Lamar Street
Suite 200
Dallas, Texas 75202
www.ambitenergy.com