

## CONSULTANT ETHICS AGREEMENT

Consultants of Electric Reliability Council of Texas, Inc. ("ERCOT") must conduct ERCOT's business legally, with integrity and total objectivity and in compliance with all laws, rules, regulations, Protocols and ERCOT policies and procedures. ERCOT will not tolerate fraud, misconduct or abuse of the Ethics Agreement or Code of Conduct.

### Confidential Information

ERCOT consultants must maintain the confidentiality of all Confidential Information and take reasonable actions and precautions to prevent unauthorized disclosure of Confidential Information. "Confidential Information" means all information, technical data or know-how which relates to the business, services or products of ERCOT, its members or Market Participants (as listed on ERCOT's public web site), or its consultants, consultants or vendors which is disclosed to a consultant because of his or her services for ERCOT. A "Market Participant" is a person or entity doing business in the ERCOT Region as a Qualified Scheduling Entity, Load Serving Entity, Resource Entity, TCR Account Holder, CRR Account Holder, Renewable Energy Credit (REC) Account Holder or Transmission and/or Distribution Service Provider.

### Disclosure of Prior Work at ERCOT

Consultant must disclose on the attached Disclosure Form: (i) all dates (beginning date through end date) during which Consultant was employed by ERCOT or the Texas Regional Entity in the past and (ii) all dates (beginning date through end date) during which Consultant performed services for ERCOT or the Texas Regional Entity in the past.

### Conflicts of Interest

ERCOT consultants must conduct ERCOT's business with total objectivity and without any influence from any Conflict of Interest and must avoid situations in which their personal interests conflict or appear to conflict with the interests of ERCOT or an ERCOT Market Participant. "Conflicts of Interest" include, but are not limited to, situations where a consultant or his or her spouse, dependent, or a member of his or her household or immediate family (*i.e.* father, mother and siblings):

1. Stands to gain or lose personally from an ERCOT business decision, other than the performance of services for ERCOT under a statement of work;
2. Is employed by any Market Participant, ERCOT, ERCOT supplier or vendor or any other entity dealing with ERCOT, directly or indirectly, such that the consultant's decisions, recommendations or other actions on behalf of ERCOT might be affected by the interest.

Other potential conflicts of interest include situations where an ERCOT consultant is aware of the fact that his/her spouse, dependent, a member of his/her household or immediate family:

1. Has ownership or a controlling interest in any ERCOT Market Participant; or
2. Serves in an advisory, consulting, technical or management capacity for any ERCOT Market Participant.

Consultants must disclose all conflicts of interest but need not disclose ownership of publicly-traded equity securities of a vendor or supplier if the securities are held as an investment and the consultant or related party: (a) owns less than one percent (1%) of the outstanding securities of the entity, (b) does not have representation on the entity's board of directors (or equivalent managing entity), and (c) does not exercise influence over the entity's day-to-day management decisions.

I understand that I may not offer any cash or non-cash benefits or gifts to any ERCOT employee because such benefits or gifts may affect or appear to affect the judgment of the person receiving the gift. Payment or acceptance of bribes, kickbacks or other improper payments while conducting ERCOT's business is strictly prohibited.

A consultant must immediately inform a representative from ERCOT's Legal Department if a Conflict of Interest or even the appearance of a Conflict of Interest might exist, to allow ERCOT management to evaluate the situation. After full disclosure by the consultant, ERCOT may agree to conditions that appropriately limit any potential influence from a Conflict of Interest.

### **Non-Solicitation**

In consideration for receiving ERCOT's Confidential Information and retention by ERCOT, consultants shall not, while working for ERCOT and for a period of six months after ceasing to work for ERCOT, either directly or indirectly solicit, induce or encourage any ERCOT employee to either terminate employment with ERCOT or accept employment with any other entity. The term "solicit, induce or encourage" includes, but is not limited to, initiating communications with an ERCOT employee relating to possible employment, offering bonuses or additional compensation or referring ERCOT employees to personnel, recruiters or other agents.

### **Notice**

Any ERCOT consultant who has concerns or questions about these requirements and prohibitions should contact the ERCOT Legal Department. Any consultant who becomes aware of a violation of the Code of Conduct or the appearance of a violation of the Code of Conduct, by any person must immediately notify the ERCOT Legal Department or file an anonymous report through EthicsPoint ([www.ethicspoint.com](http://www.ethicspoint.com) or 1-866-384-4277) or other available ERCOT anonymous reporting tool, if any.

### **Consultant Agreement**

By signing below, I hereby confirm and acknowledge that I have read and understand: (i) the requirements of the ERCOT Code of Conduct; (ii) the *Antitrust Compliance Corporate Standard* (CS 1.10), the *Confidentiality Corporate Standard* (CS5.19); the *Fraud Prevention and Whistleblower Corporate Standard* (CS 5.38), the *Acceptable Use Corporate Standard* (CS7.1); (iii) the Consultant Handbook; and (iv) this Consultant Ethics Agreement. I agree to be bound by and comply with all requirements and the intent of these requirements set forth in those documents and will be subject to contract termination, injunction and/or all other available legal or equitable remedies if I violate any ERCOT Standard, the Code of Conduct, this Ethics Agreement, or the intent behind them, whether my violation is intentional or careless. If I have signed any previous ERCOT Ethics Agreement, I further confirm that I have complied with those requirements since the date of such previous Ethics Agreement(s).

Consultant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Consultant Employer: \_\_\_\_\_

ERCOT Contact: \_\_\_\_\_

**NOTE: Please continue to the next page and complete and sign the "Disclosure of Information" section of this document. You must complete the Disclosure section even if you have no conflicts of interest to disclose.**

**Disclosures of Information**

**Complete this Form and send to the ERCOT General Counsel in the Legal Dept.**

After reviewing the ERCOT Code of Conduct and Consultant Ethics Agreement, I wish to disclose the following information:

**Check this box if you have no conflicts of interest to report.  
Please remember to sign the form, below.**

**Potential Conflicts of Interest:**

Name: \_\_\_\_\_ Relationship to Employee: \_\_\_\_\_

Description of Potential Conflict: \_\_\_\_\_

\_\_\_\_\_

Name: \_\_\_\_\_ Relationship to Employee: \_\_\_\_\_

Description of Potential Conflict: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Other Disclosures:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[Add more pages, if necessary]

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Legal Dept. Review By: \_\_\_\_\_ Date: \_\_\_\_\_

**Note: The signed form will be maintained in the Legal Department.**