



PUCO USE ONLY - Version 1.07		
Date Received	Renewal Certification Number	ORIGINAL AGG Case Number
		09 - 1046 - GA-AGG

RENEWAL CERTIFICATION APPLICATION COMPETITIVE RETAIL NATURAL GAS BROKERS/AGGREGATORS

Please type or print all required information. Identify all attachments with an exhibit label and title (*Example: Exhibit A-16 - Company History*). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division, 180 East Broad Street, Columbus, Ohio 43215-3793.

This PDF form is designed so that you may directly input information onto the form. You may also download the form by saving it to your local disk.

SECTION A - APPLICANT INFORMATION AND SERVICES

A-1 Applicant intends to renew its certificate as: (check all that apply)

☒ Retail Natural Gas Aggregator ☒ Retail Natural Gas Broker

A-2 Applicant information:

Legal Name Texzon Utilities, Ltd.
 Address 204 N I-35 Suite A Red Oak, TX 75154
 Telephone No. (972) 938-0533 Web site Address www.texzon.net
 Current PUCO Certificate No. 09-168G (2) Effective Dates December 5, 2011 through December 5, 2013

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 PUCO

A-3 Applicant information under which applicant will do business in Ohio:

Name Texzon Utilities, Ltd.
 Address 204 N I-35 Suite A Red Oak, TX 75154
 Web site Address www.texzon.net Telephone No. (972) 938-0533

A-4 List all names under which the applicant does business in North America:

Texzon Utilities, Ltd.

A-5 Contact person for regulatory or emergency matters:

Name Steve Wilson Title Managing Partner
 Business Address 204 N I-35 Suite A Red Oak, TX 75154
 Telephone No. (972) 938-0533 Fax No. (214) 279-0115 Email Address swilson@texzon.net

A-6 Contact person for Commission Staff use in investigating customer complaints:

Name Steve Wilson Title Managing Partner
 Business address 204 N I-35 Suite A Red Oak, TX 75154
 Telephone No. (972) 938-0533 Fax No. (214) 279-0115 Email Address swilson@texzon.net

A-7 Applicant's address and toll-free number for customer service and complaints

Customer service address 204 N I-35 Suite A Red Oak, TX 75154
 Toll-Free Telephone No. (888) 683-9966 Fax No. (214) 279-0115 Email Address admin@texzon.net

A-8 Provide "Proof of an Ohio Office and Employee," in accordance with Section 4929.22 of the Ohio Revised Code, by listing name, Ohio office address, telephone number, and Web site address of the designated Ohio Employee

Name National Registered Agents, Inc. Title
 Business address 1300 East Ninth Street Cleveland, OH 44114
 Telephone No. Fax No. Email Address

A-9 Applicant's federal employer identification number 20-8543830**A-10 Applicant's form of ownership: (Check one)**

- | | |
|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input checked="" type="checkbox"/> Partnership |
| <input type="checkbox"/> Limited Liability Partnership (LLP) | <input type="checkbox"/> Limited Liability Company (LLC) |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Other |

A-11 (Check all that apply) Identify each natural gas company service area in which the applicant is currently providing service or intends to provide service, including identification of each customer class that the applicant is currently serving or intends to serve, for example: *residential, small commercial, and/or large commercial/industrial (mercantile) customers*. (A mercantile customer, as defined in Section 4929.01(L)(1) of the Ohio Revised Code, means a customer that consumes, other than for residential use, more than 500,000 cubic feet of natural gas per year at a single location within the state or consumes natural gas, other than for residential use, as part of an undertaking having more than three locations within or outside of this state. In accordance with Section 4929.01(L)(2) of the Ohio Revised Code, "Mercantile customer" excludes a not-for-profit customer that consumes, other than for residential use, more than 500,000 cubic feet of natural gas per year at a single location within this state or consumes natural gas, other than for residential use, as part of an undertaking having more than three locations within or outside this state that has filed the necessary declaration with the Public Utilities Commission.)

<input checked="" type="checkbox"/> Columbia Gas of Ohio	<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/> Dominion East Ohio	<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/> Duke Energy Ohio	<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/> Vectren Energy Delivery of Ohio	<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial

A-12 If applicant or an affiliated interest previously participated in any of Ohio's Natural Gas Choice Programs, for each service area and customer class, provide approximate start date(s) and/or end date(s) that the applicant began delivering and/or ended services.

☐ Columbia Gas of Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

☐ Dominion East Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

☐ Duke Energy Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

☐ Vectren Energy Delivery of Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

A-13 If not currently participating in any of Ohio's four Natural Gas Choice Programs, provide the approximate start date that the applicant proposes to begin delivering services:

<input type="checkbox"/>	Columbia Gas of Ohio	Intended Start Date
<input type="checkbox"/>	Dominion East Ohio	Intended Start Date
<input type="checkbox"/>	Duke Energy Ohio	Intended Start Date
<input type="checkbox"/>	Vectren Energy Delivery of Ohio	Intended Start Date

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

- A-14 Exhibit A-14 "Principal Officers, Directors & Partners,"** provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.
- A-15 Exhibit A-15 "Corporate Structure,"** provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale natural gas or electricity to customers in North America.
- A-16 Exhibit A-16 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-17 Exhibit A-17 "Articles of Incorporation and Bylaws,"** provide the articles of incorporation filed with the state or jurisdiction in which the applicant is incorporated and any amendments thereto, *only if the contents of the originally filed documents changed since the initial application.*
- A-18 Exhibit A-18 "Secretary of State,"** provide evidence that the applicant is still currently registered with the Ohio Secretary of the State.

SECTION B - APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

- B-1 Exhibit B-1 "Jurisdictions of Operation,"** provide a current list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail natural gas service, or retail/wholesale electric services.
- B-2 Exhibit B-2 "Experience & Plans,"** provide a current description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4929.22 of the Revised Code and contained in Chapter 4901:1-29 of the Ohio Administrative Code.
- B-3 Exhibit B-3 "Summary of Experience,"** provide a concise and current summary of the applicant's experience in providing the service(s) for which it is seeking renewed certification (e.g., number and types of customers served, utility service areas, volume of gas supplied, etc.).
- B-4 Exhibit B-4 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational

status or ability to provide the services for which it is seeking renewed certification since applicant last filed for certification.

- B-5 Exhibit B-5 "Disclosure of Consumer Protection Violations,"** disclose whether the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant has been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws since applicant last filed for certification.

☒ No ☐ Yes

If Yes, provide a separate attachment labeled as Exhibit B-5 "Disclosure of Consumer Protection Violations," detailing such violation(s) and providing all relevant documents.

- B-6 Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation,"** disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, or revoked, or whether the applicant or predecessor has been terminated from any of Ohio's Natural Gas Choice programs, or been in default for failure to deliver natural gas since applicant last filed for certification.

☒ No ☐ Yes

If Yes, provide a separate attachment, labeled as Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation," detailing such action(s) and providing all relevant documents.

SECTION C - APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

- C-1 Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information, labeled as Exhibit C-1, or indicate that Exhibit C-1 is not applicable and why.
- C-2 Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 whether the applicant is not required to file with the SEC and why.
- C-3 Exhibit C-3 "Financial Statements,"** provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer-certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer-certified financial statements covering the life of the business.
- C-4 Exhibit C-4 "Financial Arrangements,"** provide copies of the applicant's current financial arrangements to conduct competitive retail natural gas service (CRNGS) as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.)
- C-5 Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant's CRNGS operation, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer.

- C-6 **Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's current credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody's Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant.
- C-7 **Exhibit C-7 "Credit Report,"** provide a copy of the applicant's current credit report from Experian, Dun and Bradstreet, or a similar organization.
- C-8 **Exhibit C-8 "Bankruptcy Information,"** provide a list and description of any reorganizations, protection from creditors, or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or since applicant last filed for certification.
- C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant since applicant last filed for certification.

SECTION D – APPLICANT TECHNICAL CAPABILITY

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

- D-1 **Exhibit D-1 "Operations,"** provide a current written description of the operational nature of the applicant's business functions.
- D-2 **Exhibit D-2 "Operations Expertise,"** given the operational nature of the applicant's business, provide evidence of the applicant's current experience and technical expertise in performing such operations.
- D-3 **Exhibit D-3 "Key Technical Personnel,"** provide the names, titles, email addresses, telephone numbers, and background of key personnel involved in the operational aspects of the applicant's current business.

Applicant Signature and Title

[Signature]

Managing Partner

Sworn and subscribed before me this

25 day of October

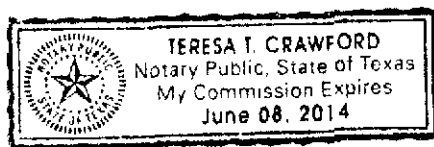
Month

2013

Year

[Signature]
Signature of official administering oath

Teresa Crawford
Print Name and Title



6/8/2014
My commission expires on



The Public Utilities Commission of Ohio

Competitive Retail Natural Gas Service Affidavit Form (Version 1.07)

In the Matter of the Application of)

Texzon Utilities, Ltd.)

for a Certificate or Renewal Certificate to Provide)

Competitive Retail Natural Gas Service in Ohio.)

Case No. 09 - 1046 -GA-AGG

County of Ellis
State of Texas

Steve Wilson

[Affiant], being duly sworn/affirmed, hereby states that:

- (1) The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant.
- (2) The applicant will timely file an annual report of its intrastate gross receipts and sales of hundred cubic feet of natural gas pursuant to Sections 4905.10(A), 4911.18(A), and 4929.23(B), Ohio Revised Code.
- (3) The applicant will timely pay any assessment made pursuant to Section 4905.10 or Section 4911.18(A), Ohio Revised Code.
- (4) Applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to Title 49, Ohio Revised Code.
- (5) Applicant will cooperate with the Public Utilities Commission of Ohio and its staff in the investigation of any consumer complaint regarding any service offered or provided by the applicant.
- (6) Applicant will comply with Section 4929.21, Ohio Revised Code, regarding consent to the jurisdiction of the Ohio courts and the service of process.
- (7) Applicant will inform the Public Utilities Commission of Ohio of any material change to the information supplied in the certification or certification renewal application within 30 days of such material change, including any change in contact person for regulatory or emergency purposes or contact person for Staff use in investigating customer complaints.
- (8) Affiant further sayeth naught.

Affiant Signature & Title

Managing Partner

Sworn and subscribed before me this

25 day of

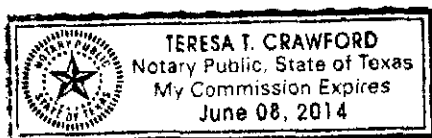
October Month

2013 Year

Signature of Official Administering Oath

Teresa Crawford

Print Name and Title



6/8/2014
My commission expires on

(CRNGS Broker/Aggregator Renewal) Page 7 of 7

**“Exhibit A-14 Principal Officers, Directors
& Partners”**

Steve Wilson
Managing Partner
664 Grove Creek Rd.
Waxahachie, TX 75165
(972) 898-5904

David Griffith
President
102 Woodbridge Drive
Red Oak, TX 75154
(214) 498-4589

“Exhibit A-15 Corporate Structure”

Texzon Utilities, Ltd. is a Texas privately owned limited Partnership.

Texzon Utilities was formed with the primary purpose of providing utilities management and energy brokerage services to consumers in deregulated areas of the United States.

Texzon Utilities has working relationships with a large number of retail electric providers, including the following:

- Ambit Energy
- American Electric Power
- Champion Energy
- Cirro Energy
- Direct Energy
- DTE
- Fulcrum Energy
- Gexa Energy
- Glacial Energy
- Hudson Energy
- Integrus Energy
- MidAmerican Energy
- Spark Energy
- Suez Energy
- TriEagle Energy

“Exhibit A-16 Company History”

Texzon Utilities, Ltd. is an aggregator/ broker of electricity services with over 25 electric providers. We have been doing so in the state of Texas for over 11 years, having been legally formed in Feb of 2002. (Up until August of 2006, we were known as Texxon Utilities, Ltd. The Exxon/Mobil legal department contacted us and demanded that we change our name due to their interpretation that our name infringed on their name. We changed our name at that time to Texzon Utilities, Ltd.) We have helped over 5000 commercial clients and over 3000 residential clients contract with REPs (Retail Electric Providers in Texas), helping them obtain lower pricing than they normally would on their own. For commercial clients, Texzon typically obtains 12 months usage from the incumbent provider through an LOA process, and then shops this with one or more providers to get the best price that we can for the client. We represent the client first in our dealings.

Texzon does not take title to the power at any point of the process. We do not bill the client, as the REPs pay us a commission out of the final price quoted to the client.

We try to maintain a long term relationship with the client by asking the client to later provide us with a copy of the first bill received from their new provider. We make sure that the client receives the price that they and we have expected them to receive. Our experience is that many clients do not understand their bills before, or after, changing providers. We make an effort to educate them so that they do understand.

For residential clients, we do not go “door to door” to solicit clients. We try to help commercial clients and their employees with their own homes, and those that learn of our services. We also attempt to do all residential through online signups so that there is less chance of misunderstanding on their part.

Natural gas is not deregulated in Texas; however, we market gas in deregulated states in the same way as we do electricity by contacting clients directly.

**“Exhibit A-17 Articles of Incorporation
and Bylaws”**

No change in documents since original application.

“Exhibit A-18 Secretary of State”

UNITED STATES OF AMERICA
STATE OF OHIO
OFFICE OF THE SECRETARY OF STATE

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show TEXZON UTILITIES, LTD., a Texas Limited Partnership, Registration Number 1888980, filed on October 13, 2009, is currently in FULL FORCE AND EFFECT upon the records of this office.



*Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 16th day of October, A.D. 2013.*

A handwritten signature in black ink that reads "Jon Husted".

Ohio Secretary of State

Validation Number: 201328902062

“Exhibit B-1 Jurisdictions of Operations”

Texzon Utilities has been registered as an Electricity Aggregator in the State of Texas since April, 2002. (PUC # 80097)

Texzon Utilities has been registered as a Competitive Retail Electric Service Provider (Certificate # 09-178E (2)) and a Natural Gas Governmental Aggregator (09-168G (2)) with the State of Ohio since December, 2011.

Texzon Utilities has been registered as a Broker/Marketer of retail electric power in the State of Pennsylvania since September, 2010. (A-2010-2187969)

Texzon Utilities has been registered with the State of New Jersey since June, 2011.

“Exhibit B-2 Experience and Plans”

Texzon Utilities has been a broker of Electricity services with over 25 electric providers. We have been doing so in the state of Texas for over 11 years. We have helped over 5000 commercial clients and over 3000 residential clients contract with REPs (Retail Electric Providers in Texas), helping them obtain lower pricing than they normally would on their own. Texzon typically obtains 12 months usage from the incumbent wire line carrier and then shops this with multiple providers to get a highly competitive price for the client.

Texzon does not take title to the power at any point of the process. We do not bill the client, as the REPs pay us a commission out of the final price quoted to the client.

We maintain a long term relationship with the client by asking the client to later provide us with a copy of the first bill received from their new provider. We make sure that the client receives the price that they and we have expected them to receive. Our experience is that many clients do not understand their bills before, or after, changing providers. We educate them on this.

For residential clients, we do not go “door to door” to solicit clients. We help commercial clients and their employees with their own homes, and those that learn of our services. We also attempt to do all residential through online signups so that there is less chance of misunderstanding on their part.

Natural gas is not deregulated in Texas; however, we market gas in the deregulated states the same way as we do electricity by contacting clients directly.

“Exhibit B-3 Summary of Experience”

Texzon Utilities is an aggregator/ broker of electricity services with over 25 electric providers. We have been active in the state of Texas for over 11 years. We have helped over 5000 commercial clients and over 3000 residential clients contract with REPs (Retail Electric Providers in Texas), helping them obtain lower pricing than they normally would on their own. Texzon typically obtains 12 months usage from the incumbent wire line carrier, and then shops this with one or more providers to get the best price that we can for the client.

Texzon does not take title to the power at any point of the process. We do not bill the client, as the REPs pay us a commission out of the final price quoted to the client.

We maintain a long term relationship with the client by asking the client to later provide us with a copy of the first bill received from their new provider. We make sure that the client receives the price that they and we have expected them to receive. Our experience is that many clients do not understand their bills before or after changing providers. We educate them so that they do understand.

For residential clients, we do not go “door to door” to solicit clients. We help commercial clients and their employees with their own homes, and those that learn of our services. We also attempt to do all residential through online signups so that there is less of a chance of misunderstanding on their part.

We market natural gas in deregulated states in the same way as we do electricity by contacting clients directly.

“Exhibit B-4 Disclosure of Liabilities and Investigations”

Texzon Utilities has been a broker of electricity services for over 20 retail electric providers. We have been a broker in the State of Texas for over 9 years. Texzon Utilities has helped over 5000 commercial customers and 3000 residential customers contract with REPs (Retail Electric Providers) and obtain lower pricing than they normally would have on their own.

Texzon Utilities does not have any past or current rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations or any other legal matters that could adversely impact Texzon Utilities' financial or operational status or ability to provide the services for which we are seeking to be certified to provide our customers.

“Exhibit C-1 Annual Reports”


Texzon Utilities, Ltd. is a privately owned limited partnership formed in Texas, and therefore, is not required to file Annual Reports.

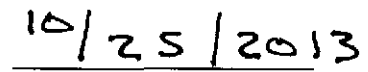
“Exhibit C-2 SEC Filings”

Texzon Utilities, Ltd. is a privately owned limited partnership formed in Texas, and therefore, is not required to file with the SEC.

“Exhibit C-3 Financial Statements”

I, Steve Wilson, Managing Partner of Texzon Utilities, certify the following financial statements.


Signature


Date

Texzon Utilities Balance Sheet

As of December 31, 2012

	Total
ASSETS	
Current Assets	
Bank Accounts	
Vintage Bank	35,784.44
Total Bank Accounts	\$35,784.44
Other current assets	
Due from Texzon Franchise	28,738.04
Loan Receivable (Texzon Franchise)	2,105.00
Total Other current assets	\$30,843.04
Total Current Assets	\$66,627.48
Fixed Assets	
Intangible Assets	453,765.00
Total Fixed Assets	\$453,765.00
Other Assets	
Crown Perkins #1 Joint Venture	4,353.17
Total Other Assets	\$4,353.17
TOTAL ASSETS	\$524,745.65
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
Chase Business	13,536.22
Texzon Auto	1,006.46
Texzon General	27,826.50
Total Credit Cards	\$42,369.18
Other Current Liabilities	
Payroll Clearing	212.81
Payroll Liabilities	-151.21
Payroll Tax Payable	-14.00
Total Other Current Liabilities	\$47.60
Total Current Liabilities	\$42,416.78
Long-Term Liabilities	
Energy Integrators, Inc.	310,000.00
Loan Payable (Grison)	6,300.00
Texzon Private Placement Memorandum	393,100.41
Vintage Bank Permanent Loan	670,622.57
Total Long-Term Liabilities	\$1,380,022.98

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Total Liabilities	<u>\$1,422,439.76</u>
Equity	
Partner's Equity	-755,808.39
Retained Earnings	0.00
Net Income	<u>-141,885.72</u>
Total Equity	<u>\$ -897,694.11</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$524,745.65</u></u>

Texzon Utilities Profit & Loss

January - December 2012

	Total
Income	
Gas & Electricity Sales	1,037,623.05
Total Income	\$1,037,623.05
Gross Profit	\$1,037,623.05
Expenses	
Advertising & Promotions	4,413.55
Agent Commissions	242,571.90
Amortization Expense	52,332.00
Assessments	200.00
Automobile Expense	10,615.67
Bank Service Charges	671.35
Charitable Contributions	3,150.00
Computer Equipment & Supplies	1,849.46
Conferences	139.00
Consulting Services	9,362.50
Contract Labor	168,056.60
Credit Card Finance Charges	4,680.96
Discounts, Rebates & Rewards	-75.00
Dues and Memberships	10,340.00
Education & Training	180.23
Email & Web Expenses	14,893.45
Entertainment Meals	3,984.12
Filing Fees	228.00
Franchise Expenses	49.80
Insurance	16,861.31
Interest Expense	123,211.39
Licenses, Permits and Registrations	65.41
Marketing	21,148.95
Merchant Service Fees	336.00
Miscellaneous Expenses	1,303.12
Network Equipment & Supplies	5.40
Office Equipment	537.26
Office Furnishings	228.51
Office Rental	37,290.00
Office Supplies	3,419.05
Patent & Filing Fees	11,589.00
Payroll Expenses	289,835.79
Postage and Delivery	976.30
Printing and Reproduction	3,942.09
Professional Fees	19,089.66

Professional Manuals & Publications	180.30
Promotional Meals	4,078.06
Reimbursed Expenses	3,000.00
Repairs	75.76
Software	12,458.48
Statutory Penalties	50.00
Storage	649.00
Subscriptions	1,248.33
Taxes	26,122.03
Travel & Ent	8,075.87
Utilities	26,478.11
Warranties & Service Plans	317.07
Total Expenses	\$1,140,215.84
Net Operating Income	\$ -102,592.79
Other Income	
Other Income	-17,593.71
Total Other Income	\$ -17,593.71
Other Expenses	
Other Expenses	21,699.22
Total Other Expenses	\$21,699.22
Net Other Income	\$ -39,292.93
Net Income	\$ -141,885.72

Texzon Utilities Balance Sheet

As of December 31, 2011

	Total
ASSETS	
Current Assets	
Bank Accounts	
Banc of America Investment Account	852.90
Vintage Bank	89,205.34
Total Bank Accounts	\$90,058.24
Other current assets	
Due from Texzon Franchise	36,965.76
Loan Receivable (Texzon Franchise)	2,105.00
Shareholder Loan	24,103.56
Total Other current assets	\$63,174.32
Total Current Assets	\$153,232.56
Fixed Assets	
Intangible Assets	506,097.00
Total Fixed Assets	\$506,097.00
Other Assets	
Crown Browder #1 Joint Venture	9,055.90
Crown Harrison #1 Joint Venture	8,143.91
Crown Perkins #1 Joint Venture	5,318.26
J. Houston Homes	20,395.66
Total Other Assets	\$42,913.73
TOTAL ASSETS	\$702,243.29
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
Capital One	1,982.80
Chase Business	18,124.90
Texzon Auto	3,638.65
Texzon General	28,250.82
Total Credit Cards	\$51,997.17
Other Current Liabilities	
Energy Integrators, Inc (Settlement Agreement)	10,000.00
Funds Due Texzon Franchise	10,000.00
Payroll Liabilities	-151.21
Payroll Tax Payable	6,525.40
Vintage Bank Balloon Note	789,935.38
Total Other Current Liabilities	\$816,309.57

Total Current Liabilities	\$868,306.74
Long-Term Liabilities	
Energy Integrators, Inc.	310,000.00
Loan Payable (Grison)	6,300.00
Texzon Private Placement Memorandum	273,444.94
Total Long-Term Liabilities	\$589,744.94
Total Liabilities	\$1,458,051.68
Equity	
Partner's Equity	-628,902.38
Retained Earnings	-119,103.06
Net Income	-7,802.95
Total Equity	\$ -755,808.39
TOTAL LIABILITIES AND EQUITY	\$702,243.29

Texzon Utilities Profit & Loss

January - December 2011

	Total
Income	
Check Processing Fees	90.00
Energy Audits	3,404.81
Gas & Electricity Sales	1,182,945.97
Miscellaneous Income	0.04
Total Income	\$1,186,440.82
Gross Profit	\$1,186,440.82
Expenses	
Advertising & Promotions	2,147.34
Agent Commissions	333,158.24
Amortization Expense	52,332.00
Arbitration Fees	68.40
Automobile Expense	14,676.78
Bank Service Charges	849.64
Charitable Contributions	1,500.00
Computer Equipment & Supplies	2,121.46
Conferences	1,723.99
Consulting Services	17,126.01
Contract Labor	106,262.38
Credit Card Finance Charges	5,303.97
Dues and Memberships	4,754.58
Education & Training	82.05
Email & Web Expenses	4,822.95
Entertainment Meals	1,718.05
Insurance	16,752.61
Interest Expense	126,344.39
Late Charges (Past Due Fees)	553.87
Licenses, Permits and Registrations	480.60
Marketing	47,251.95
Merchant Service Fees	340.95
Miscellaneous Expenses	657.80
Network Equipment & Supplies	8.70
Office Equipment	622.69
Office Furnishings	332.63
Office Rental	44,070.00
Office Supplies	3,239.87
Payroll Expenses	283,167.16
Postage and Delivery	588.73
Printing and Reproduction	2,784.74
Professional Fees	44,851.40

Promotional Meals	2,042.06
Reimbursed Expenses	325.00
Repairs	650.00
RPM Supplies & Materials	1,287.60
Software	4,664.51
Storage	767.00
Subscriptions	641.87
Taxes	25,208.87
Travel & Ent	11,932.65
Utilities	23,911.28
Total Expenses	<u>\$1,192,126.77</u>
Net Operating Income	<u>\$ -5,685.95</u>
Other Income	
Other Income	<u>-2,117.00</u>
Total Other Income	<u>\$ -2,117.00</u>
Net Other Income	<u>\$ -2,117.00</u>
Net Income	<u><u>\$ -7,802.95</u></u>

“Exhibit C-4 Financial Arrangements”



**Hudson
Energy**

www.hudsonenergyservices.com

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July 3, 2009

Texzon Utilities Ltd
2693 N Hwy 77, Suite 1102
Waxahachie, TX 75165

Re: Sales Partnership Agreement between Hudson Energy Services LLC and Texzon Utilities Ltd (the "Agreement")

Ladies and Gentlemen:

On June 4, 2009, Hudson Energy Services LLC ("Hudson") entered into a multiyear electricity and natural gas preferred supplier arrangement with BP Corporation North America Inc. and BP Energy Company, each wholly owned indirect subsidiaries of BP p.l.c. (the "Transaction"). The Transaction will provide a platform for Hudson to strengthen and continue to grow its industry-leading multi-state electricity and natural gas retail business providing commercial, industrial and residential customers with a broad range of customized energy services.

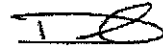
Pursuant to the terms of the Transaction, Hudson assigned, transferred, conveyed and delivered all of its rights, title and interests in and to, and obligations under, substantially all of its liabilities to HE Holdings, LLC, a Delaware limited liability company. HE Holdings owns 100% of Hudson Energy Services, resulting in an assignment of the Agreement effective as of the closing of the Transaction (the "Assignment"). In accordance with Section 8.4 of the Agreement, we hereby request your consent to the Assignment. Your future payments will come from HE Holdings.

Please acknowledge your consent to the Assignment by signing in the space provided below and returning one executed copy by facsimile and the original executed letter in the enclosed envelope by July 17, 2009. If you have any questions or need additional information, please do not hesitate to contact me at (972) 373-1603 or dan.marzuola@hudsonenergy.net.

This is an extremely exciting time for Hudson and we look forward to many profitable transactions as we grow our businesses together.

Very truly yours,


HUDSON ENERGY SERVICES LLC

By: 

Daniel Marzuola
VP Sales & Marketing

AGREED AND CONSENTED TO:

Texzon Utilities Ltd

By: 
Name: Steve Wilson
Title: CEO

DATE: ~~June~~ 6, 2009
July

Note: new address

204 N. I-35 Suite A
Red Oak, TX. 75154

BROKER AGREEMENT

This Broker Agreement ("Agreement") is entered into January 8, 2010, between Fulcrum Retail Energy, L.L.C., located at 777 Post Oak Blvd., Suite 530, Houston, Texas 77056 ("FRE") and Texzon Utilities Ltd., located at 204 N. I-35 Ste. A, Red Oak, TX 75154 ("Broker"). FRE and Broker are sometimes referred to herein, individually, as "Party", and together as "Parties."

FRE sells electricity to large commercial and industrial customers in Texas.

Broker is an energy consultant for commercial and industrial customers and has represented to FRE that it can identify potential commercial and industrial customers ("Customers") who may be interested in purchasing electricity from FRE, subject to the negotiation of individual agreements between FRE and Customers ("FRE Customer Agreements").

FRE and Broker wish to enter this Agreement under which Broker will assist FRE in developing leads for the sale of electricity to commercial and industrial customers; and FRE will pay for such services, in amounts as agreed herein, provided Customers are approved, enrolled, and activated by FRE.

Broker agrees as follows:

- To perform for FRE the services described in Exhibit A, attached hereto and made a part hereof, and all obligations, duties, responsibilities and requirements for the successful completion of the services specified (the "Services");
- At its sole expense to maintain necessary facilities and staff to carry out and complete the duties associated with the Services;
- To provide FRE with the information needed to provide service to the Customers, including but not limited to Customer contact information, billing data, credit information, and consumption data;
- To request terms and pricing from FRE and present the terms and pricing to Customers within a reasonable amount of time from issuance of such requested terms and pricing;
- To forward proposed FRE Customer Agreements (and related documents) to Customers, obtain executed copies of FRE Customer Agreements (and related documents), and forward executed copies of FRE Customer Agreements (and related documents) to FRE for final review and approval;
- To not make any representations regarding price, features, function, or warranty relating to FRE's services except as expressly set out in marketing and sales documents provided by FRE or as otherwise permitted by FRE in writing;
- To not alter, modify or waive any FRE marketing and sales materials, Customer terms and pricing for FRE services or FRE Customer Agreements (and related documents) without the written consent of FRE; and
- To hold any information regarding pricing, products, and activities of FRE confidential, except to the extent such information is required to be divulged in order for the negotiation of a FRE Customer Agreement or in order for Broker to perform its obligations under this Agreement.

FRE agrees as follows:

- To provide Broker with marketing and sales documents to effectively promote FRE's services;
- To provide for electricity services, account management, and billing services to Customers who are referred by Broker and approved, enrolled, and activated by FRE;
- To pay Broker monthly through the term of each Customer's contract with FRE, a fee to be determined per Customer for all energy consumed and paid for in full by the Customer for each FRE Customer Agreement entered into between Customer and FRE due to a referral by Broker, and as set out in Exhibit A. The amount of the fee will be determined by the parties on a case by case basis and volumes will be based upon actual meter readings. A fee will not be due for those Customers with whom FRE had an established and maintained, pre-existing business relationship prior to Broker notifying FRE that Customer is represented by Broker. FRE will pay a fee to Broker for the

renewal agreement of a Customer, if and only if, Broker provides reasonable documentation (i.e., pricing request with current load data or request from Customer to obtain updated pricing) that Broker is continuing to represent the Customer for any renewal of such agreement. Broker will only be paid its fee after the respective Customer has been approved by FRE, entered into an FRE Customer Agreement, and paid its corresponding monthly FRE invoices. FRE will submit with each monthly payment to Broker a commission schedule detailing the billing, usage, and fee calculations for such payment.

The parties further agree as follows:

No Partnership or Agency. Nothing in this Agreement shall be construed as creating a joint venture, partnership, agency, employment relationship, franchise relationship or taxable entity between the parties, nor shall either party have the right, power or authority to create any obligations or duty, express or implied, on behalf of the other party hereto, it being understood that the parties are independent entities from each other.

Representations and Warranties of Broker. Broker warrants, covenants and agrees that it is not prohibited from entering into this Agreement and performing hereunder. Broker also agrees that it will not infringe or violate any third party's rights under copyright, trademark or patent, in developing materials pursuant to this Agreement. Broker further agrees to obtain the right to use any third party material when Broker suspects the material is protected by copyright, trademark or patent.

FRE Data-Confidential Information. All data, documents and other property regarding FRE and its business, including, but not limited to, (a) the identity of FRE customers and prospects, their specific requirements, and the names, addresses and telephone numbers of individual contacts; (b) prices, renewal dates and their detailed terms of customer contracts and proposals; (c) pricing policies, information about costs, profits and sales, methods of delivering services, marketing and sales strategies, and software and service development strategies; (d) source code, object code, specifications, user manuals, technical manuals and other documentation for software products; (e) screen designs, report designs and other designs, concepts and visual expressions for software products; (f) employment and payroll records, and commission structures; (g) forecasts, budgets and other non-public financial information; and (h) expansion plans, business or development plans, management policies, information about possible acquisitions or divestitures, potential new prospects, market or market extensions, and other business strategies and policies (collectively, the "Confidential Information") to which Broker has access, regardless of the source from which originated or the form in which communicated, shall remain the sole exclusive property of FRE. Broker shall not disclose or communicate such Confidential Information to any third party, or use or refer to any Confidential Information for any purpose, or remove materials containing any Confidential Information from FRE's premises, except as necessary to properly perform the Services. Broker hereby agrees to protect such Confidential Information using the same degree of care, but no less than a reasonable degree of care, as Broker uses to protect its own information of a like nature. Upon conclusion of the Services or at the earlier request of FRE, all Confidential Information, and any and all materials incorporating any Confidential Information, shall be returned to FRE, including but not limited to, correspondence files, business card files, customer and prospect lists, price lists, software, manuals, technical data, forecasts, budgets, notes and other materials that contain any Confidential Information, and Broker will not retain any copies, excerpts or summaries of those materials. Broker shall redact any competitors' information before Broker returns Confidential Information to FRE. Broker hereby acknowledges that the provisions of this paragraph shall apply to all information developed or conceived by Broker, alone or with others, at FRE's instruction or otherwise and all information Broker received either prior to or in conjunction with its engagement by FRE. Broker hereby acknowledges and agrees that all Confidential Information provided by or on behalf of FRE pursuant to this Agreement shall remain the sole property of FRE. The parties agree that the term Confidential Information does not include information that is (i) part of the public domain; (ii) becomes part of the public domain other than as a result of disclosure by a party in breach of this Agreement; and (iii) was known to the non-disclosing party prior to disclosure and can demonstrate the Confidential Information was already in its possession with an obligation of confidentiality.

Ownership of Documents and Materials. Any and all original subject matter created or developed independently, whether resulting in new or derivative works, shall be the exclusive property of the party that created or developed the work. FRE grants to Broker the right to reproduce, use and distribute FRE's independently developed works, to sell and promote FRE's products and services, for as long as this Agreement remains in effect. Likewise, Broker grants FRE the right to reproduce, use and distribute Broker's independently developed works, that sell or promote products or services unique to FRE, for as long as this Agreement remains in effect. Broker's independently developed works that sell or promote products or services that are offered by other retail electric providers are not included in this license. Both Parties agree to stop using or distributing any independently developed works when requested in writing by the Party that created or developed the original work. Both Parties agree to jointly own collaborative works and to cross-license the use of those works to each other.

Use of Name. Broker agrees not to use FRE's name or logos for any advertising or other commercial purposes, or otherwise disclose any provisions of this Agreement, without the prior written approval of FRE.

Compliance with Law. Broker represents that it has a working knowledge of, and shall comply with all applicable federal, state and local laws and regulations in performance of the Services. Broker shall not discriminate on the basis of race, religion, age, sex, color, disability, sexual orientation, political affiliation, national or ethnic origin, or veteran status.

Indemnification. Each Party shall indemnify, defend and hold the other Party harmless from and against all claims and actions, and all expenses incidental to such claims and actions, based upon or arising out of (a) contracts between either Party and third parties made to effectuate the purposes of this Agreement; (b) work or services negligently performed by Broker, its agents, servants, employees, or subcontractors pursuant to this Agreement; (c) claims that any materials developed hereunder, or any use of such materials by either Party, directly or contributorily infringe or violate any third party's rights, including, but not limited to, rights under copyright, trademark and patent; and (d) any breach of the provisions of this Agreement by either Party, including, but not limited to, a breach of either Party's representations and warranties contained herein. Either Party's indemnification obligations shall not apply to any claims or action arising solely from a grossly negligent act or omission of the Party requesting indemnification..

Limited Liability. NEITHER PARTY SHALL BE LIABLE UNDER ANY CIRCUMSTANCES FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR EXEMPLARY DAMAGES ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOST PROFITS, LOSS OF USE, LOST DATA, OR LOSS OF PRIVACY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL EITHER PARTY'S MAXIMUM AGGREGATE LIABILITY HEREUNDER EXCEED THE TOTAL REFERRAL FEE DUE TO BROKER REGARDLESS OF THE CAUSE OF ACTION (WHETHER IN CONTRACT, TORT, BREACH OF WARRANTY OR OTHERWISE).

Termination. FRE may terminate this Agreement, in whole or in part, at any time and for any reason, upon twenty (20) days written notice to Broker ("Termination for Convenience"). Upon receipt of such notice, Broker shall immediately discontinue performance of Services to the extent specified in the notice. If, however, Broker is convicted of any crime or offense affecting this Agreement, fails or refuses to comply with a reasonable directive given by FRE, is guilty of serious misconduct in connection with performance hereunder, or materially breaches provisions of this Agreement, FRE may terminate this Agreement provided prior written notice to the Broker is provided advising of the breach and Broker is given 10 business days to rectify the violation or breach ("Termination for Cause").

In the event of Termination for Convenience, all commissions will continue to the Broker throughout the initial term of the contracts brought to FRE by the Broker. In no event shall FRE pay for unabsorbed overhead or anticipatory profit. FRE shall not be required to pay any commissions otherwise due under this Agreement in the event of Termination for Cause.

Injunctive Relief. If Broker commits a breach, of any of the confidentiality provisions of this Agreement, FRE shall have the right and remedy to have the confidentiality provisions specifically enforced by any court having equity jurisdiction and/or the right to obtain injunctive relief. The right and remedy enumerated in the preceding sentence shall be in addition to, and not in lieu of, any rights and remedies available to FRE at law or in equity.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any conflict of laws principles. The parties agree that this Agreement was entered into in Texas, by Texas residents, and shall be performed entirely within the State of Texas. Any dispute arising out of, or relating to this Agreement shall only be resolved in any state or federal court having jurisdiction within Harris County, Texas.

Assignment. This Agreement may not be assigned by Broker. Any attempt to assign this Agreement or subcontract any duties hereunder without the prior written consent of FRE of which shall not be unreasonably withheld shall be null and void.

Entire Agreement - Amendment. This Agreement represents the entire Agreement of the parties with regard to the subject matter hereof, and supersedes any and all prior and contemporaneous communications, representations and agreements, whether written or oral. No amendment to this Agreement shall be binding on either party unless reduced to writing and duly executed by both parties.

Notices. Any notices required to be given hereunder shall be deemed sufficient if (a) sent via electronic facsimile, effective the day of transmission, or (b) sent by certified mail to the parties at the address set forth below:

If to FRE:
G.P. Manalac
Fulcrum Retail Energy, L.L.C.
777 Post Oak Blvd., Suite 700
Houston, TX 77056

If to Broker:
Texzon Utilities
204 N. I-35 Ste. A
Red Oak, TX 75154

Phone: 713-297-4500
Fax: 713-993-0096

Phone: 972-938-0533
Fax: 214-279-0115

In witness whereof, the parties have executed this Agreement as of the first date written above.

Fulcrum Retail Energy, L.L.C.

BROKER NAME: Texzon Utilities Ltd. by Grison Enterprises, its General Partner

BY: _____
Printed Name:
Title:
DATE: _____

BY: Steve Wilson
Printed Name: Steve Wilson
Title: Managing Partner
DATE: January 8, 2010 _____

EXHIBIT A**Scope of Services**

Broker shall provide the following services:

- Inform potential commercial and industrial customers (via FRE authorized terms and pricing; and marketing and sales documents) of the potential savings they may receive from FRE.
- Enroll commercial and industrial customers onto an applicable FRE plan for electricity based on prices, terms, and agreements received from and approved by FRE; and review customer enrollment documentation for completeness and accuracy for final approval by FRE.

Broker shall not alter, modify or accept waivers to FRE authorized marketing documents, prices, agreement terms, customer agreements, or any other documentation provided by FRE.

Compensation

Broker will be paid a monthly sales commission in the amount of at least \$0.005 per KWh (unless otherwise mutually agreed upon prior to the execution of an FRE Customer Agreement) for the customer meters that Broker successfully originates and enrolls on behalf of FRE. Broker will be paid such sales commission in the month following receipt of customers' payment for such consumption, and monthly thereafter, or as mutually agreed upon between the Parties for the duration of this Agreement or until the customer(s) terminates its FRE Customer Agreement. As long as the customer receives continuous and uninterrupted electric service through FRE and the Broker continuous to provide services, Broker shall continue to receive the sales commission. In the event this Agreement is terminated for convenience, as provided in this Agreement, Broker shall continue to receive sales commissions for the remaining initial contract term of each customer.

Broker further agrees that the compensation described above shall be the only remuneration available to Broker.

Other

As long as this Agreement is in effect, Broker shall have the right to attempt to renew the FRE Customer Agreement for each customer brought to FRE by Broker. Broker agrees to notify FRE if the customer chooses to cancel the service agreement between Broker and the customer. In the event that the customer cancels the service agreement between Broker and the customer, or has not renewed its agreement with Broker within thirty (30) days of the end of customers' existing contract with FRE, FRE shall have the right to directly (i) renew the customer and (ii) market any additional products and services offered by FRE to the customer without further sales commission payment obligation to Broker.



BROKER AGREEMENT

THIS BROKER AGREEMENT ("Agreement") is made effective as of the 19th day of May, 2009, ("Effective Date") by and between Direct Energy Business, LLC, a Delaware limited liability company, having its principal offices at Two Gateway Center, Pittsburgh, Pennsylvania ("Direct Energy") and Texzon Utilities Ltd., a limited partnership organized under the laws of the State of Texas having its principal office at 204 North I-35, Suite A, Red Oak, Texas 75154 ("Broker"). Direct Energy and Broker are sometimes individually referred to herein as "Party" or collectively as the "Parties".

WITNESSETH:

WHEREAS, Direct Energy is engaged in the business of purchasing, managing and selling electricity, natural gas and other related energy services ("Energy") to business, commercial and industrial end-use customers ("Customers"); and

WHEREAS, Broker is in the business of finding potential Customers which may be interested in purchasing Energy from Direct Energy in the territories where Direct Energy conducts business as further identified on *Schedule C* (the "Broker Territory"), as amended from time to time by the mutual consent of the Parties, and subject to the negotiation of a definitive agreement with each such Customer ("Customer Agreement"); and

WHEREAS, the Parties wish to set forth certain understandings pertaining to the services to be provided by Broker under this Agreement ("Services"); and

WHEREAS, the Services were previously provided to Direct Energy or Strategic Energy pursuant to an agreement with one or both of those entities; and

WHEREAS, the parties desire to enter into this Agreement to govern all deals entered into by the parties after the effective date of this Agreement, replacing effective as of the date of this Agreement the old agreement(s) entered into by Broker and Strategic Energy or Direct Energy.

NOW, THEREFORE, the Parties hereto, intending to be legally bound hereby, and in consideration of their respective obligations herein set forth, covenant and agree as follows:

Article 1. Relationship.

1.1 **Independent Contractor.** Broker is an independent contractor with respect to all aspects of this Agreement. Broker and its principals, officers, directors and employees are not employees, agents or servants of Direct Energy. Broker shall have no authority and shall not represent that it has the authority to execute contractual documents or any other documents on

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behalf of Direct Energy or otherwise assume or incur any obligation or make any representations of any kind in the name of Direct Energy. **NOTHING IN THIS AGREEMENT SHALL CREATE OR BE CONSTRUED TO CREATE AN AGENCY, PARTNERSHIP, JOINT VENTURE OR ANY SIMILAR LEGAL RELATIONSHIP BETWEEN BROKER AND DIRECT ENERGY.**

1.2 Training, Support and Marketing Material.

(a) Direct Energy will provide training, support, and Marketing Materials to Broker to assist Broker in providing the Services. Direct Energy will periodically provide Broker with training on topics such as Direct Energy's business policies and procedures, Direct Energy's Energy products ("Products"), or any other relevant topic at Direct Energy's discretion. Broker shall use commercially reasonable efforts to attend all training, either in person or via electronic means. If Broker fails to complete all required Direct Energy training after reasonable notice, Direct Energy may terminate the Agreement, but must continue to pay Broker's Commissions.

(b) Direct Energy shall provide Broker with authorized marketing and business materials for Broker's use in performing the Services ("Marketing Materials"). The Marketing Materials shall be accessible to Broker on the channel partner resource center website ("Website"). The access to the Website will be communicated to the Broker upon execution of this Agreement and Broker shall be responsible for accessing the Website regularly to ensure that Broker is using the current Marketing Materials. Broker may create and use its own marketing materials, provided, however, that any such materials that address, in any manner, Direct Energy or the Products, shall be approved in writing by Direct Energy prior to distribution.

(c) Direct Energy may, at any time, amend, rescind, or replace the Marketing Materials or its approval for the Broker created marketing materials and Broker shall immediately cease utilizing the Marketing Materials or Broker marketing material as appropriate.

(d) Nothing herein shall be construed as providing Broker with a right or license to utilize the names, trademarks or intellectual property of Direct Energy. Any misuse by Broker of any Direct Energy names, trademarks or intellectual property shall be a breach of this Agreement and Direct Energy shall have all remedies available under this Agreement, and at law, to protect its names, trademarks or intellectual property.

Article 2. Responsibilities and Duties.

2.1 Broker Responsibilities. Broker hereby covenants to undertake the following:

(a) Adhere to those ethical practices and standards of care and competence which are customary for professionals engaged in rendering the services described herein, and as well as adhering to Direct Energy's Statement of Business Ethics, attached hereto as *Schedule A*;

(b) Comply with all Laws applicable to the rendering of Services in general and shall procure all applicable licenses and permits necessary for the fulfillment of the Services. This includes, but is not limited to, compliance with (1) the Federal Telephone Consumer Protection Act; (2) the Federal Consumer Fraud and Abuse Prevention Act; (3) the Federal Trade Commission's Telemarketing Sales Rules; (4) the Do Not Call Implementation Act of 2003; (5)

any rules or requirements of a host utility; and (6) all other applicable laws, rules, regulations, in performing the Services. For the purposes of this Agreement, "Laws" means all laws, statutes, regulations, ordinances, rules, directives, ethical guidelines, consumer protection rules, and common law and any host utility requirements relevant or applicable to the Services. Broker shall immediately notify Direct Energy in writing upon receipt of any complaint, allegation or claim by any person, entity, actual or prospective customer, or governmental agency against Broker threatening legal action, enforcement, or discipline, including any claim for loss or damages;

(c) Broker shall disclose to Customer that (i) Broker is an agent of Customer only and not an agent of Direct Energy; (ii) Broker will receive a Commission from Customer that will be paid to Broker by Direct Energy out of payment actually received by Direct Energy under the Customer Agreement; and (iii) Direct Energy is not liable or responsible for any act or omission of Broker to the Customer or otherwise;

(d) Broker shall not assume or create any obligation or responsibility, express or implied, on behalf of, or in the name of Direct Energy and shall not bind Direct Energy in any manner;

(e) When reasonably requested by Direct Energy, Broker will assist in the resolution of Customer controversies or disputes and the collection of past due accounts;

(f) Adhere to any and all policies and procedures that may be instituted or amended from time to time by Direct Energy related to the performance of the Services; and

(g) Provide (i) Customer with the Customer Agreement; (ii) Direct Energy with all Customer information requested by Direct Energy, including but not limited to billing data, credit information, and consumption data in compliance with the procedure established by Direct Energy provided on the Website; and (iii) Direct Energy with the Customer Agreement, signed by the potential Customer, for final approval and execution. Broker shall not have authority to negotiate the terms and conditions, or amend or modify, the Customer Agreement. Direct Energy reserves the right to reject any Customer Agreement presented by Broker without explanation.

2.2 Direct Energy Responsibilities. Direct Energy hereby covenants to undertake the following:

(a) Prepare price quotes within a reasonable amount of time from Broker's request and provide Broker with the Customer Agreement, as it may be amended or modified from time-to-time at Direct Energy's sole discretion, and any additional documents to be executed by Customer;

(b) Make Direct Energy personnel available to meet with Customers when reasonably requested by Broker. Provide telephone support assistance, when reasonably requested, during normal and regular business hours to answer questions relating to Direct Energy and the Products; and

(c) Comply with all Laws.

Article 3. Compensation.

3.1 Commission. Direct Energy will pay Broker a fee for Customers identified by Broker ("Commission") in accordance with the Commission calculation set forth on *Schedule B*, attached, if and only if the Customer and Direct Energy execute a Customer Agreement. The Commission is based on the kilowatt-hour or MMBtu of Energy, as applicable, delivered by Direct Energy during the term of each Customer Agreement, or during subsequent renewals upon the conditions as described below. No payment will be made to Broker until Broker has provided Direct Energy with a completed and properly signed W-9.

3.2 Renewals. Direct Energy will pay a Commission for the renewal of a Customer Agreement, if and only if, the Broker has played an active role in signing of the renewal and can demonstrate that it continues to represent the Customer for any renewed Customer Agreement. By way of example only, the following activities would be sufficient to satisfy this requirement: (i) requesting price quotes for Customer, (ii) obtaining usage and other information from Customer and providing same to Direct Energy for pricing purposes, and (iii) correspondence with the Customer and Direct Energy regarding the renewal of the Customer Agreement. If Broker does not initiate such activity within at least 45 days prior to the expiration of the Customer Agreement, Direct Energy may pursue renewal of the Customer independent of Broker and no payment of Commission shall be due to Broker as a result of such renewal. If more than 45 days before the expiration of a Customer Agreement, Direct Energy contacts the customer and writes a new Customer Agreement, then Broker shall be entitled to a full (same as previous contract) Commission on the new Customer Agreement.

3.3 Payment of Commissions.

(a) Except as provided below in Section 3.3(b), Commissions payable to Broker for each Customer shall be payable on or before the 30th day following the last day of each calendar month in which Direct Energy receives full payment of an invoice that has been submitted to the Customer for payment. If only a partial payment is received from a Customer, Broker shall be paid its Commission once full payment by the Customer on all outstanding past due invoices has been received by Direct Energy. Direct Energy shall not pay any Commission for a Customer while the Customer is more than 45 days delinquent on any outstanding invoice(s) or upon the Customer's filing for bankruptcy. Under no circumstances shall Broker be entitled to any Commissions on any invoice for which Direct Energy does not receive payment.

(b) If Direct Energy becomes involved in any litigation or other disputes with a Customer as a result of Broker's actions or inactions, Direct Energy shall be entitled to recover the reasonable and necessary costs of such litigation or disputes from Broker and shall be specifically authorized to withhold any future Commission payment until such costs are recovered. Direct Energy shall have the right to collect or credit any overpayment of Commissions against any future Commissions.

(c) If a Customer and Direct Energy amend the terms of a Customer Agreement in a manner that alters the pricing, the Commission structure may also be amended prospectively to economically justify the amendments made to the Customer Agreement. In such cases, Direct Energy and Broker agree to use their best efforts to agree upon a mutually acceptable Commission rate or rates.

3.4 Payment of Commission upon the Termination of this Agreement.

(a) If this Agreement is terminated for cause in accordance with Section 4.2, Broker shall not be entitled to, and shall not receive, any further or future Commissions or any other payments of any kind, until such time that Direct Energy has recovered its damages caused by the acts or omissions of Broker that resulted in the termination.

(b) If this Agreement is terminated by either Party in accordance with Section 4.1, Direct Energy will continue to pay Commissions to Broker, provided however, Direct Energy may suspend or discontinue (pending Broker's remedy or other agreed cure) the payment of Commissions if Broker: (i) violates any Laws related to the provision of services under this Agreement (ii) engages in false or misleading representations regarding Direct Energy or its Products; (iii) is charged with or convicted of a felony; (iv) takes any action or makes any statement that would impugn the business reputation of Direct Energy; or (v) violates its confidentiality obligations under this Agreement.

3.5 Commission Statements. Direct Energy shall provide Broker with a monthly Commission statement evidencing the volume of Energy sold and the Commission due under each Customer Agreement. Broker shall have 90 days from the date of the Commission statement to dispute in writing to Direct Energy of any discrepancies. Any discrepancies that are not raised within 90 days from the date of the Commission statement shall be waived by Broker.

Article 4. Term and Termination.

4.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue in effect for two years, and will automatically be extended for consecutive one-month period(s), unless and until terminated by either Party by giving the other Party ten (10) business days prior written notice not counting the day the notice is deemed received under Section 7.7.

4.2 Termination for Cause by Direct Energy. If it suffers a material and unremedied or irreparable injury as a result, Direct Energy may terminate this Agreement immediately if Broker: (i) violates any Laws related to the provision of services under this Agreement (ii) engages in false or misleading representations regarding Direct Energy or its Products; (iii) is charged with or convicted of a felony; (iv) takes any action or makes any statement that would impugn the business reputation of Direct Energy; (v) violates its confidentiality obligations under this Agreement; or (v) is in default of any material obligations or duties under this Agreement and fails to cure such default within five (5) days following receipt of written notice from Direct Energy describing the default.

4.3 Termination of Customer Agreement. If at any time following execution of this Agreement, there exists an event of default, change in law, regulatory action, judicial action or any other event or circumstance that results in termination of a Customer Agreement by Direct Energy or a Customer, then Direct Energy's obligations arising from the terminated Customer Agreement pursuant to this Agreement shall also terminate and Direct Energy shall be released from any and all subsequent payment obligations to Broker relating to the terminated Customer Agreement.

Article 5. Confidentiality.

5.1 Confidential Information. Broker acknowledges and agrees that Direct Energy has developed and owns and controls certain confidential and proprietary business information relating to its business and the Products, including, without limitation, ideas, inventions, technical information, policies, procedures, processes, business and financial models and projections, marketing and business materials, price lists, advertising literature, customer lists, customer information and all other confidential business information and trade secrets owned and controlled by Direct Energy and Direct Energy acknowledges and agrees that Broker has developed and owns and controls certain confidential and proprietary business information relating to its business (collectively and individually the "Confidential Information").

5.2 Secrecy Commitment. For so long as this Agreement is in effect and for a period of two years after the expiration or earlier termination of this Agreement, each Party shall keep secret and confidential, and shall not, either directly or indirectly, make known, divulge, reveal, furnish, make available or use any Confidential Information obtained from the other Party pursuant to this Agreement. In the event a Party is a corporation, partnership, limited partnership or other entity, that Party agrees to cause all principal owners, officers, partners, shareholders and key sales people and individuals employed by that Party to agree to be bound by the terms of this Confidentiality provision. If disclosure is sought through process of a court, or a governmental agency, the Party from whom the disclosure is sought shall resist disclosure through all reasonable means and shall immediately notify the other Party to allow it the opportunity to participate in such proceedings.

5.3 Confidential Information of Others. Broker understands and agrees that Direct Energy does not request and will not accept confidential information of others in the possession of or known by Broker at any time (except with respect to Customers when assisting in the credit process). Broker will not offer to Direct Energy and will refuse any request of any Direct Energy employee for the disclosure of confidential information belonging to a third party. Should any such request be made or if any inadvertent disclosure is made by Broker, Broker shall immediately inform Direct Energy.

5.4 Return of Documents. The receiving Party shall turn over to the disclosing Party, upon demand, all Confidential Information and any and all documents or other writings and recorded materials of any kind embodying the Confidential Information. Neither Party shall copy or reproduce in whole or in part any such writing or recorded material without the prior written consent of the disclosing Party.

5.5 Injunctive Relief. If either Party commits a breach, or threatens to commit a breach, of any of the provisions of this Article 5, the non-breaching Party shall have the right and remedy to have the provisions of this Article 5 specifically enforced by any court having equity jurisdiction or the right to obtain injunctive relief. The right and remedy enumerated in the preceding sentence shall be in addition to, and not in lieu of, any rights and remedies available to the Parties at law or in equity.

Article 6. Representations and Warranties.

6.1 Broker Representations and Warranties. Broker represents and warrants and covenants to Direct Energy the following:

7.14 Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Parties regarding the subject matter hereof and there are no other representations, agreements or understandings, oral or written, express or implied, between the Parties relating thereto.

7.15 Authority to Contract. Each Party hereto warrants that it has full authority to enter into this Agreement and that such action has been duly authorized in accordance with such Party's articles of incorporation, by-laws or other applicable organizational documents and procedures.

7.16 Counterparts. This Agreement may be executed in one or more than one counterpart and each executed counterpart shall be considered an original, provided that such counterpart is delivered to the other Party by facsimile, mail, courier or electronic mail, all of which together shall constitute one and the same Agreement.

Each of the parties represents and warrants that the signatory below has authority to sign this Agreement on its behalf.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed.

BROKER

By: Steve Wilson

Name: Steve Wilson

Title: CEO

Date: May 19, 2009

DIRECT ENERGY BUSINESS, LLC

By: Michael R. Young

Name: Michael Young

Title: SVP, Sales

Date: 6/8/09

Address for Notices:

204 North I-35, Suite A
Red Oak, TX 75154
Phone: (972) 938-0533
Facsimile: (214) 279-0115

Address for Notices::

Attention: Director of Channel Marketing
Two Gateway Center, Pittsburgh, PA 15222
Phone: (412) 394-6461
Facsimile: (412) 394-4858

with a copy, which shall not constitute notice, to:

Attention: General Counsel
12 Greenway Plaza, Suite 600
Houston, TX 77046
Facsimile: (713) 877-3682

Schedule A



**Direct
Energy**

Business

Statement of Business Ethics for Third Party Channel Sales

Direct Energy requires all Third Party Channel Sales associates to comply with this Statement of Business Ethics. We expect you will adhere to the highest standards of conduct when working with Direct Energy. Direct Energy prides itself in acting in the best interest of our customers and demonstrating outstanding customer service. We anticipate nothing less from you.

General Principles

Direct Energy and all Third Party Channel Sales associates shall consistently strive to build and maintain customer confidence in the retail energy industry by:

- promoting the effective transition to full retail energy competition;
- enhancing efficient retail market operation by clarifying standards and promoting reliable service;
- facilitating ongoing cooperation between the retail energy industry, regulators and customers;
- raising awareness of and promoting compliance with the provisions of the law applicable to the marketing and selling of retail energy; and
- remaining flexible and responsive to changing patterns of customer behavior and the changing nature of the energy industry.

Compliance with Laws

Third Party Channel Sales associates will comply with all required federal, state, and local licenses requirements necessary to conduct their business, including all applicable electricity and natural gas brokerage licenses and certifications, and will provide proof of compliance with licensure requirements to Direct Energy upon request.

Conduct in Marketing and Selling to Potential Customers

Third Party Channel Sales associates will perform their services in a professional, honest, and ethical manner, without engaging in false, misleading, or deceptive conduct. Third Party Channel Sales associates will use appropriate words, images, and information in order to facilitate a customer's understanding of the energy products being sold, and provide each customer with complete, accurate, and timely information. Third Party Channel Sales associates will interact with customers in a spirit of fairness and with a clear explanation of the costs of all aggregator, broker or consulting services that will be incurred by the customer.

Third Party Channel Sales Commitments

Although Third Party Channel Sales associates are independent contractors, Direct Energy recognizes that we must work together in order to provide superior customer service. We expect all Third Party Channel Sales associates to engage in open communication with us and to provide timely notice of any customer disputes or complaints, threatened or actual litigation, formal complaints filed against them, or any other issue that may cause damage or reputational harm to either party. Third Party Channel Sales associates will promptly respond to all customer concerns, and will not make statements that are false, misleading, or intended to harm Direct Energy's reputation or business.

Agreements with Direct Energy

This document does not limit or replace any requirements or other obligations in any other agreement between the Third Party Channel Sales associate and Direct Energy. This Statement supplements any such agreement by providing an overview of the core good business practices that Direct Energy upholds and expects of Third Party Channel Sales associates doing business with Direct Energy.

Direct Energy is committed to upholding this Statement of Business Ethics. If you feel that a Third Party Channel Sales associate is not acting in accordance with this Statement, please immediately report the situation to: Director, Sales Effectiveness, 1-800-630-5923.

Schedule B
Commission Calculation

1. Definitions:

- (a) The "PSC Services Fee" means the cents per kilowatt-hour fee paid by a Customer under a Customer Agreement for each kilowatt-hour of electricity provided under that Agreement.
- (b) The "Price Adder" means the cents per kilowatt-hour amount that a Customer agrees to pay in addition to the established Direct Energy PSC Services Fee as approved by Direct Energy in advance.

2. Commission calculation:

(a) For Electricity Contracts:

(i) one hundred percent (100%) of a Price Adder up to \$0.006 per kWh for each Customer Agreement signed during the first 2 years of this Agreement for the duration of the Customer Agreement, plus fifty percent (50%) of any additional Price Adder above \$0.006 per kWh, the other fifty percent (50%) of which will be retained by Direct Energy.

Or

(ii) one hundred percent (100%) of a Price Adder up to \$0.005 per kWh for each Customer Agreement signed after the first 2 years of this Agreement for the duration of the Customer Agreement, plus fifty percent (50%) of any additional Price Adder above \$0.005 per kWh, the other fifty percent (50%) of which will be retained by Direct Energy.

And

(iii) Direct Energy agrees to grant to Broker, an additional \$0.0005 per kWh of the PSC Services fee for all new energy contracts, for the initial Term of each new contract, procured through Broker for the period from September 1, 2008, through August 30, 2010.

Agreed to this 19th day of May, 2009

BROKER

By: Steve Wilson

Name: Steve Wilson

Title: CEO

DIRECT ENERGY BUSINESS, LLC

By: Michael R. Young

Name: Michael R. Young

Title: SVP Sales

Schedule C
Broker Territory

<u>Territory</u>	<u>Electric</u>	<u>Gas</u>
California	<input checked="" type="checkbox"/>	
Connecticut	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Delaware	<input type="checkbox"/> License# _____	
District of Columbia	<input type="checkbox"/> License# _____	
Illinois	<input checked="" type="checkbox"/> License# <u>NA</u>	<input checked="" type="checkbox"/>
Maine	<input type="checkbox"/> License# _____	
Maryland	<input type="checkbox"/> License# _____	
Massachusetts	<input type="checkbox"/> License# _____	<input checked="" type="checkbox"/>
New Jersey	<input checked="" type="checkbox"/>	
New York	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ohio	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> License# <u>NA</u>
Pennsylvania	<input type="checkbox"/> License# _____	
Rhode Island	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Texas	<input checked="" type="checkbox"/>	

AMENDMENT TO BROKER AGREEMENT

This Amendment to Broker Agreement ("Amendment") is dated 2ND day of August, 2010, ("Effective Date") between **Direct Energy Business, LLC** (hereinafter referred to as "Direct Energy") and **-Texzon Utilities Ltd.** (hereinafter referred to as "Broker").

WHEREAS, Broker and Direct Energy entered into a Broker Agreement ("Agreement") dated May 19, 2009 which sets forth the terms and conditions pursuant to which Broker acts as a sales Broker to promote Direct Energy's Electricity Services;

WHEREAS, Direct Energy and Broker desire to amend certain additional provisions of the Agreement;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, Direct Energy and Broker agree as follows:

1. To allow for an additional method of Commission payment during the Term, section 3.3.1(a) shall be added to the Agreement as follows:

3.3.1a Payment of Commissions – Fifty (50%) percent Upfront Commissions.

Payment for the Commission for all deals that Broker brings to Direct Energy in accordance with the terms of this Agreement shall be paid as follows:

Direct Energy shall pay to Broker the following on all Customer deals that it brings to Direct Energy according to the terms of its Agreement with Direct Energy: fifty (50%) percent of the total estimated commissions due to Broker based upon the adder as set forth in the Agreement and the historical usage of the customer determined by Direct Energy. The amount of the fifty (50%) percent up-front commission payment may not, as an aggregate payment amount per calendar year, exceed \$400,000. This cap may be increased only upon the express written agreement of Direct Energy. If this cap is exceeded, all future commission payments shall be made in accordance with section 3.3(a), 3.3(b) and 3.3(c) of the Agreement. This up-front Commission payment shall be paid only after successful enrollment and satisfactory payment of the first invoice by the Customer. This up-front Commission payment shall be discounted at a rate of nine (9.0%) percent. The balance of the payments, after taking into consideration the up-front Commission payment as described above, shall be paid to Broker on a monthly basis upon terms consistent with the Agreement. Other than as provided by this Agreement, under no circumstances shall Broker be entitled to any additional Commission Fees under a Customer Contract.

At the end of each month (and subsequently also at the end of the Term of this Agreement), Direct Energy may decide to perform a true-up of the Commission payments if it determines that Broker has been overpaid as a result of any Customer(s) having left the service of Direct Energy but which the Broker has received up-front payments or if a Customer(s) has usage much different than assumed at the time that Customer's agreement was entered into. Regarding any such true-up process which may occur, Direct Energy and Broker agree it is to be guided by the terms of the Agreement and the equitable principles of recoupment. The intent of the parties is that if Customers, whose historical usage were part of the calculation for the upfront commission payments have left the service of Direct Energy prior to Direct Energy providing services equal to such historical usage, then an overpayment would be

deemed to have occurred and may be subject to being trued up by Direct Energy. If an overpayment is deemed to have occurred, Direct Energy shall deduct the amount overpaid from future commission payments, until the over payment amount has been recouped in full by Direct Energy, or, if such future commission payments are insufficient to cover the amount of the overpayment, Broker shall pay the amount within thirty (30) days of written notice of the deficiency by Direct Energy. Failure to pay any amount when due shall be considered a material default under section 4.2(iv) of the Agreement.

2. Sections 3.3.1(a) may be rescinded by Direct Energy at any time upon written notice to Broker. Any such rescission will not affect any deals entered into before the rescission of section 3.3.1(a). Upon such rescission, Commission payments shall be made for all future deals pursuant to section 3.3(a), 3.3(b) and 3.3(c) of the Agreement.

5. Except as expressly modified hereby, the Agreement, together with any amendments, shall remain in full force and effect. Any capitalized terms used herein, but not defined herein, shall be as defined in the Agreement.

IN WITNESS WHEREOF, this Amendment to Broker Agreement is executed by authorized representatives of the parties as of the day and year first above written.

DIRECT ENERGY BUSINESS LLC

By: _____
 Name: Michael Senff
 Title: SVP, North American Sales
 Date: _____

TEXZON UTILITIES, LTD.

By: Steve Wilson
 Name: Steve Wilson
 Title: CEO
 Date: 8/2/10

AMENDMENT TO BROKER AGREEMENT

This Amendment to Broker Agreement ("Amendment") is dated 2nd day of August, 2010, ("Effective Date") between **Direct Energy Business, LLC** (hereinafter referred to as "Direct Energy") and **Texzon Utilities Ltd.** (hereinafter referred to as "Broker").

WHEREAS, Broker and Direct Energy entered into a Broker Agreement ("Agreement") dated May 19, 2009 which sets forth the terms and conditions pursuant to which Broker acts as a sales Broker to promote Direct Energy's Electricity Services;

WHEREAS, Direct Energy and Broker desire to amend certain additional provisions of the Agreement;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, Direct Energy and Broker agree as follows:

1. To allow for an additional method of Commission payment during the Term, section 3.3.1(a) shall be added to the Agreement as follows:

3.3.1a Payment of Commissions – Fifty (50%) percent Upfront Commissions.

Payment for the Commission for all deals that Broker brings to Direct Energy in accordance with the terms of this Agreement shall be paid as follows:

Direct Energy shall pay to Broker the following on all Customer deals that it brings to Direct Energy according to the terms of its Agreement with Direct Energy: fifty (50%) percent of the total estimated commissions due to Broker based upon the adder as set forth in the Agreement and the historical usage of the customer determined by Direct Energy. The amount of the fifty (50%) percent up-front commission payment may not, as an aggregate payment amount per calendar year, exceed \$400,000. This cap may be increased only upon the express written agreement of Direct Energy. If this cap is exceeded, all future commission payments shall be made in accordance with section 3.3(a), 3.3(b) and 3.3(c) of the Agreement. This up-front Commission payment shall be paid only after successful enrollment and satisfactory payment of the first invoice by the Customer. This up-front Commission payment shall be discounted at a rate of nine (9.0%) percent. The balance of the payments, after taking into consideration the up-front Commission payment as described above, shall be paid to Broker on a monthly basis upon terms consistent with the Agreement. Other than as provided by this Agreement, under no circumstances shall Broker be entitled to any additional Commission Fees under a Customer Contract.

At the end of each month (and subsequently also at the end of the Term of this Agreement), Direct Energy may decide to perform a true-up of the Commission payments if it determines that Broker has been overpaid as a result of any Customer(s) having left the service of Direct Energy but which the Broker has received up-front payments or if a Customer(s) has usage much different than assumed at the time that Customer's agreement was entered into. Regarding any such true-up process which may occur, Direct Energy and Broker agree it is to be guided by the terms of the Agreement and the equitable principles of recoupment. The intent of the parties is that if Customers, whose historical usage were part of the calculation for the upfront commission payments have left the service of Direct Energy prior to Direct Energy providing services equal to such historical usage, then an overpayment would be

deemed to have occurred and may be subject to being trued up by Direct Energy. If an overpayment is deemed to have occurred, Direct Energy shall deduct the amount overpaid from future commission payments, until the over payment amount has been recouped in full by Direct Energy, or, if such future commission payments are insufficient to cover the amount of the overpayment, Broker shall pay the amount within thirty (30) days of written notice of the deficiency by Direct Energy. Failure to pay any amount when due shall be considered a material default under section 4.2(iv) of the Agreement.

2. Sections 3.3.1(a) may be rescinded by Direct Energy at any time upon written notice to Broker. Any such rescission will not affect any deals entered into before the rescission of section 3.3.1(a). Upon such rescission, Commission payments shall be made for all future deals pursuant to section 3.3(a), 3.3(b) and 3.3(c) of the Agreement.

5. Except as expressly modified hereby, the Agreement, together with any amendments, shall remain in full force and effect. Any capitalized terms used herein, but not defined herein, shall be as defined in the Agreement.

IN WITNESS WHEREOF, this Amendment to Broker Agreement is executed by authorized representatives of the parties as of the day and year first above written.

DIRECT ENERGY BUSINESS, LLC

By: [Signature]
Name: Michael Senff
Title: SVP, North American Sales
Date: 8/2/10

TEXZON UTILITIES, LTD.

By: [Signature]
Name: Steve Wilson
Title: CEO
Date: 8/2/10

AMENDMENT NO. 2 TO BROKER AGREEMENT

THIS AMENDMENT NO. 2 TO BROKER AGREEMENT (the "Amendment") is effective as of December 13, 2011, 2011 ("Effective Date"), between Direct Energy Business, LLC, a Delaware corporation ("Direct Energy"), and TEXZON UTILITIES LTD. ("Broker").

WHEREAS, the Parties entered into that certain Broker Agreement dated May 19, 2009 (as amended, the "Agreement"); and

WHEREAS, the Parties now desire to establish a program under which Broker will sell via Purchase of Receivables ("POR") programs in certain territories, as more fully set forth herein.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Direct Energy and Broker hereby agree as follows:

1. Definitions. Capitalized terms used but not defined in this Amendment shall have the meaning set forth in the Agreement.
2. POR Program. As of the Effective Date, Direct Energy and Broker hereby agree that Broker shall perform the Services in the POR Territory (as defined below) targeted at customers that will be signed for electricity and gas service to POR programs in their respective Host Utility territories ("POR Program"). All sales generated in the POR Program shall be verified by a Direct Energy-approved third party verification service in accordance with Direct Energy's policies and procedures, as they may be communicated to Broker from time to time.

Broker agrees that Services that do not fall within the parameters set forth herein for the POR Program shall be governed exclusively by the Agreement and compensated in accordance with Article 3 of the Agreement.
3. Territory. Direct Energy hereby authorizes Broker to sell via POR in Ohio and New Jersey (both electricity and gas products) and Pennsylvania (electricity products only) ("POR Territory").
4. Term and Termination. The term of the POR Program shall be coterminous with the Agreement, commencing as of the Effective Date hereof; *provided, however*, that Direct Energy shall have the right to terminate the POR Program only, without termination in full of the Agreement, at any time during the term with thirty (30) days advanced written notice to Broker.
5. Commission Structure. In consideration of the Services performed by Broker, Broker shall be compensated for the sales it generates through the POR Program as follows:
 - a. Electricity: Four Dollars per megawatt hour (\$4.00/MwH) will be paid by Direct Energy to Broker for each sale that is accepted for enrollment by the customer's Host Utility ("Utility Accepted Sale") of an electricity product. This payment shall be based on the usage information from the Host Utility for each such Utility Accepted Sale.
 - b. Gas: A flat rate of Seventy Five Dollars (\$75.00) shall be paid by Direct Energy to Broker for each Utility Accepted Sale of a gas product.
 - c. All commissions due under the POR Program shall be paid by the 30th day of each month for all Utility Accepted Sales made during the previous month. For the avoidance of doubt, the Utility

Accepted Sales for any month shall be determined based on the date each sale was accepted for enrollment by the customer's Host Utility.

- d. For all sales made under the POR Program, Direct Energy reserves the right to charge back the commission payment for up to sixty (60) days from the Utility Accept Date for sales that are cancelled or otherwise do not commence and/or maintain service for that time period or that are determined, in Direct Energy's sole discretion, to have involved fraud, misrepresentation or other willful misconduct.
- 6. Compliance with Laws; Use of Direct Energy Scripts. Broker shall comply in all respects with all applicable federal, state and local law, including but not limited to, compliance with the Federal Telephone Consumer Protection Act, the Federal Consumer Fraud and Abuse Prevention Act, the Federal Trade Commission's Telemarketing Sales Rules, and the Do Not Call Implementation Act of 2003, in each case as amended from time to time. Additionally, Broker shall provide the Services in the POR Program in a professional manner and in compliance with approved script materials provided by Direct Energy from time to time.
- 7. Except as expressly amended hereby, the Agreement shall remain in full force and effect.
- 8. This Amendment may be executed in several counterparts, including by facsimile or other electronic means (including by PDF), which together shall constitute one and the same original document.

[Signature page follows]

IN WITNESS WHEREOF, each of the parties hereto have executed this Amendment by their respective authorized representative as the Effective Date.

Direct Energy Business, LLC

Texzon Utilities Ltd. by Grison Enterprises
its general partner

By: _____
Name:

Title:

Date:

By: Steve Wilson
Name: Steve Wilson

Title: managing partner

Date: 12 / 13 / 11

AMENDMENT NO. 3 TO BROKER AGREEMENT

This Amendment No. 3 to Broker Agreement ("Amendment") dated as of the 23rd day of September, 2013, ("Effective Date") is by and between **Direct Energy Business, LLC** ("Direct Energy") and **Texzon Utilities Ltd.** ("Broker"). Direct Energy and Broker may be referred to herein individually as a "Party", or together as the "Parties".

WHEREAS, Broker and Direct Energy entered into that certain Broker Agreement dated May 19, 2009, as amended (together with any amendments, the "Agreement"), which sets forth the terms and conditions pursuant to which Broker acts to find customers that may wish to purchase energy and related services from Direct Energy; and

WHEREAS, Broker and Direct Energy entered into that certain Amended and Restated Amendment to Broker Agreement dated December 22, 2011 ("Amended and Restated Amendment") amending portions of the commission structure.

WHEREAS, Direct Energy and Broker desire to amend certain provisions of the Agreement to provide for a revised commission payment structure for the sale of electric agreements and to terminate the Amended and Restated Amendment

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, Direct Energy and Broker agree as follows:

1. As of the Effective Date, the Amended and Restated Amendment is hereby terminated.
2. As of the Effective Date, the Agreement is hereby amended by deleting Section 3.3.1(a) in its entirety and replacing it with the following Section 3.3.1, Annual Upfront Commission Payments:

"3.3.1. Annual Upfront Commission Payments.

- (a) As of October 1, 2013, and notwithstanding anything to the contrary contained in this Section 3, Commissions for all Customer Agreements that (1) are PowerSupply Coordination Services Agreements ("PSC Agreements") that Broker brings to Direct Energy in accordance with the terms of this Agreement and (2) have been successfully executed by both the Customer and Direct Energy shall be paid by Direct Energy to Broker as follows:

- i. First, Broker shall be paid the total estimated Commissions based upon the Price Adder included in the PSC Agreement and the historical usage of the Customer, as reasonably determined by Direct Energy, for the first twelve (12) months of the PSC Agreement, ("Initial Commission Payment"). If the term of the PSC Agreement is less than twelve (12) months, then the Initial Commission Payment shall be determined by the forecasted sales for the full term based upon the last twelve (12) months of historical usage. The Initial Commission Payment shall be made by Direct Energy on or before the thirty (30th) day of the month following the month in which the PSC Agreement is executed.

- ii. On each anniversary of the Initial Commission Payment during the term of the PSC Agreement, Broker shall be entitled to receive the lesser of (1) the next twelve (12) months of forecasted Commissions based upon twelve (12) months of historical usage for such Customer; or (2) all remaining forecasted Commissions of the remaining term if the PSC Agreement is less than twelve (12) months. For any Commission payments subsequent to the Initial Commission Payment to occur, the Customer must be in good standing from an enrollment, credit and payment perspective with Direct Energy and must be otherwise honoring the terms and conditions of their PSC Agreement with Direct Energy.
 - iii. The aggregate amount of the annual up-front Commission payments made to Broker under this Section 3.3.1. for all deals in a given calendar year may not exceed \$350,000. This cap may be increased only upon the express written agreement of Direct Energy. If this cap is exceeded, all future Commission payments for PSC Agreements for such calendar year shall be paid in accordance with Section 3.3 of the Agreement.
 - iv. Except as specifically set forth in this Section 3.3.1., payments of all Commissions shall occur as set forth in Section 3.3 above. Other than as provided by this Agreement, including any amendments, under no circumstances shall Broker be entitled to any additional Commissions under a PSC Agreement or other Customer Agreement
- (b) In all cases, at the end of each month (and subsequently also at the end of the term of this Agreement), Direct Energy may, in its discretion, perform a true-up of the Commission payments made to Broker under this Section 3.3.1. if it determines that Broker has been overpaid as a result of any Customer(s) that have left the service of Direct Energy but for which the Broker has received up-front payments or if a Customer(s) has usage that is substantially different than assumed at the time that Customer's PSC Agreement was executed. Regarding any such true-up process that may occur, Direct Energy and Broker agree it is to be guided by the terms of this Agreement and the equitable principles of recoupment. If an overpayment is deemed to have occurred, Direct Energy shall deduct the amount overpaid from future Commission payments until the over payment amount has been recouped in full by Direct Energy, or, if such future Commission payments are insufficient to cover the amount of the overpayment, Broker shall pay the amount within thirty (30) days of written notice of the deficiency by Direct Energy. Failure to pay any amount when due shall be considered a material default under Section 4.2 of this Agreement.
- (c) This Section 3.3.1. may be rescinded by Direct Energy at any time upon written notice to Broker. Any such rescission will not affect any deals entered into before the rescission of Section 3.3.1. Upon such rescission, Commission payments shall be made for all future deals pursuant to section 3.3 of this Agreement."

3. Except as expressly modified hereby, the Agreement, together with any amendments, shall remain in full force and effect.
4. Any capitalized terms used herein, but not defined herein, shall be as defined in the Agreement.

IN WITNESS WHEREOF, this Amendment is executed by authorized representatives of the parties as of the Effective Date.

Texzon Utilities Ltd. by
Grisson Enterprises it G.P.

By: Steve Wilson

Name: Steve Wilson

Title: managing partner

Date: 9/23/2013

Direct Energy Business, LLC

By: _____

Name: Kane Kiester

Title: Head of North American Sales

Date: _____

“Exhibit C-5 Forecasted Financial Statements”

Confidential Financial Forecast

	2014	2015
Income		
Gas and Electricity Sales	1,250,000.00	1,500,000.00
Total Income	1,250,000.00	1,500,000.00
Expenses		
Advertising & Promotions	2,500.00	3,500.00
Agent Commissions	500,000.00	600,000.00
Automobile Expense	7,500.00	9,000.00
Bank Service Charges	750.00	850.00
Charitable Contributions	1,500.00	2,500.00
Computer Equipment & Supplies	1,500.00	2,500.00
Conferences	2,500.00	3,500.00
Consulting Services	5,000.00	7,500.00
Contract Labor	120,000.00	150,000.00
Credit Card Finance Charges	6,500.00	6,500.00
Dues and Memberships	1,500.00	1,500.00
Email and Web Site	10,000.00	10,000.00
Entertainment Meals	5,000.00	5,000.00
Insurance	22,500.00	23,500.00
Interest Expense	150,000.00	150,000.00
Marketing	30,000.00	30,000.00
Miscellaneous Expenses	500.00	500.00
Office Rental	40,600.00	40,600.00
Office Supplies	4,500.00	4,500.00
Payroll Expenses	325,000.00	425,000.00
Postage and Delivery	1,000.00	1,000.00
Printing and Reproduction	2,500.00	3,500.00
Professional Fees	25,000.00	25,000.00
Promotional Meals	5,000.00	5,000.00
Software	4,500.00	5,000.00
Storage	700.00	700.00
Subscriptions	500.00	500.00
Taxes	500.00	500.00
Travel & Ent	10,000.00	10,000.00
Utilities	26,000.00	28,000.00
Total Expenses	1,313,050.00	1,555,650.00
Net Income	303,000.00	470,900.00

“Exhibit C-6 Credit Rating”



Texzon Utilities, Ltd. DUNS: 10-575-3409

Dashboard

Company Info

204 N Interstate 35 Ste A
Red Oak, TX 75154

URL: www.texxonutilities.com

Phone: (972) 938-0533

Scores

Score	Score	Class	Score	Class	Rating	Recommendation	Rating
80 ▼	619 ▼	1	1492 ▲	3	4 ▼	\$20K	--

Recent Alerts

SCORE 09/29/13 Delinquency Predictor Score Declined	INQUIRY 09/16/13 1 New Inquiry
SCORE 09/01/13 Delinquency Predictor Score Improved	INQUIRY 08/01/13 1 New Inquiry

Inquiries

Most Recent

09/09/13	Transportation, Communications, Electric, Gas and Sanitary Services	Comprehensive Report
07/29/13	Public Administration	Delinquency Predictor Scoring Report
07/29/13	Transportation, Communications, Electric, Gas and Sanitary Services	Comprehensive Report
07/11/13	Wholesale Trade	Delinquency Predictor Scoring Report
07/11/13	Wholesale Trade	Delinquency Predictor Scoring Report

Top 5 Inquiries by SIC / Sector (12 Months)

“Exhibit C-7 Credit Report”



CreditScoreSM Report

as of: 08/06/13 12:25 ET

Texzon Utilities, LTD

Address: 204 N Interstate 35 Service R
Red Oak, TX 75154-4298
United States

Experian BIN: 771392439

Agent: Stephen W. Wilson

Agent Address: 204 N I 35 Suite A
Red Oak, TX

Family Linkage:

Ultimate Parent Texzon Utilities, LTD
204 N Interstate 35 Service R
Red Oak, TX

Branches / Alternative Locations Texzon Utilities, Limited
664 Grove Creek Rd
Waxahachie, TX

Key Personnel:

Executive: Valerie Wilson
Marketing: Carolyn Griffith

SIC Code:

4911-Electric Services

NAICS Code(s):

48511901-Other Urban Transit Systems

Business Type:

Partnership

Experian File Established:

May 2003

Experian Years on File:

10 Years

Years in Business:

11 Years

Total Employees:

11

Sales:

\$6,600,000

Filing Data Provided by:

Texas

Date of Incorporation:

08/28/2006

Payment Tradelines (see charts):

5

UCC Filings:

2

This location does not yet have an estimated Days Beyond Terms (DBT), or a Payment Trend Indicator. This is often the result of too few Payment Tradelines.

Businesses Scoring Worse:

72%

✓ Bankruptcies:

0

✓ Liens:

0

✓ Judgments Filed:

0

✓ Collections:

0

Credit Summary

Credit Ranking Score: 72

High Risk



Low Risk

The objective of the Credit Ranking Score is to predict payment behavior. High Risk means that there is a significant probability of delinquent payment. Low Risk means that there is a good probability of on-time payment.

Key Score Factors:

- Number of good commercial accounts.
- Length of time on experian's file.
- Ratio of balance to high credit for commercial accounts.
- Nbr of leasing accts as pct of total nbr of accts.

Payment Summary

Insufficient information to produce
Monthly Payment Trends
chart.

Insufficient information to produce
Quarterly Payment Trends
chart.

Insufficient information to produce
Continuous **Payment Trends**
chart.

Insufficient information to produce
Newly Reported Payment Trends
chart.

Insufficient information to produce
Combined **Payment Trends**
chart.

Number of Accounts: 2
Present Balance: \$0
Highest Balance: \$300

Number of Accounts: 0
Present Balance: \$0
Highest Balance: \$0

Number of Accounts: 2
Present Balance: \$0
Highest Balance: \$300

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“Exhibit C-8 Bankruptcy Information”

Texzon Utilities, Ltd. has never filed for reorganization, protection from creditors or any other form of bankruptcy.

“Exhibit C-9 Merger Information”

Texzon Utilities, Ltd. was formed in February, 2002, and has not been a party to any acquisitions or mergers.

“Exhibit D-3 Key Technical Personnel”

Management Team

Texzon has a well developed management team with extensive backgrounds in the duties they perform.

Here's a list of its key people, including their responsibilities and experience.

Steve Wilson (Founder and Managing Partner) - Steve founded Texzon to explore opportunities in the deregulated electricity markets after a highly successful career of 20 years in the deregulated telecommunication industry. His primary responsibilities at Texzon include product development, strategic ventures, vendor relations, and directing the Texzon team.

David Griffith (Founder and President) - David co-founded Texzon after spending over 30 years in sales and sales management. He was also the founder of 2 other companies. His responsibilities include sales direction and training, opening new markets, and agent recruitment and management. David received his Bachelor's degree with a major in Marketing from The Ohio State University and his MBA of Business Management from Robert Morris University.

Tom Spradling (CFO) - Tom came to Texzon in 2006 after 30+ years in the banking industry. Tom oversees all Texzon financial expenditures, budgets, invoicing, receivables, payroll, reporting and taxes. Tom graduated Magna Cum Laude with a Bachelor of Business Administration from Baylor University.

Larry Eon (Sales Manager) - Larry started with Texzon in 2006 after retiring from a 25 year career with Shell Oil as a regional sales manager. Larry handles Texas electricity sales opportunities including supervising our independent agents, customer service, pricing, contracts, and renewals and Retail Electric Provider (REP) relations. Larry graduated from Texas A&M University with a Bachelors of Science degree.

Stephanie Wilson (Office Manager) - Stephanie came to Texzon in 2003 and serves as receptionist, phone attendant, and secretary. Stephanie also tracks all agent commissions, maintains spreadsheets on customer signups and maintains the online library of pricing, forms, and contracts for their agents.