

If you purchased electricity or natural gas from Ambit Energy in New York, you may be entitled to a cash payment from a class action settlement.

A court authorized this Notice. It is not a solicitation from a lawyer or claims filing service. You are not being sued. This Notice is to advise you of your legal rights.

This Notice is to inform you of a proposed settlement of a class action lawsuit pending against various Ambit entities and principals. As discussed in further detail below, this class action lawsuit is brought on behalf of all persons who received services in the State of New York who were enrolled as an electric and/or gas customer of Ambit on a Guaranteed Savings Plan. The proposed class action settlement provides for Ambit to pay: (1) up to \$26.5 million to pay the claims of Guaranteed Savings Plan customers who were rolled to a New York Select Variable Plan; and (2) up to \$3.25 million to pay the claims of Guaranteed Savings Plan customers for whom Ambit did not provide the full savings guaranteed.

If you received Notice by mail or email, Ambit’s records indicate that you may be entitled to a share of the proposed settlement. This Notice explains your legal rights and options, as well as the deadlines to exercise them. **Read this Notice carefully, as your legal rights may be affected whether or not you respond.**

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	This is the only way you can get a payment. <u>The Claim Form must be submitted by June 18, 2018.</u> Submit the enclosed Claim Form or complete an online Claim Form at www.nyenergysavingssettlement.com by using the “CLAIMANT CODE”. If you received Notice by mail, your Claimant Code is located above your name and address on the front of the mailer. If you received Notice by email, your Claimant Code is located at the top of the email. You can also download a Claim Form to submit by mail at www.nyenergysavingssettlement.com or receive one by calling 1-877-445-0262.
EXCLUDE YOURSELF	Get no payment. If you ask to be excluded, you will not be a part of the lawsuit or settlement. You will not receive any benefits from this settlement and you keep any rights to sue Ambit separately about the same legal claims in this lawsuit. The deadline to exclude yourself is May 18, 2018.
OBJECT	Notify the Court if you have any objections to the settlement. The deadline to object is May 18, 2018.
DO NOTHING	Get no payment. Release claims against Ambit.

These rights and options – and the deadlines to follow – are explained in this Notice.

QUESTIONS? CALL 1-877-445-0262

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BASIC INFORMATION

1. What is this Notice?

This Notice describes the cash benefits available from a proposed settlement of a class action lawsuit, and your options. The company's records show that sometime between September 5, 2010 and February 22, 2018 you may have purchased your electric or gas on a Guaranteed Savings Plan from Ambit Energy Holdings, LLC, Ambit Texas, LLC, Ambit Marketing, LLC, or Ambit New York, LLC (these entities are referred to collectively in this Notice as "Ambit").

If the Court approves the settlement and it becomes final, an administrator appointed by the Court will make the payments that the settlement provides.

This Notice explains the lawsuit, the settlement, your legal rights, what payments may be available to you, who is eligible for these payments, and how to get them.

2. What is this lawsuit about?

The class action lawsuit was brought on behalf of Ambit customers in New York and alleges that the company overcharged customers for gas and electricity by rolling them off a Guaranteed Savings Plan onto Ambit's New York Select Variable Plan without proper authorization. The lawsuit also claims that Ambit did not provide the full amount of savings represented under its Guaranteed Savings Plan. Ambit denies any wrongdoing. The Court has not made any decisions as to the merits of the allegations.

3. Why is this a class action?

In a class action, one or more individuals or entities, called class representatives, sue on behalf of others who have similar claims. In this class action, Plaintiffs brought a lawsuit in New York on behalf of Ambit's energy customers who they believe have similar claims (the "Class Members"). The case is brought as a class action as it is more efficient to pursue all Class Members' claims in one lawsuit. One court will resolve issues for all Class Members, except those who exclude themselves from the settlement.

4. Why is there a settlement?

After more than four years of litigation and extensive negotiations, the parties have agreed to a settlement. The court did not decide in favor of either party, and Ambit denies any liability. A settlement avoids the uncertainty, risks and delay of litigation, and the Class Members have the opportunity to receive monetary benefits. Both the Class Representatives and their attorneys believe that the settlement is fair and in the best interests of the Class. The settlement is subject to Court approval.

WHO IS INCLUDED IN THE SETTLEMENT?

5. How do I know if I am part of the settlement?

Class Members who may be entitled to receive a cash payment under the settlement include persons who received services in the State of New York who were enrolled as a customer of Ambit and were on any of Ambit's Guaranteed Savings Plans at any time during the period September 5, 2010 through and including February 22, 2018. A more specific class definition is set forth in the Settlement Agreement at ¶10(ee), available at www.nyenergysavingssettlement.com.

According to Ambit's records, you may be a Class Member entitled to receive a payment from the settlement. If you are not sure if you are a Class Member, you can ask for free help by contacting

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Class Counsel through the contact information provided below or by visiting the website or calling the number for the Claims Administrator provided in this Notice.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the settlement provide?

The settlement provides a formula for calculating claims of Ambit customers who were rolled off of Ambit's Guaranteed Savings Plan to its New York Select Variable Plan (the "Roll-Off Claims"). The amount of your claim depends on when you enrolled with Ambit, the length of time you were a customer, your usage, your charges, how many customers submit claims, the amount of settlement administration costs, and attorneys' fees and expenses approved by the Court.

If you properly submit a valid Claim Form (which is enclosed with this notice) by **June 18, 2018**, you will be entitled to receive a payment as follows:

If you enrolled as an Ambit customer prior to February 1, 2012:

If you submit a valid Claim Form, you will have a claim that is equal to 77.5% of the amount you paid on the New York Select Variable Plan that is above the amount you would have paid if you remained on the Guaranteed Savings Plan during that same time.

By way of example, if you were enrolled as an Ambit customer on the Guaranteed Savings Plan on January 1, 2011, and were rolled to the New York Select Variable Plan on January 1, 2012, and paid Ambit \$200 dollars more while on the New York Select Variable Plan than you would have paid if on the Guaranteed Savings Plan during that same time period, your claim will be calculated as: $\$200 \times .775 = \155

If you enrolled as an Ambit customer on or after February 1, 2012:

If you submit a valid Claim Form, you will have a claim that is equal to 50% of the amount you paid on the New York Select Variable Plan that is above the amount you would have paid if you remained on the Guaranteed Savings Plan during that same time.

By way of example, if you were enrolled as an Ambit customer on the Guaranteed Savings Plan on February 15, 2012, and were rolled to the New York Select Variable Plan on December 15, 2012, and paid Ambit \$200 dollars more while on the New York Select Variable Plan than you would have paid if on the Guaranteed Savings Plan during that same time period, your claim will be calculated as: $\$200 \times .50 = \100

The difference in the Roll-off Claim formulas is based on a Court ruling that persons who became Ambit customers on or after February 1, 2012 were given contracts that unambiguously disclosed that customers would be rolled to the New York Select Variable Plan, and therefore, persons who enrolled with Ambit after February 1, 2012 have weaker Roll-off Claims than persons who enrolled with Ambit before February 1, 2012.

Ambit has agreed to pay Roll-Off Claims submitted by Eligible Class Members who submit timely and valid claim forms in an amount up to \$26.5 million, less an allocated portion of settlement administration costs and Court-awarded attorneys' fees and expenses. If the total amount of Roll-Off Claims is less than \$26.5 million, you will receive the total amount of your Roll-Off Claim (if any). If the total amount of Roll-Off Claims exceeds \$26.5 million, you will receive a pro rata portion of your Roll-Off Claim (if any).

You may also receive a Guaranteed Savings Plan recalculation:

If you properly and timely submit a valid Claim Form and were on a Guaranteed Savings Plan (whether or not you were rolled off a Guaranteed Savings Plan to a New York Select Variable Plan), Ambit will recalculate any Guaranteed Savings Plan calculations that Ambit previously performed for you during the Class Period.

If the recalculation shows that Ambit owes you any money related to the time you were on the Guaranteed Savings Plan during the period from September 5, 2010 through and including February 22, 2018, you will have a claim that is equal to that amount. The calculation may show that Ambit does not owe you any money, in which case you will not receive a payment for this aspect of the settlement. Ambit has agreed to pay amounts owed based on recalculations up to \$3.25 million, less an allocated portion of settlement administration costs and Court-awarded attorneys' fees and expenses. If the total amount of claims is less than \$3.25 million, you will receive the total amount of your claim (if any). If the total amount of claims exceeds \$3.25 million, you will receive a pro rata portion of your claim (if any).

HOW TO GET A PAYMENT – SUBMIT A CLAIM FORM

7. How do I get a payment?

To qualify for a payment, you must timely submit the Claim Form enclosed with this Notice. You can also submit an online Claim Form at www.nyenergysavingssettlement.com by using the CLAIMANT CODE. If you received Notice by mail, your Claimant Code is located above your name and address on the front of the mailer. If you received Notice by email, your Claimant Code is located at the top of the email. You can also download a Claim Form at www.nyenergysavingssettlement.com to submit by mail or receive one by calling 1-877-445-0262.

You must submit your Claim Form online or by mail so that it is postmarked before **June 18, 2018**.

Failure to submit a Claim Form, or submission of an incomplete or untimely Claim Form, will render you ineligible to receive any payment under the settlement. Payments will only be sent out if the Court approves the settlement and it becomes final.

8. What happens if I don't send in a Claim Form?

If you don't send in a Claim Form and don't exclude yourself from the settlement as described in the next section below, you will still be bound by all the terms of the settlement, including releasing claims as described below, but you will not receive any payment from the settlement.

9. What am I giving up to get a payment or stay in the settlement?

Unless you exclude yourself from the settlement, you are staying in the settlement, and that means that if the Court approves the settlement and it becomes final, you cannot sue, continue to sue, or be part of any other lawsuit against Ambit about the issues released as part of the settlement. The settlement provides that there will be a general and broad release of all claims by Settlement Class members against Ambit Energy Holdings, LLC, Ambit Texas, LLC, Ambit Marketing, LLC, Ambit New York, LLC, Jere W. Thompson, and Chris Chambless, and each of their current and former parents, subsidiaries, affiliates, predecessors, successors, and assigns, and each of their respective, current, and former officers, directors, partners, owners, employees, agents, attorneys, and insurers, with a limited exception. The Released Claims and the limited exception are further described in ¶ 10(z) of the Settlement Agreement, available at www.nyenergysavingssettlement.com.

Unless you exclude yourself from the settlement, all of the Court's orders will apply to you and legally bind you.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. What does excluding myself from the settlement mean?

If you don't want to be a part of this lawsuit or settlement, then you may exclude yourself (i.e. opt-out) from the settlement. To exclude yourself from the settlement, you must submit a statement to the Claims Administrator with your name, address, and phone number effectively stating "I, [insert name], wish to opt-out of the "Ambit Energy/New York" class action settlement, and not receive any of the monetary benefits provided by the settlement or be bound by the Judgment in the case." Your opt-out statement must be signed and returned to the Claims Administrator at the following address so that it is postmarked or received on or before **May 18, 2018**:

CLASS ACTION OPT OUT

ATTN: Simmons v Ambit
PO BOX 30456
Philadelphia, PA 19103

If you choose to opt out of the settlement: (1) you will not get any settlement payment; and (2) you cannot object to the settlement. By opting out, you will not be legally bound by the settlement, and may still pursue your own claims against Ambit at your own expense if they are still timely under the applicable statute of limitations.

OBJECTING TO THE SETTLEMENT

11. How can an objection be made?

If you do not like the settlement, you may object to the settlement. You may not object to the settlement if you exclude yourself from the lawsuit by opting out or if you are not a Class Member. The Court will consider your views, but the settlement may still be approved in spite of your objections.

To object, you must file a written objection with the Clerk of the Court, and must also serve your written objection on the lawyers representing the Class and Ambit at the addresses below. Your objection must be filed with the Court and mailed so that it is postmarked no later than **May 18, 2018**. Your objection must contain the following information: (a) Reference at the beginning to

QUESTIONS? CALL 1-877-445-0262

Simmons et al. v. Ambit Energy Holdings, LLC et al., Index No. 503285/2015, in Supreme Court of the State of New York, Kings County; (b) Your full name, address, and telephone number; (c) A written statement of all grounds for the objection, accompanied by any legal support for such objection; (d) Copies of any papers, briefs, or other documents upon which your objection is based; (e) A list of all persons who will be called to testify in support of the objection, if any; (f) A statement of whether you intend to appear at the Final Approval Hearing, and, if you intend to appear at the Final Approval Hearing through counsel, the identity of all attorneys representing you who will appear; (g) A statement of your membership in the Settlement Class, including all information required by the Claim Form; and (h) A detailed list of any other objections you or your counsel has submitted to any class actions in any court, whether state or federal, in the United States in the previous five (5) years, or a statement that you and your counsel have not objected to any other class action settlement in any court in the United States in the previous five (5) years.

If you wish to object to the settlement and you do not serve a written objection containing all of the information listed above, you will not be permitted to object to the settlement and will be foreclosed from seeking any review of the settlement by any means, including but not limited to an appeal. Members of the Settlement Class who do not timely make their objections in this manner will be deemed to have waived all objections and shall not be entitled to be heard at the Fairness Hearing.

You have the right to retain a lawyer at your own expense to file your objection. If your lawyer intends to appear at the Fairness Hearing, your lawyer must file and serve a notice of appearance with the Clerk of the Court.

COURT	CLASS COUNSEL	
Clerk of the Court Supreme Court, Kings County Supreme Court Complex 360 Adams Street Brooklyn, NY 11201	Steven L. Wittels Wittels Law, P.C. 18 Half Mile Road Armonk, NY 10504	Jeffrey A. Klafter Klafter Olsen & Lesser LLP 2 International Drive, Suite 350 Rye Brook, NY 10573
	AMBIT'S COUNSEL	
	Nicole L. Williams Thompson & Knight LLP 1722 Routh Street, Suite 1500 Dallas, TX 75201	

THE LAWYERS REPRESENTING YOU

12. Who is Class Counsel?

The Court has appointed the following lawyers to represent you and the Class: Steven L. Wittels, J. Burkett McInturff, and Tiasha Palikovic of Wittels Law, P.C. and Jeffrey A. Klafter, Seth R. Lesser and Fran L. Rudich of Klafter Olsen & Lesser LLP.

You are not personally responsible for payment of attorneys' fees or expenses for Class Counsel.

Class Counsel have worked for more than four years without pay or any guarantee of obtaining a recovery for Ambit's current and former New York customers as described in this settlement notice. In a class action, it is customary for the attorneys representing the class to request a legal fee and reimbursement of expenses. Thus, Class Counsel will ask the Court for reimbursement of reasonable litigation costs and a legal fee in an amount up to 28.9% of the maximum settlement amount of \$29.75 million (*i.e.*, in an amount not to exceed \$8.6 million). In class actions like this one, it is often customary for attorneys to receive a legal fee of 33%, which is more than the fee requested by

Class Counsel here. Class Counsel will also ask the Court to authorize service awards in the amount of \$7,500 each to the three Class Representatives and \$2,500 each to two other former Ambit customers who assisted in the prosecution of this action by, among other things, providing affidavits filed with the Court. These amounts are in recognition of these individuals' significant contributions in bringing this action and providing important information used to achieve the settlement. To the extent the Court awards these service awards, they will be paid out of the award of attorneys' fees to Class Counsel.

THE FAIRNESS HEARING

13. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing on the fairness and adequacy of the proposed settlement and its terms, and to consider Class Counsels' request for an award of attorneys' fees and expenses and service awards on **June 27, 2018** at 10:00 a.m. before the Honorable Sylvia G. Ash, of the Supreme Court of New York, Kings County, 360 Adams Street, Brooklyn, New York 11201. *You do not have to appear at this Fairness Hearing.* At or after the hearing, the Court will decide whether to approve the settlement, and the requests for awards, fees, expenses, and costs. We do not know how long a decision by the Court will take to be made.

GETTING MORE INFORMATION

14. How do I get more information about the settlement?

You can contact the Claims Administrator at (877) 445-0262 or you may visit the website at www.nyenergysavingssettlement.com where you will find the full Settlement Agreement, Claim Form, answers to frequently asked questions about the settlement, and certain litigation documents.

You can also contact Class Counsel listed above. You can also request to see the court file for *Simmons et al. v. Ambit Energy Holdings, LLC et al.*, Index No. 503285/2015, during regular business hours in the Clerk's Office at 360 Adams Street Brooklyn, NY 11201.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR AMBIT ENERGY WITH INQUIRIES ABOUT THE SETTLEMENT

**Submit the Claim Form on the Next Page to Be Eligible to
Receive a Cash Payment from a Class Action Settlement
Related to Your Ambit Electricity or Gas Bill**

TO BE ELIGIBLE TO RECEIVE A PAYMENT, YOU MUST RETURN THIS CLAIM FORM SO THAT IT IS SUBMITTED ONLINE, OR POST-MARKED NO LATER THAN JUNE 18, 2018.

YOU MUST SUBMIT A SEPARATE CLAIM FORM FOR EACH NEW YORK ADDRESS AT WHICH YOU RECEIVED ELECTRICITY OR GAS FROM AMBIT.

Instructions

Please read the full Notice provided with this Claim Form (also available at www.nyenergysavingssettlement.com) carefully before filling out this Claim Form.

File your claim online at www.nyenergysavingssettlement.com using your Claimant Code. If you received Notice by mail, your Claimant Code is located above your name and address on the front of the mailer. If you received Notice by email, your Claimant Code is located at the top of your email.

Or fill out the form on the next page and mail it to:

AMBIT ENERGY/NEW YORK LITIGATION
c/o Claims Administrator
1801 Market Street, Suite 660
Philadelphia, PA 19103

Your claim will not be processed if your Claim Form has not been signed and dated.

Make a copy of your completed Claim Form for your records.

Your claim must be
postmarked by:
June 18, 2018

CLAIM FORM
Simmons v. Ambit Energy Holdings, LLC
In the Supreme Court of the State of New York
Index No. 503285/2015
You must return this page to receive any payment.

WEB

PART 1: CLAIMANT INFORMATION

Claimant Code: _____

Claimant Name: _____
First Name Last Name

Current Street Address: _____

City: _____ State: _____ Zip Code: _____

Account Holder Name (if different): _____

Service Street Address (if different): _____

City: _____ State: _____ Zip Code: _____

Phone Number: (_____) _____ - _____

Email Address: _____

Ambit Account Number (if unavailable, leave blank): A _____

PART 2: SIGNATURE

I wish to participate in the class action settlement in *Simmons, et al. v. Ambit Energy Holdings, LLC, et al.*, Index No. 503285/2015, in the Supreme Court for the State of New York, Kings County (the "Action"). I declare under penalty of perjury that the information contained in this claim form is true and correct to the best of my knowledge and belief and that on or before February 22, 2018, I enrolled as a customer of Ambit Energy in New York. I further acknowledge that submission of this claim form waives any and all rights I might otherwise have to opt out of the settlement of the Action and bring a lawsuit individually.

Signature: _____ Date (mm/dd/yy): ____ / ____ / ____