



Summary of ACN's Relationship with XOOM Energy:

ACN's Independent Business Owners, or IBOs, market services on behalf of ACN, as well as services for a number of other partners, including natural gas and electricity service for XOOM Energy. IBOs are not employees of ACN – they are independent business owners building their own business with the support of ACN.

Preparing IBOs to Market Energy:

ACN has an extensive training and support system for our IBOs – regardless of the product they are marketing. Specifically, prior to marketing energy services in any market, IBOs must complete thorough energy training and pass an accreditation process, which covers a number of policies in regards to marketing energy. **The following are actual slides from ACN's training and accreditation process:**

A video player interface showing a presentation slide. The slide has a white background with a blue title 'Marketing Regulations'. Below the title are three bullet points. The second bullet point is highlighted in blue. At the bottom of the slide is a disclaimer in small text. In the bottom right corner of the slide is the ACN logo with a lightbulb icon. The video player controls at the bottom show a play button, a progress bar at 07:50, a total duration of 21:48, and icons for volume and full screen.

Marketing Regulations

- Allow customers sufficient time to read all materials on the website
- **Do not make any representation or offer that is inconsistent with the material on the website**
- Do not make any statement or representation, or take any measure that is false or is likely to mislead a customer

Violation of any of these items is a serious offense that could result in disciplinary action and liability to XOOM Energy and/or ACN for damages suffered as a result of the violation. These regulations still apply when dealing with warm market customers such as your family and friends.

ACN

07:50 21:48

Energy Do: How to Promote

- Choice and value over the long-term
- Rates offered in a market may be less or more than the rate offered by the utility
- Customers can lock in their rate with a fixed rate plan
- Only use ACN designated materials



13. When is it appropriate to tell a prospect XOOM will guarantee them savings?

- ☐ When selling them a variable rate product
- ☐ When selling them a fixed rate product
- ☐ When they seem unsure about enrolling with XOOM
- ☒ When savings are stated on the XOOM Energy website

IN THE IMAGE ABOVE, THE HIGHLIGHTED IS THE ONLY CORRECT ANSWER.

In addition to the training and accreditation process, IBOs receive regular communications from ACN regarding policies when marketing energy services, as well as all of ACN's products and services.

Marketing Energy as an ACN IBO

The energy market is extremely volatile and competitive, with rates fluctuating on a regular basis. Given the unpredictable nature of the energy industry as a whole, **IBOs are strictly prohibited from guaranteeing customers they will save money by switching to XOOM**, as is stated in the policies and procedures that an individual must agree to when becoming an IBO, as well as in regular communications from ACN. However, from time to time, XOOM Energy may run promotional rates in which XOOM is able to offer customers savings for a specified period of time. In this case, IBOs may refer to this promotion with their potential customers, but they may *not* indicate the customer will experience long-term

savings. This policy is *clearly* outlined in the above-mentioned training and accreditation process.

Once a customer decides to switch their service to XOOM, they must personally complete the order on the XOOM order portal, at which time they are also presented with terms and conditions and details on any current promotional rates. **In addition, all new customers receive a welcome email with complete details of their order, as well as complete details of any promotional rates they may be receiving and the terms of those rates.**

Resolution:

ACN and XOOM were made aware that customers were dissatisfied with their XOOM Energy rates after being contacted by WABC-TV. Only one of these customers made an effort to contact ACN or XOOM regarding concern of their energy rates. The individual who reached out to you made no attempts to contact ACN, yet he is an IBO and was fully aware of the ways to communicate with us. And as an IBO, he too would have completed the training and accreditation and therefore should have been well aware that IBOs should not be guaranteeing savings when marketing XOOM Energy. ACN has made numerous attempts to contact the IBO you claimed was given the wrong information, and they have not returned our calls.

ACN has spoken to XOOM and they are working with each customer on an individual basis to make adjustments to their bill if necessary, or assist them with switching back to the utility should they no longer wish to be a XOOM customer.

In the event ACN receives a complaint from a customer stating that they were possibly misinformed or misled by an ACN IBO, ACN will complete a thorough investigation into the matter. If it's determined that an ACN IBO violated our policies in regards to marketing energy – or any ACN service – we will deactivate that IBO, meaning they will no longer represent our company or market services. Simply put, ACN will not tolerate bad behavior from our IBOs.

ACN was built on integrity – and it's at the forefront of every decision we make as a company, and we are simply not willing to compromise when it comes to our reputation. Like most businesses, customers are the life-blood of our business. But quality – and providing the best service and support possible to those customers – has always been much more important than quantity.