

FILE

Network Services  
Corp.

560 N. Hwy 101, Ste 4B  
Encinitas, CA. 92024  
www.networkservicescorp.com

May 1<sup>st</sup>, 2014

PUCO  
180 East Broad Street  
Columbus, OH 43215

14-843-EL-A66

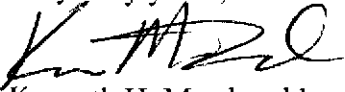
RECEIVED-DOCKETING DIV  
2014 MAY -8 AM 11:30  
PUCO

To whom it may concern:

We respectfully submit the attached application for Certification as Aggregators/Power Brokers.

Thank you.

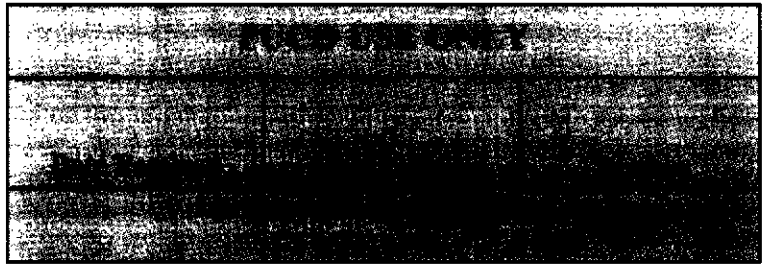
Very truly yours,

  
Kenneth H. Macdonald  
President/Network Services Corp.  
760-274-2010

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accurate and complete reproduction of a case file  
document delivered in the regular course of business  
Technician Am Date Processed 5/8/14



*The Public Utilities Commission of Ohio*



14-343-EL-A66

## **CERTIFICATION APPLICATION FOR AGGREGATORS/POWER BROKERS**

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-5 Experience). 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 input information directly onto the form.  
You may also download the form, by saving it to your local disk, for later use.**

### **A. APPLICANT INFORMATION**

#### **A-1 Applicant's legal name, address, telephone number and web site address**

Legal Name Network Service Corp  
Address 560 N Highway 101, Ste 4B, Encinitas, CA 92024  
Telephone # (760) 274-2010 Web site address (if any) www.networkservicecorp.com

#### **A-2 List name, address, telephone number and web site address under which Applicant will do business in Ohio**

Legal Name Network Service Corp  
Address 4400 Easton Common Way, Suite 125, Columbus, OH 43219  
Telephone # (760) 274-2010 Web site address (if any) www.networkservicecorp.com

#### **A-3 List all names under which the applicant does business in North America**

None  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### **A-4 Contact person for regulatory or emergency matters**

Name Ken MacDonald  
Title President

Business address 560 N Highway 101, Ste 4B, Encinitas, CA 92024  
Telephone # (760) 274-2020 Fax # (760) 274-2021  
E-mail address (if any) ken@networkservicecorp.com

**A-5 Contact person for Commission Staff use in investigating customer complaints**

Name Ken MacDonald  
Title President  
Business address 560 N Highway 101, Ste 4B, Encinitas, CA 92024  
Telephone # (760) 274-2020 Fax # (760) 274-2021  
E-mail address (if any) ken@networkservicecorp.com

**A-6 Applicant's address and toll-free number for customer service and complaints**

Customer Service address 560 N Highway 101, Ste 4B, Encinitas, CA 92024  
Toll-free Telephone # (877) 963-8737 Fax # (760) 274-2021  
E-mail address (if any) pam@networkservicecorp.com

**A-7 Applicant's federal employer identification number # \_\_\_\_\_**

**A-8 Applicant's form of ownership (check one)**

- |  |  |
|--|--|
| <input type="checkbox"/> Sole Proprietorship                 | <input 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-9 (Check all that apply) Identify each electric distribution utility certified territory in which the applicant intends to provide service, including identification of each customer class that the applicant intends to serve, for example, residential, small commercial, mercantile commercial, and industrial. (A mercantile customer, as defined in (A) (19) of Section 4928.01 of the Revised Code, is a commercial customer who consumes more than 700,000 kWh/year or is part of a national account in one or more states).**

- |  |                                      |                                     |                                     |                                     |
|--|--------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> <b>First Energy</b>             |                                      |                                     |                                     |                                     |
| <input type="checkbox"/> Ohio Edison                     | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> Toledo Edison                   | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> Cleveland Electric Illuminating | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> <b>Duke Energy</b>              | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> <b>Monongahela Power</b>        | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> <b>American Electric Power</b>  |                                      |                                     |                                     |                                     |
| <input type="checkbox"/> Ohio Power                      | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> Columbus Southern Power         | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> <b>Dayton Power and Light</b>   | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |

- A-10 Provide the approximate start date that the applicant proposes to begin delivering services  
June 1, 2014

**PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:**

- A-11 **Exhibit A-11 "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-12 **Exhibit A-12 "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 electricity or natural gas to customers and companies that aggregate customers in North America.
- A-13 **Exhibit A-13 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-14 **Exhibit A-14 "Articles of Incorporation and Bylaws,"** if applicable, provide the articles of incorporation filed with the state or jurisdiction in which the Applicant is incorporated and any amendments thereto.
- A-15 **Exhibit A-15 "Secretary of State,"** provide evidence that the applicant has registered with the Ohio Secretary of the State.

**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 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 or wholesale electric services including aggregation services.
- B-2 **Exhibit B-2 "Experience & Plans,"** provide a 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 4928.10 of the Revised Code.

**B-3** **Exhibit B-3 "Summary of Experience,"** provide a concise summary of the applicant's experience in providing aggregation service(s) including contracting with customers to combine electric load and representing customers in the purchase of retail electric services. (e.g. number and types of customers served, utility service areas, amount of load, etc.).

**B-4** **Exhibit B-4 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation 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 it is seeking to be certified to provide.

**B-5** Disclose whether the applicant, a predecessor of the applicant, or any principal officer of the applicant have ever been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.

☒ 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** Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service including aggregation service denied, curtailed, suspended, revoked, or cancelled within the past two years.

☒ 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.

## **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 in 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 that 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 financial arrangements to conduct CRES 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 CRES operation, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer.
- C-6 **Exhibit C-6 “Credit Rating,”** provide a statement disclosing the applicant’s 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 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 within the two most recent years preceding the application.

C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the five most recent years preceding the application.

[Signature] President  
Signature of Applicant & Title

Sworn and subscribed before me this 29<sup>th</sup> day of April, 2014  
Month Year

[Signature]  
Signature of official administering oath

Shawn M. Russell, Notary Public  
Print Name and Title

My commission expires on March 25, 2017





*The Public Utilities Commission of Ohio*

## **Filing Instructions for Aggregators/Power Brokers**

**I. Where To File:** Applications should be sent to: Public Utilities Commission of Ohio, Docketing Division , 180 East Broad Street, Columbus Ohio 43215-3793.

**II. What To File:** Applicant must submit one original notarized application signed by a principal officer and three copies including all exhibits, affidavits, and other attachments. All attachments, affidavits, and exhibits should be clearly identified. For example, Exhibit A-12 should be marked "Exhibit A-12 'Corporate Structure.'" All pages should be numbered and attached in a sequential order.

**III. Which Forms To File:** Entities other than governmental aggregators that will aggregate customers or provide power-brokering services must file a "**Certification Application for Aggregators/Power Brokers**" form. Governmental aggregators must file an "**Certification Application for Governmental Aggregators**" form. If an aggregator will provide power marketing and/or retail electric generation services in addition to aggregation and power brokering services, it must file an "**Certification Application for Retail Generation Providers, Power Marketers, and Power Brokers**" form. The following definitions are provided to assist applicants in determining which form(s) to file:

**Aggregation** - combining the electric load of multiple retail customers through an agreement with the customers or formation of a governmental aggregation pursuant to Section 4928.20 of the Revised Code for the purpose of purchasing retail electric generation service on an aggregated basis.

**Aggregator** - a person who contracts with customers to combine the customers' electric load for the purpose of purchasing retail electric generation service on an aggregated basis. The term does not include a governmental aggregator.

**Governmental Aggregator** - the legislative authority of a municipal corporation, the board of township trustees of a township, or a board of county commissioners of a county that aggregates the citizens of a municipal corporation, township, or unincorporated areas of a county in accordance with Section 4928.20 of the Revised Code for the purpose of purchasing retail electric generation service on an aggregated basis.

**Power Broker** - a person who assumes the contractual and legal responsibility for the sale and/or arrangement for the supply of retail electric generation service to a retail customer without taking title to the power supplied.



**Power Marketer** - a person who assumes the contractual and legal responsibility for the sale and provision of retail electric generation service to a retail customer who had title to the electric power provided at some point during the transaction.

**IV. Application Form:** The application is available on the Commission's web site, [www.puco.ohio.gov](http://www.puco.ohio.gov) or directly from the Commission at: Public Utilities Commission of Ohio, Docketing Division, 180 East Broad Street, Columbus Ohio 43215-3793.

**V. Confidentiality:** If any of an applicant's answers require the applicant to disclose what the applicant believes to be privileged or confidential information not otherwise available to the public, the applicant should designate at each point in the application that the answer requires the applicant to disclose privileged and confidential information. Applicant must fully support its request to maintain confidentiality for the information it believes to be confidential or proprietary in a motion for protective order filed pursuant to Rule 4901-1-24 of the Ohio Administrative Code.

**VI. Commission Process for Approval:** An application for certification shall be made on forms approved and supplied by the Commission. The applicant shall complete the appropriate application form in its entirety and supply all required attachments, affidavits, and evidence of capability specified by the form at the time an application is filed. The Commission certification process begins when the Commission's Docketing Division receives and time/date stamps the application. An incomplete application may be suspended or rejected. An application that has been suspended as incomplete may cause delay in certification.

The Commission may approve, suspend, or deny an application within 30 days. If the Commission does not act within 30 days, the application is deemed automatically approved on the 31<sup>st</sup> day after the official filing date. If the Commission suspends the application, the Commission shall notify the applicant of the reasons for such suspension and may direct the applicant to furnish additional information. The Commission shall act to approve or deny a suspended application within 90 days of the date that the application was suspended. Upon Commission approval, the applicant shall receive notification of approval and a numbered certificate that specifies the service(s) for which the applicant is certified and the dates for which the certificate is valid.

Unless otherwise specified by the Commission, a competitive retail electric service provider's certificate is valid for a period of two years, beginning and ending on the dates specified on the certificate. The applicant may renew its certificate in accordance with Rule 4901:1-24-09 of the Ohio Administrative Code.

CRES (competitive retail electric service) providers shall inform the Commission of any material change to the information supplied in a certification application within thirty days of such material change in accordance with Rule 4901:1-24-10 of the Ohio Administrative Code.

**VII. Contractual Arrangements for Capability Standards:** If the applicant is relying upon contractual arrangements with a third-party(ies) to meet any of the certification requirements, the applicant must provide with its application all of the following:

- The legal name of the party(ies) it is contracting with;
- A statement that a valid contract exists between the applicant and the third-party(ies);
- A detailed summary of the contract(s) including all services provided thereunder;
- The documentation and evidence to demonstrate the contracting entity's capability to meet the requirements as if the contracting entity was the applicant.

**VIII. Questions:** Questions regarding filing procedures should be directed to  
[CRES@puc.state.oh.us](mailto:CRES@puc.state.oh.us)

**IX. Governing Law:** The certification/renewal of competitive retail electric suppliers is governed by Chapter 4901:1-24 of the Ohio Administrative Code, Chapter 4901:1-21 of the Ohio Administrative Code, and Section 4928.08 of the Ohio Revised Code.

**A-11 Exhibit A-11 "Principal Officers, Directors & Partners" Provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or similar officials.**

**Ken MacDonald/President**

4742 Beachwood Court, Carlsbad, CA, 92008

760-274-2010

**Pamela L. Macdonald Owner/Principal**

4742 Beachwood Court, Carlsbad, CA, 92008

750-274-2012

**Judy Wagner Owner/Principal**

701 ½ Carnation Ave, Corona Del Mar CA 92625

949-500-5799

**Boyd Demille CFO**

4117 Karst Rd, Carlsbad CA 92010

760-889-1252

**A-12 Exhibit A-12 "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 electricity or natural gas to customers and companies that aggregate in North America.**

N/A

**A-13 Exhibit A-13 "Company History" provide a concise description of the applicant's company history and principal business interests.**

Network Service Corp is a national telecommunication contractor providing communication services to customers across the US. The company was founded in Jan 2008 and we continue to assist customers in reducing the cost to operate their business on a daily basis.

**A-14 Exhibit A-14 "Articles of Incorporation and Bylaws" if applicable, provide the articles of incorporation filed with the state of jurisdiction in which the Applicant is incorporated and any amendments thereto.**

See Attached :

**A-15 Exhibit A-15 "Secretary of State" provide evidence that the applicant has registered with the Ohio Secretary of the State**

See Attached :

**B. APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE**

- B-1 Exhibit B-1 “Jurisdictions of Operation” provide a list of 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 or wholesale electric services including aggregation services.**

Network Service Corp is submitting this application to provide services as an electric broker in the state of Ohio. Network Service Corp is currently conducting business in the following deregulated electric states – Illinois, Texas, California.

- B-2 Exhibit B-2 “Experience & Plans” provide a 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 4928.10 of the Revised Code.**

Network Service Corp is submitting this application to provide services as an electric broker in the state of Ohio. The responsibility of billing will fall on the Retail Electric Service Provider that contracts to provide electric generation service to our end use customer.

Network Service Corp does maintain a customer service phone line to assist our customer with any questions and resolve issues.

- B-3 Exhibit B-3 “Summary of Experience” provide a concise summary of the applicant’s experience in providing aggregation service(s) including contracting with customers to combine electric load and representing customers in the purchase of retail electric services (e.g. number and type of customers served, utility service area, amount of load, etc.).**

Network Service Corp is a national telecommunication contractor providing communication services to customers across the US. We are utilizing our expertise in the deregulated telecommunication market and translating this into the competitive electric market to assist with the transactions to our current customers. At this time Network Service Corp is working with customers in Illinois, Texas, and New York to assist in the analysis and recommendation of the most favorable competitive electric transaction for our customers.

- B-4 Exhibit B-4 “Disclosure of Liabilities and Investigations” provide a description of all existing, pending, or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provides services it is seeking to be certified to provide.**

There are no pending or past ruling, judgments etc. that will or have impacted Network Service Corp.

**C. APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE**

**C-1 Exhibit C-1 "Annual Report" provide the two most recent Annual Reports to the Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why.**

**Exhibit C-1 is not applicable :** Network Services Corp. is a private company and does not produce a Annual report.

**C-2 Exhibit C-2 "SEC Filings" provide the most recent 10-K/8-K Filing with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.**

As a privately held company Network Service Corp does not file with 10-K/8-K with the SEC.

**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.**

See Attached :

- C-4 Exhibit C-4 “Financial Arrangements” provide copies of the applicant’s financial arrangement to conduct CRES as a business activity (e.g. guarantees, bank commitments, contractual arrangements, credit agreements, etc.).**

Network Service Corp is applying as an electric broker and not as a CRES and does not have financial arrangements in place conduct these activities.

- C-5 Exhibit C-5 “Forecasted Financial Statements” provide two years of forecasted financial statements (balance sheet, income statement, and cash follow statement) for the applicant’s CRES operation, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer.**

Network Service Corp is applying as an electric broker and not as a CRES and does not have the forecasts for these activities. See attached commission forecast schedule

- C-6 Exhibit C-6 “Credit Rating” provide a statement disclosing the applicant’s credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Service, Fitch IBCA, Moody’s Investor Service, Standard & Poors or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit rating of a parent or affiliate organization, provided the applicant substitute a statement signed by a principle officer of the applicant’s parent or affiliate organization that guarantees the obligations of the applicant.**

N/A see C-7

- C-7 Exhibit C-7 “Credit Report” provide a copy of the applicant’s credit report from Experion, Dun and Bradstreet or similar organization.**

Dunn& Bradstreet #859055837

- C-8 Exhibit C-8 “Bankruptcy Information” provide a list and description of any reorganization, protection from creditors or any other form of bankruptcy filing made by the applicant, a parent affiliate organization that guarantees the obligation of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.**

Network Service Corp has not filed for bankruptcy or reorganization protection

# A-14

Exhibit A-14 "Articles of Incorporation and Bylaws" if applicable, provide the

articles of incorporation filed with the state of jurisdiction in which the Applicant is incorporated and any amendments thereto.



Secretary of State

Administration

Elections

**Business Programs**

Political Reform

Archives

Registries

**Business Entities (BE)**

## Online Services

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- [Starting A Business](#)

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- [Business Identity Theft](#)
- [Misleading Business Solicitations](#)

**Business Entity Detail**

Data is updated to the California Business Search on Wednesday and Saturday mornings. Results reflect work processed through Tuesday, April 22, 2014. Please refer to [Processing Times](#) for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity.

|                               |                           |
|-------------------------------|---------------------------|
| Entity Name:                  | NETWORK SERVICES CORP     |
| Entity Number:                | C2993586                  |
| Date Filed:                   | 01/08/2008                |
| Status:                       | ACTIVE                    |
| Jurisdiction:                 | CALIFORNIA                |
| Entity Address:               | 560 N. HIGHWAY 101 STE 4B |
| Entity City, State, Zip:      | ENCINITAS CA 92024        |
| Agent for Service of Process: | PAMELA L MACDONALD        |
| Agent Address:                | 6605 REMSEN CT            |
| Agent City, State, Zip:       | CARLSBAD CA 92011         |

\* Indicates the information is not contained in the California Secretary of State's database.

- If the status of the corporation is "Surrender," the agent for service of process is automatically revoked. Please refer to California Corporations Code [section 2114](#) for information relating to service upon corporations that have surrendered.
- For information on checking or reserving a name, refer to [Name Availability](#).
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to [Information Requests](#).
- For help with searching an entity name, refer to [Search Tips](#).
- For descriptions of the various fields and status types, refer to [Field Descriptions and Status Definitions](#).

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**State of California**  
**Secretary of State**

**CERTIFICATE OF FILING**

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That on the **8th day of January, 2008**, **NETWORK SERVICES CORP** became incorporated under the laws of this State by filing its Articles of Incorporation in this office.

**IN WITNESS WHEREOF**, I execute  
this certificate and affix the Great Seal  
of the State of California this day of  
March 20, 2014.



*Debra Bowen*

**DEBRA BOWEN**  
**Secretary of State**

**ARTICLES OF INCORPORATION**  
**OF**  
**NETWORK SERVICES CORP**

The undersigned, acting as incorporators of a corporation under the California Corporations Code, hereby adopt the following Articles of Incorporation for such corporation:

**ARTICLE I**

**NAME**

The name of this corporation is: **Network Services Corp**

**ARTICLE II**

**CORPORATE PURPOSES**

The Purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

**ARTICLE III**

**CAPITALIZATION**

This corporation is authorized to issue only one class of shares of stock: and the total number of shares which this corporation is authorized to issue is **Ten Thousand (10,000)**.

**ARTICLE IV**

**PREEMPTIVE RIGHTS**

The stock of this Corporation may be issued at such time, upon such terms and conditions and for such consideration as the Board of Directors shall determine, consistent with applicable laws. Shareholders shall have preemptive rights to acquire any shares of the stock of the Corporation.

**BYLAWS**  
**of**  
**NETWORK SERVICES CORP INC**

**ARTICLE I**  
**Offices**

- 1.1 Registered Office and Registered Agent:** The registered office of the corporation shall be the same as listed on the articles of incorporation and at such place as may be fixed from time to time by the Board of Directors upon filing of such notices as may be required by law, and the registered agent shall have a business office identical with such registered office.
- 1.2 Other Offices:** The Corporation may have other offices within or outside the State of incorporation at such place or places as the Board of Directors may from time to time determine.

**ARTICLE 2**  
**Shareholder's Meetings**

- 2.1 Meeting Place:** All meetings of the shareholders shall be held the registered office of the corporation, or at such place as shall be determined from time to time by the Board of Directors, and the place at which any such meeting shall be held shall be stated in the notice of the meeting.
- 2.2 Annual Meeting Time:** The annual meeting of the shareholders for the election of directors and for the transaction of such other business as may properly come before the meeting, shall be held each year on January 20<sup>th</sup>, at the hour of 9:00am if not a legal holiday, and if a legal holiday, then on the day following, at the same hour, or January 31 of every year if no other meeting time is specifically appointed.
- 2.3 Annual Meeting - Order of Business:** At the annual meeting of shareholders, the order of business shall be as follows:
- (a) Calling of the meeting to order.
  - (b) Proof of notice of meeting (or filing of waiver).
  - (c) Reading of minutes of last annual meeting.
  - (d) Report of officers.
  - (e) Reports of committees.
  - (f) Election of directors.

- 2.4 Special Meetings:** Special meetings of the shareholders for any purpose may be called at any time by the President, Board of Directors, or the holders of not less than one-twenty of all shares entitled to vote at the meeting.
- 2.5 Notice:**
- (a) Notice of the time and place of an annual meeting of shareholders shall be given by delivering personally or by mailing a written or printed notice of the same, at least ten days, and not more than fifty days, prior to the meeting, to each shareholder of record entitled to vote at such meeting.
  - (b) At least ten days and not more than fifty days prior to the meeting, written or printed notice of each special meeting, and the purpose or purposes for which the meeting is called, shall be delivered personally, or mailed to each shareholder of record entitled to vote at such meeting.
- 2.6 Voting Record:** At least ten days before each meeting of shareholders, a complete record of the shareholders entitled to vote at such meeting, or any adjournment thereof, shall be made, arranged in alphabetical order, with the address of and number of shares held by each, which record shall be kept on file at the registered office of the corporation for a period of ten days prior to the meeting. The records shall be kept open at the time and place of such meeting for the inspection of any shareholder.
- 2.7 Quorum:** Except as otherwise required by law:
- (a) A quorum at any annual or special meeting of shareholders shall consist of shareholders representing, either in person or by proxy, a majority of the outstanding capital stock of the corporation, entitled to vote at such meeting.
  - (b) The voters of a majority in interest of those present at any properly called meeting or adjourned meeting of shareholders at which a quorum as in this paragraph defined is present, shall be sufficient to transact business.
- 2.8 Closing of Transfer Books and Fixing Record Date:** For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders, or any adjournment thereof, or entitled to receive payment of any dividend, the Board of Directors may provide that the stock transfer books shall be closed for a stated period not to exceed fifty days nor be less than ten days preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a record date for any such determination of shareholders, such date to be not more than fifty

days, and, in case of a meeting of shareholders, not less than ten days prior to the (late on which the particular action requiring such determination of shareholders is to be taken.

- 2.9 Proxies:** A shareholder may vote either in person or by proxy executed in writing by the shareholder, or his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.
- 2.10 Action by Shareholders Without a Meeting:** Any action required or which may be taken at a meeting of shareholders of the corporation, may be taken at a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the shareholders.
- 2.11 Waiver of Notice:** A waiver of notice required to be given any shareholder, signed by the person or persons entitled to such notice, whether before or after the time stated therein for the meeting, shall be equivalent to the giving of such notice.

### **ARTICLE 3**

#### **Stock**

- 3.1 Certificates:** Certificates of stock shall be issued in numerical order, and each shareholder shall be entitled to a certificate signed by the President, or a Vice President, and the Secretary or Assistant Secretary, and may be sealed with the seal of the corporation or a facsimile thereof. The signatures of such officers may be facsimiles if the certificate is manually signed on behalf of the transfer agent, or registered by a registrar, other than the corporation itself or an employee of the corporation. If an officer who has signed or whose facsimile signature has been placed upon such certificate ceases to be an officer before the certificate is used, it may be issued by the corporation with the same effect as if the person were an officer on the date of issue.
- 3.2 Transfer:** Transfers of stock shall be made only upon the stock transfer books of the corporation, kept at the registered office of the corporation or at its principal place of business, or at the office of its transfer agent or registrar; and before a new certificate is issued, the old certificate shall be surrendered for cancellation. The Board of Directors may, by resolution, open a share register in any state of the United States, and may employ an agent or agents to keep such register, and to record transfers or shares therein.

**3.3 Registered Owner:** Registered shareholders shall be treated by the corporation as the holders in fact of the stock standing in their respective names and the corporation shall not be bound to recognize any equitable or other claim to or interest in any share on the part of any other person, whether or not it shall have express or other notice thereof, except as expressly provided below or by the laws of the State of incorporation. The Board of Directors may adopt by resolution a procedure whereby a shareholder of the corporation may certify in writing to the corporation that all or a portion of the shares registered in the name of such shareholder are held for the account of a specified person or persons. The resolution shall set forth:

- (a) The classification of shareholder who may certify;
- (b) The purpose or purposes for which the certification may be made;
- (c) The form of certification and information to be contained therein;
- (d) If the certification is with respect to a record date or closing of the stock transfer books, the date within which the certification must be received by the corporation; and
- (e) Such other provisions with respect to the procedure as are deemed necessary or desirable.

Upon receipt by the corporation of a certification complying with the procedure, the persons specified in the certification shall be deemed, for the purpose or purposes set forth in the certification, to be the holders of record of the number of shares specified in place of the shareholder making the certification.

**3.4 Mutilated, Lost, or Destroyed Certificates:** In case of any mutilation, loss or destruction of any certificate of stock, another may be issued in its place on proof of such mutilation, loss or destruction. The Board of Directors may impose conditions on such issuance and may require the giving of a satisfactory bond or indemnity to the corporation in such sum as they might determine or establish such other procedures as they deem necessary.

**3.5 Fractional Shares or Scrip:** The Corporation may:

- (a) Issue fractions of a share which shall entitle the holder to exercise voting rights, to receive dividends thereon, and to participate in any of the assets of the corporation in the event of liquidation;
- (b) Arrange for the disposition of fractional interests by those entitled thereto;
- (c) Pay in cash the fair market value of fractions of a share as of the time when those entitled to receive such shares are determined; or
- (d) Issue scrip in registered or bearer form which shall entitle the holder to receive a certificate for the full share upon surrender of such scrip aggregating a full share.

- 3.6 Shares of Another Corporation:** Shares owned by the corporation in another corporation, domestic or foreign, may be voted by such officer, agent or proxy as the Board of Directors may determine or, in the absence of such determination, by the President of the Corporation.

## **ARTICLE 4**

### **Board of Directors**

- 4.1 Numbers and Powers:** The management of all the affairs, property and interest of the corporation shall be vested in the Board of Directors, consisting of one person who shall be elected for a term of one year, and shall hold office until their successors are elected and qualified. Directors need not be shareholders or residents of the State of incorporation. In addition to the powers and authorities granted by these Bylaws, and the Articles of Incorporation expressly conferred upon it, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the shareholders.
- 4.2 Change of Number:** The number of directors may at any time be increased or decreased by amendment of these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent director.
- 4.3 Vacancies:** All vacancies in the Board of Directors, whether caused by resignation, death or, otherwise, may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill any vacancy shall hold office for the unexpired term of his predecessor and until his successor is elected and qualified. Any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors for a term of office continuing only until the next election of directors by the shareholders.
- 4.4 Removal of Directors:** At a meeting of shareholders called expressly for that purpose, the entire Board of Directors, or any member thereof, may be removed by a vote of the holders of a majority of shares then entitled to vote at an election of such shareholders.
- 4.5 Regular Meetings:** Regular meetings of the Board of Directors or any committee may be held without notice at the registered office of the corporation or at such place or places, either within or without the State of Washington, as the Board of Directors or such committee, as the case may be, may from time to time designate. The annual meeting of the Board of

Directors shall be held without notice immediately after the adjournment of the annual meeting of shareholders.

- 4.6 Special Meetings:** Special meetings of the Board of Directors may be held at any place and at any time and may be called by the Chairman of the Board, the President, Vice President, Secretary or Treasurer, or any two or more directors.
- 4.7 Notice of Meetings:** Unless the Articles of Incorporation provide otherwise, any regular meeting of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Any special meeting of the Board of Directors may preceded by at least two days' notice of the date, time, and place of the meeting, but not of its purpose, unless the Articles of Incorporation of these Bylaws require otherwise. Notice may be given personally, by facsimile, by mail, or in any other manner allowed by law. Oral notification shall be sufficient only if a written record of such notice is included in the Corporation's minute book. Notice shall be deemed effective at the earliest of: (a) receipt; (b) delivery to the proper address or telephone number of the directors as shown in the Corporation's records; or (c) five days after its deposit in the United States mail, as evidenced by the postmark, if correctly addressed and mailed with first-class postage prepaid. Notice of any meeting of the Board of Directors may be waived by any director at any time, by a signed writing, delivered to the Corporation for inclusion in the minutes, either before or after the meeting. Attendance or participation by a director at a meeting unless the director promptly objects to holding the meeting or to the transaction of any business on the grounds that the meeting was not lawfully convened and the director does not thereafter vote for or assent to action taken at the meeting.
- 4.8 Quorum:** A majority of the whole Board of Directors shall be necessary at all meetings to constitute a quorum for the transaction of business.
- 4.9 Waiver of Notice:** Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. A waiver of notice signed by the director or directors, whether before or after the time stated for the meeting, shall be equivalent to the giving of notice.
- 4.10 Registering Dissent:** A director who is present at a meeting of the Board of Directors at which action on a corporate matter is taken shall be presumed to have assented to such action unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting, before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the



adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

- 4.11 Executive and Other Committees:** Standing or special committees may be appointed from its own number by the Board of Directors from time to time and the Board of Directors may from time to time invest such committees with such powers as it may see fit, subject to such conditions as may be prescribed by such Board. An Executive Committee may be appointed by resolution passed by a majority of the full Board of Directors. It shall have and exercise all of the authority of the Board of Directors, except in reference to amending the Articles of Incorporation, adopting a plan of merger or consolidation, recommending sale, lease or exchange or other disposition of all or substantially all the property and assets of the corporation otherwise than in the equal and regular course of business, recommending a voluntary dissolution or a revocation thereof, or amending the Bylaws. All committees so appointed shall keep regular minutes of the transactions of their meetings and shall cause them to be recorded in books kept for that purpose in the office of the corporation. The designation of any such committee and the delegation of authority thereto, shall not relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.
- 4.12 Remuneration:** No stated salary shall be paid directors, as such, for their service, but by resolution of the Board of Directors. A fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of such Board; provided, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore. Member of standing or special committees may be allowed like compensation for attending committee meetings.
- 4.13 Loans:** No loans shall be made by the corporation to the directors, unless first approved by the holders of two-thirds of the voting shares. No loans shall be made by the corporation secured by its' own shares.
- 4.14 Action by Directors Without a Meeting:** Any action required or which may be taken without a meeting of the directors, or of a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, or all of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote.
- 4.15 Action of Directors by Communications Equipment:** Any action required or which may be taken at a meeting of directors, or of a committee thereof, may be taken by means of a conference telephone or similar

communications equipment by means of which all persons participating in the meeting can hear each other at the same time.

## ARTICLE 5

### Officers

- 5.1 Designations:** The officers of the corporation shall be a President, one or more Vice-Presidents (one of more of whom may be Executive Vice-President), a Secretary and a Treasurer, and such Assistant Secretaries and Assistant Treasurers as the Board may designate, who shall be elected for one year by the directors at their first meeting after the annual meeting of shareholders, and who shall hold office until their successors are elected and qualified. Any two or more offices may be held by the same person, except the offices of President and Secretary.
- 5.2 The President:** The president shall preside at all meetings of shareholders and directors, shall have general supervision of the affairs of the corporation, and shall perform all other duties as are incident to his office or are properly required of him by the Board of Directors.
- 5.3 Vice President:** During absence or disability of the President, the Executive Vice-Presidents in the order designated by the Board of Directors, shall exercise all functions of the President. Each Vice-President shall have such powers and discharge such duties as may be assigned to him from time to time by the Board of Directors.
- 5.4 Secretary and Assistant Secretaries:** The Secretary shall issue notices for all meetings, except for notices for special meetings of shareholders and special meetings of the directors which are called by the requisite number of shareholders or directors, shall keep the minutes of all meetings, shall have charge of the seal and the corporate books, shall make such reports and perform other duties as are incident to his office, or are properly required of him by the Board of Directors. The Assistant Secretary, or Assistant Secretaries in the order designated by the Board of Directors, shall perform all of the duties of the Secretary during the absence or disability of the Secretary, and at other times may perform such duties as are directed by the President or the Board of Directors.
- 5.5 The Treasurer:** The Treasurer shall have the custody of all moneys and securities of the corporation and shall keep regular books on account. He shall disburse funds of the corporation in payment of the just demands against the corporation or as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Board of Directors from time to time as may be required of him, an account of all his transactions as Treasurer and of the financial conditions to his office or that are properly required of him by the Board of Directors. The

Assistant Treasurer, or Assistant Treasurers in the order designated by the Board of Directors, shall perform all of the duties of the Treasurer in the absence or disability of the Treasurer, and at other times may perform such other duties as are directed by the President or the Board of Directors.

- 5.6 Delegation:** In the case of absence or inability to act of any officer of the corporation and of any person herein authorized to act in his place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or other person whom it may select.
- 5.7 Vacancies:** Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting of the Board.
- 5.8 Other Officers:** Directors may appoint such other officers and agents as they shall deem necessary or expedient with who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.
- 5.9 Loans:** No loans shall be made by the corporation to any officer, unless first approved by the holders of two-thirds of the voting shares.
- 5.10 Term - Removal:** The officers of the corporation shall hold office until their successors are chosen and qualify. Any officer or agent elected or appointed by the Board of Directors may be removed at any time, without cause, by the affirmative vote of a majority of the whole Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.
- 5.11 Bonds:** The Board of Directors may, by resolution, require any and all of the officers to give bonds to the corporation, with sufficient surety or sureties, conditioned for the faithful performance of the duties of their respective offices, and to comply with such other conditions as may from time to time be required by the Board of Directors.
- 5.12 Salaries:** The salaries of the officers shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the corporation.

## **ARTICLE 6**

### **Dividends and Finance**

- 6.1 Dividends:** Dividends may be declared by the Board of Directors and paid by the corporation out of the unreserved and unrestricted earned surplus of the corporation, or out of the unreserved and unrestricted net earnings of the current fiscal year, or in treasury shares of the corporation, subject to

the conditions and limitations imposed by the State of incorporation. The stock transfer books may be closed for the payment of dividends during such periods of not exceeding fifty days, as from time to time may be fixed by the Board of Directors. The Board of Directors, however, without closing the books of the corporation, may declare dividends payable only to holders of record at the close of business, on any business day not more than fifty days prior to the date on which the dividend is paid.

**6.2 Reserves:** Before making any distribution of earned surplus, there may be set aside out of the earned surplus of the corporation such sum or sums as the directors from time to time in their absolute discretion deem expedient dividends, or for maintaining any property of the corporation, or for any other purpose, and earned surplus of any year not set apart until otherwise disposed of by the Board of Directors.

**6.3 Depositories:** The moneys of the corporation shall be deposited in the name of the corporation in such bank or trust company or trust companies as the Board of Directors shall designate, and shall be drawn out only by check or other order for payment of money signed by such persons and in such manner as may be determined by resolution of the Board of Directors.

## **ARTICLE 7**

### **Notices**

Except as may otherwise be required by law, any notice to any shareholder or director may be delivered personally or by mail. If mailed, the notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the addressee at his last known address in the records of the corporation, with postage thereon prepaid.

## **ARTICLE 8**

### **Seal**

The corporate seal of the corporation shall be in such form and bear such inscription as may be adopted by resolution of the Board of Directors, or by usage of the officers on behalf of the corporation. The procurement of a corporate seal shall be discretionary only, and is not required.

## **ARTICLE 9**

### **Books and Records**

The corporation shall keep correct and complete books and record of accounts and shall keep minutes of the proceedings of its shareholders and Board of Directors, and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its shareholders, giving the names and addresses of all shareholders and the number and class of the

shares held by each. Any books, records, and minutes may be in written form or any other form capable of being converted into written form within a reasonable time.

## **ARTICLE 10**

### **Special Corporate Acts**

- 10.1 Execution of Written Instruments:** Contracts, deeds, documents, and instruments shall be executed by the President alone unless the Board of Directors shall, in a particular situation, designate another procedure for their execution.
- 10.2 Signing of Checks or Notes:** Checks, notes, drafts, and demands for money shall be signed by the officer or officers from time to time designated by the Board of Directors.
- 10.3 Indemnification of Directors and Officers:** The corporation shall indemnify any and all directors or officers or former directors or former officers or any person who may have served at its request as a director or officer of the corporation or of any other corporation in which it is a creditor, against expenses actually or necessarily incurred by them in connection with the defense or settlement of any action, suit, or proceeding brought or threatened in which they, or any of them, are or might be made parties, or a party, by reason of being or having been directors or officers or a director or an officer of the corporation, or of such other corporation. This indemnification shall not apply, however, to matter as to which such director or officer or former director or officer or person shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of other rights to which those indemnified may be entitled, under any law, bylaw, agreement, vote of shareholders, or otherwise.


## **ARTICLE 11**

### **Amendments**

- 11.1 By Shareholders:** These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the voting stock issued and outstanding at any regular or special meeting of the shareholders.
- 11.2 By Directors:** The Board of Directors shall have the power to make, alter, amend and repeal the Bylaws of this corporation. However any such alteration, amendment, or repeal of the Bylaws, may be changed or repealed by the holders of a majority of the stock entitled to vote at any shareholders meeting.

**11.3 Emergency Bylaws:** The Board of Directors may adopt emergency Bylaws, Bylaws: subject to repeal or change by action of the shareholders, which shall be operative during any emergency in the conduct of business of the corporation resulting from an attack on the United States or any nuclear or atomic disaster.

Adopted by resolution of the Corporation's Board of Directors or incorporator on  
This 8<sup>th</sup> day of January, 2008

  
\_\_\_\_\_  
Incorporator or Director

ARTICLE V

**COMMENCING BUSINESS**

The corporation will not commence business until at least One Thousand and No/100 (\$1,000.00) Dollars has been received by it as consideration for the issuance of shares.

ARTICLE VI

**BYLAWS**

Provisions for the regulation of the internal affairs of the Corporation, including qualification and admission of directors and other matters shall be set forth in the bylaws and may be amended from time to time in accordance with the provisions of such bylaws. The bylaws shall be adopted by unanimous consent of the members of the Board of Directors except as provided on Section 212.

ARTICLE VII

**INITIAL AGENT FOR SERVICE OF PROCESS**

The name and address in the State of California of this corporation's initial agent for service of process is: Pamela L. Macdonald, 6952 Tradewinds Dr, Carlsbad, Ca 92011

ARTICLE VIII

**INDEMNIFICATION AND LIMITATION OF LIABILITY**

8.1 **Indemnification.** The Corporation is authorized to indemnify the directors and officers of the corporation to the fullest extent permissible under California Law.

8.2 **Limitation of Liability.** The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

DATED this 2nd day of Jan, 2008



Pamela L. Macdonald, Incorporator

**MINUTES OF ANNUAL MEETING OF THE BOARD OF DIRECTORS**  
**OF**

\_\_\_\_\_ Network Services Corp. \_\_\_\_\_

The annual meeting of the board of directors of the above named corporation was held on:  
January 20<sup>th</sup> 2014 at 8:00AM (PST)

Present was:

Kenneth Macdonald  
Pamela Macdonald  
Judy Wagner  
Boyd DeMille

Ken Macdonald was requested to be the temporary Chairman of the meeting.

Pamela Macdonald was requested to be the temporary Secretary of the meeting.

1. The meeting was called to order. It was determined that a quorum was present either in person or by proxy, and the meeting could conduct business.

The following directors were present:

Names of directors:  
Kenneth Macdonald  
Pamela Macdonald  
Judy Wagner  
Boyd DeMille

2. The Secretary determined and reported that notice of the meeting had been properly given or waived by directors in accordance with the bylaws.

3. A motion was made and carried, that the Secretary was ordered to attach the documentation (if any) or the appropriate affidavit of mailing of notice or waiver of notice to the meeting minutes. If no notice is attached, all directors agreed that proper notice of the meeting had been given.

4. There was presented to the meeting, a copy of the minutes of the previous meeting of the board directors.

5. Upon motion duly made, seconded and unanimously carried, it was resolved that the following persons were elected to serve as officers of the corporation until the next board of directors meeting:

\_Kenneth Macdonald \_\_\_\_\_ President  
\_Pamela Macdonald \_\_\_\_\_ Vice President/Operations  
\_Judy Wagner \_\_\_\_\_ Vice President/Sales Operations



Pamela Macdonald Secretary

6. The president presented the annual presidents report of the corporation.

7. The CFO of the corporation presented the treasurers report.

Upon motion duly made, seconded and unanimously carried, it was resolved that the secretary would attach a copy of the treasurers report to the corporate minutes book.

8. The following other business was transacted:

Energy Services

9. The directors ratified and approved all documents presented.

There was no further business, and upon motion made, seconded, and unanimously carried, it was

RESOLVED, that all the items and documents have been examined by all directors, and are approved and adopted, and that all actions taken thus far have been ratified and approved by the directors of the Corporation.

There being no further business, upon motion made and carried, the meeting was adjourned.

Dated: 1-20-14

|                                     |                            |
|-------------------------------------|----------------------------|
| Secretary <u>Pamela L Macdonald</u> | <u>Pamela L. MacDonald</u> |
| Signature                           | Printed Name               |

Witness: [Signature]  
Signature

Ken MacDonald  
Printed Name

Boyd DeMille  
Signature

Boyd DeMille  
Printed Name

Judy Wagner  
Signature

Judy Wagner  
Printed Name

Pamela L Macdonald  
Signature

Pamela L MacDonald  
Printed Name

**Board of Directors Corporate Resolution of:**  
**Network Services Corp.**

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We, the undersigned, being all the directors of this corporation consent and agree that the following corporate resolution was made

On January 31th 2014

At 8:00am (PST)

At 560 N. Coast Hwy 101 ste 4B, Encinitas, CA 92024

We do hereby consent to the adoption of the following as if it was adopted at a regularly called meeting of the board of directors of this corporation. In accordance with State law and the bylaws of this corporation, by unanimous consent, the board of directors decided that:

Network Services Corp. will expand its current services portfolio into Retail Energy. Sign Retail Energy agreements with the following service providers; Liberty Energy, Nordic Energy, Direct Energy, Hudson Energy ,Mid America, GDF & Constellation.

Network Services will apply for business licenses & registration through agent CT Corporation in the following states: IL, OH, PA, NJ, TX, NH, NY

Network Services will apply for Energy Licenses through the Public Utilities commission in the following states: IL, OH, PA, NJ, TX, NH, NY

Therefore, it is resolved, that the corporation shall:  
Go forward with the above for mentioned.

The officers of this corporation are authorized to perform the acts to carry out this corporate resolution.



Director signature



Printed name



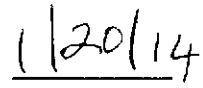
Date



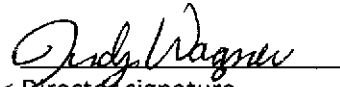
Director signature



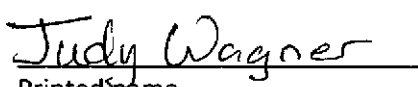
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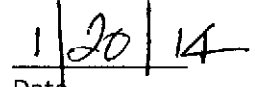
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Director signature

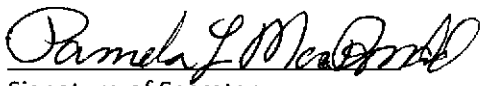


Printed name

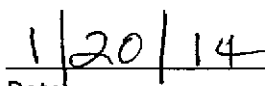


Date

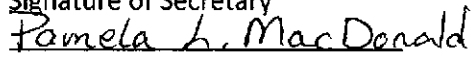
The Secretary of the Corporation certifies that the above is a true and correct copy of the resolution that was duly adopted at a meeting of the dated meeting of the board of directors.



Signature of Secretary



Date

  
Printed name of Secretary

**MINUTES OF ANNUAL MEETING OF THE BOARD OF DIRECTORS**  
**OF**

\_\_\_\_\_ Network Services Corp. \_\_\_\_\_

The annual meeting of the board of directors of the above named corporation was held on:  
January 31st 2013 at 8:00AM (PST)

Present was:

Kenneth Macdonald  
Pamela Macdonald  
Judy Wagner  
Boyd DeMille

Ken Macdonald was requested to be the temporary Chairman of the meeting.

Pamela Macdonald was requested to be the temporary Secretary of the meeting.

1. The meeting was called to order. It was determined that a quorum was present either in person or by proxy, and the meeting could conduct business.

The following directors were present:

Names of directors:  
Kenneth Macdonald  
Pamela Macdonald  
Judy Wagner  
Boyd DeMille

2. The Secretary determined and reported that notice of the meeting had been properly given or waived by directors in accordance with the bylaws.

3. A motion was made and carried, that the Secretary was ordered to attach the documentation (If any) or the appropriate affidavit of mailing of notice or waiver of notice to the meeting minutes. If no notice is attached, all directors agreed that proper notice of the meeting had been given.

4. There was presented to the meeting, a copy of the minutes of the previous meeting of the board directors.

5. Upon motion duly made, seconded and unanimously carried, it was resolved that the following persons were elected to serve as officers of the corporation until the next board of directors meeting:

\_Kenneth Macdonald \_\_\_\_\_ President  
\_Pamela Macdonald \_\_\_\_\_ Vice President/Operations  
\_Judy Wagner \_\_\_\_\_ Vice President/Sales Operations

Pamela Macdonald Secretary

6. The president presented the annual presidents report of the corporation.

7. The CFO of the corporation presented the treasurers report.

Upon motion duly made, seconded and unanimously carried, it was resolved that the secretary would attach a copy of the treasurers report to the corporate minutes book.

8. The following other business was transacted:

N/A

9. The directors ratified and approved all documents presented.

There was no further business, and upon motion made, seconded, and unanimously carried, it was

RESOLVED, that all the items and documents have been examined by all directors, and are approved and adopted, and that all actions taken thus far have been ratified and approved by the directors of the Corporation.

There being no further business, upon motion made and carried, the meeting was adjourned.

Dated: 1-31-2013

Secretary Pamela L MacDonald  
Signature

Pamela L MacDonald  
Printed Name

Witness: [Signature]  
Signature

Ken MacDonald  
Printed Name

[Signature]  
Signature

Boyd DeMille  
Printed Name

[Signature]  
Signature

Judy Wagner  
Printed Name

Pamela L MacDonald  
Signature

Pamela L MacDonald  
Printed Name

# A-15

Exhibit A-15 "Secretary of State" provide evidence that the applicant has registered with the Ohio Secretary of the State

**\*201409400059\***

|            |              |                                  |        |        |         |      |      |
|------------|--------------|----------------------------------|--------|--------|---------|------|------|
| DATE:      | DOCUMENT ID  | DESCRIPTION                      | FILING | EXPED  | PENALTY | CERT | COPY |
| 04/04/2014 | 201409400059 | FOREIGN LICENSE/FOR-PROFIT (FLF) | 125.00 | 100.00 | .00     | .00  | .00  |

**Receipt**

This is not a bill. Please do not remit payment.

CT CORPORATION SYSTEM  
4400 EASTON COMMONS WAY, STE 125  
ATTN: CHRIS RICKARD  
COLUMBUS, OH 43219

**STATE OF OHIO  
CERTIFICATE**

**Ohio Secretary of State, Jon Husted**

**2283450**

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

**NETWORK SERVICES CORP.**

and, that said business records show the filing and recording of:

Document(s)

**FOREIGN LICENSE/FOR-PROFIT**

Document No(s):

**201409400059**

**Effective Date: 04/03/2014**

Authorization to transact business in Ohio is hereby given, until surrender, expiration or cancellation of this license.

Witness my hand and the seal of the  
Secretary of State at Columbus, Ohio  
this 4th day of April, A.D. 2014.

United States of America  
State of Ohio  
Office of the Secretary of State



Ohio Secretary of State

# C-3

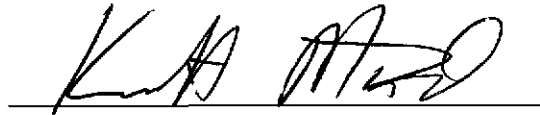
Exhibit C-3 "Financial Statements" provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement).

## CERTIFICATION

I Kenneth MacDonald, certify that:

1. Network Services Corp. is a privately held Corporation
2. Based on my knowledge, the 2012 annual report does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, not misleading with respect to the period covered;
3. Based on my knowledge, the financial statements, and other financial information included in report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented;
4. The company's other officers and I are responsible for establishing and maintaining disclosure controls and procedures for the company;
5. The company's officers and I have disclosed to the company's board of directors all information material to the company's current situation.

Date: 1-29-2013

A handwritten signature in black ink, appearing to read 'K MacDonald', is written over a horizontal line.

Name: Kenneth MacDonald /President CEO



Network Services Corp Inc  
Income Statement  
For the Twelve Months Ending December 31, 2012

|                            | Year to Date        |        |
|----------------------------|---------------------|--------|
| Revenues                   |                     |        |
| Income-Sales               | \$ 501,149.45       | 100.00 |
| Total Revenues             | <u>501,149.45</u>   | 100.00 |
| Cost of Sales              |                     |        |
| COGS-Sub Agent             | 135,925.03          | 27.12  |
| COGS-Sales Labor           | <u>94,219.10</u>    | 18.80  |
| Total Cost of Sales        | <u>230,144.13</u>   | 45.92  |
| Gross Profit               | <u>271,005.32</u>   | 54.08  |
| Expenses                   |                     |        |
| Corp Officers Salaries     | 70,837.79           | 14.14  |
| Payroll Taxes              | 22,209.00           | 4.43   |
| Employee Benefits          | 1,562.19            | 0.31   |
| Employee Insurance         | 11,787.22           | 2.35   |
| Vehicle Tax & Licensing    | 472.00              | 0.09   |
| Vehicle Repairs & Maint.   | 1,895.90            | 0.38   |
| Vehicle Ins.               | 3,819.68            | 0.76   |
| Gas Expense                | 6,527.48            | 1.30   |
| Travel                     | 12,365.47           | 2.47   |
| Supplies Expense           | 4,605.98            | 0.92   |
| Office Expense             | 2,833.45            | 0.57   |
| Bank Chags/Ret Cks         | 471.00              | 0.09   |
| Postage Expense            | 4.99                | 0.00   |
| Dues & Sub                 | 276.94              | 0.06   |
| Fees                       | 636.70              | 0.13   |
| Rent                       | 32,900.00           | 6.56   |
| Insurance                  | 1,208.48            | 0.24   |
| Accounting & Legal Expense | 9,428.73            | 1.88   |
| Advertising Expense        | 20,121.52           | 4.02   |
| Repairs & Maintenance      | 185.34              | 0.04   |
| IT Support                 | 2,982.33            | 0.60   |
| Professional Services      | 6,250.00            | 1.25   |
| Utilities Expense          | 4,462.68            | 0.89   |
| Telephone                  | 11,700.82           | 2.33   |
| Misc. Licensing & Tax Exp. | <u>1,016.68</u>     | 0.20   |
| Total Expenses             | <u>230,562.37</u>   | 46.01  |
| Net Income                 | <u>\$ 40,442.95</u> | 8.07   |

Network Services Corp Inc  
Balance Sheet  
December 31, 2012

ASSETS

|                                |    |                  |
|--------------------------------|----|------------------|
| Current Assets                 |    |                  |
| North Island Credit Union      | \$ | 25,348.40        |
| SDCCU Account                  |    | 27.70            |
|                                |    | <hr/>            |
| Total Current Assets           |    | 25,376.10        |
| Property and Equipment         |    |                  |
| Furniture & Fixtures           |    | 6,917.71         |
| F & F Accumulated Depreciation |    | (6,917.71)       |
| Computer Equipment             |    | 3,141.40         |
| Computer-Accum. Deprec         |    | (3,141.40)       |
|                                |    | <hr/>            |
| Total Property and Equipment   |    | 0.00             |
| Other Assets                   |    |                  |
|                                |    | <hr/>            |
| Total Other Assets             |    | 0.00             |
|                                |    | <hr/>            |
| Total Assets                   | \$ | <u>25,376.10</u> |

LIABILITIES AND CAPITAL

|                             |    |                  |
|-----------------------------|----|------------------|
| Current Liabilities         |    |                  |
|                             |    | <hr/>            |
| Total Current Liabilities   |    | 0.00             |
| Long-Term Liabilities       |    |                  |
| Note Payable                | \$ | 77,403.02        |
|                             |    | <hr/>            |
| Total Long-Term Liabilities |    | 77,403.02        |
|                             |    | <hr/>            |
| Total Liabilities           |    | 77,403.02        |
| Capital                     |    |                  |
| Capital Stock               |    | 1,000.00         |
| Equity                      |    | (93,469.87)      |
| Net Income                  |    | 40,442.95        |
|                             |    | <hr/>            |
| Total Capital               |    | (52,026.92)      |
|                             |    | <hr/>            |
| Total Liabilities & Capital | \$ | <u>25,376.10</u> |

## CERTIFICATION

I Kenneth MacDonald, certify that:

1. Network Services Corp. is a privately held Corporation
2. Based on my knowledge, the 2013 annual report does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, not misleading with respect to the period covered;
3. Based on my knowledge, the financial statements, and other financial information included in report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented;
4. The company's other officers and I are responsible for establishing and maintaining disclosure controls and procedures for the company;
5. The company's officers and I have disclosed to the company's board of directors all information material to the company's current situation.

Date: 1-20-2014

A handwritten signature in black ink, appearing to read 'Kenneth MacDonald', is written over a horizontal line.

Name: Kenneth MacDonald /President CEO

Network Services Corp Inc  
Income Statement  
For the Twelve Months Ending December 31, 2013

|                            | Year to Date  |        |
|----------------------------|---------------|--------|
| Revenues                   |               |        |
| Income-Sales               | \$ 544,552.84 | 100.00 |
| Income-Interest            | 9.57          | 0.00   |
|                            | <hr/>         |        |
| Total Revenues             | 544,562.41    | 100.00 |
|                            | <hr/>         |        |
| Cost of Sales              |               |        |
| COGS-Sub Agent             | 184,518.05    | 33.88  |
| COGS-Sales Labor           | 109,995.00    | 20.20  |
|                            | <hr/>         |        |
| Total Cost of Sales        | 294,513.05    | 54.08  |
|                            | <hr/>         |        |
| Gross Profit               | 250,049.36    | 45.92  |
|                            | <hr/>         |        |
| Expenses                   |               |        |
| Payroll Taxes              | 20,523.00     | 3.77   |
| Employee Benefits          | 3,400.32      | 0.62   |
| Employee Insurance         | 12,594.50     | 2.31   |
| Vehicle Tax & Licensing    | 450.00        | 0.08   |
| Vehicle Repairs & Maint.   | 4,222.92      | 0.78   |
| Vehicle Ins.               | 4,072.99      | 0.75   |
| Gas Expense                | 8,073.82      | 1.48   |
| Travel                     | 38,227.79     | 7.02   |
| Parking                    | 447.00        | 0.08   |
| Meals 50%                  | 2,432.43      | 0.45   |
| Meetings Expense           | 13,452.72     | 2.47   |
| Supplies Expense           | 5,301.18      | 0.97   |
| Office Expense             | 7,502.54      | 1.38   |
| Lease Office Equipment     | 819.07        | 0.15   |
| Bank Chags/Ret Cks         | 1,313.55      | 0.24   |
| Postage Expense            | 123.19        | 0.02   |
| Interest Charge            | 808.44        | 0.15   |
| Rent                       | 33,915.00     | 6.23   |
| Insurance                  | 3,184.67      | 0.58   |
| Accounting & Legal Expense | 9,560.86      | 1.76   |
| Advertising Expense        | 17,307.64     | 3.18   |
| Repairs & Maintenance      | 1,137.18      | 0.21   |
| Professional Services      | 11,521.00     | 2.12   |
| Utilities Expense          | 5,770.43      | 1.06   |
| Telephone                  | 12,717.89     | 2.34   |
| Internet                   | 1,744.18      | 0.32   |
| Misc. Licensing & Tax Exp. | 926.50        | 0.17   |
|                            | <hr/>         |        |
| Total Expenses             | 221,550.81    | 40.68  |
|                            | <hr/>         |        |
| Net Income                 | \$ 28,498.55  | 5.23   |
|                            | <hr/>         |        |

Network Services Corp Inc  
Balance Sheet  
December 31, 2013

ASSETS

|                                |    |                  |
|--------------------------------|----|------------------|
| Current Assets                 |    |                  |
| North Island Credit Union      | \$ | 20,926.69        |
| SDCCU Account                  |    | 2,879.81         |
| Savings Account                |    | 50,211.71        |
|                                |    | <hr/>            |
| Total Current Assets           |    | 74,018.21        |
| Property and Equipment         |    |                  |
| Furniture & Fixtures           |    | 6,917.71         |
| F & F Accumulated Depreciation |    | (6,917.71)       |
| Computer Equipment             |    | 3,141.40         |
| Computer-Accum. Deprec         |    | (3,141.40)       |
|                                |    | <hr/>            |
| Total Property and Equipment   |    | 0.00             |
| Other Assets                   |    | <hr/>            |
| Total Other Assets             |    | 0.00             |
|                                |    | <hr/>            |
| Total Assets                   | \$ | <u>74,018.21</u> |

LIABILITIES AND CAPITAL

|                             |    |                  |
|-----------------------------|----|------------------|
| Current Liabilities         |    | <hr/>            |
| Total Current Liabilities   |    | 0.00             |
| Long-Term Liabilities       |    |                  |
| Note Payable                | \$ | 100,345.00       |
|                             |    | <hr/>            |
| Total Long-Term Liabilities |    | 100,345.00       |
|                             |    | <hr/>            |
| Total Liabilities           |    | 100,345.00       |
| Capital                     |    |                  |
| Capital Stock               |    | 1,000.00         |
| Equity                      |    | (55,825.34)      |
| Net Income                  |    | 28,498.55        |
|                             |    | <hr/>            |
| Total Capital               |    | (26,326.79)      |
|                             |    | <hr/>            |
| Total Liabilities & Capital | \$ | <u>74,018.21</u> |

# C-5

Exhibit C-5 "Forecasted Financial Statements" provide two years of forecasted

financial statements (balance sheet, income statement, and cash follow statement) for the applicant's CRES operation, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer.

## Forecasted Financial Statement JAN 2016

[illegible]

# PROFIT & LOSS PROJECTION

Forecasted Financial Statement JAN 2014

|                          | JAN 14 | FEB 14 | MAR 14 | APR 14 | MAY 14 | JUN 14 | JUL 14 | AUG 14   | SEP 14   | OCT 14   | NOV 14   | DEC 14   | YEARLY    | IND % | J %  | F % | M % | A % | M % | J % | J % | A %  | S %  | O %  | N %  | D %  | YEAR % |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|----------|----------|----------|----------|----------|-----------|-------|------|-----|-----|-----|-----|-----|-----|------|------|------|------|------|--------|
| <b>REVENUES (SALES)</b>  |        |        |        |        |        |        |        |          |          |          |          |          |           |       |      |     |     |     |     |     |     |      |      |      |      |      |        |
| TREND                    |        |        |        |        |        |        |        |          |          |          |          |          |           |       |      |     |     |     |     |     |     |      |      |      |      |      |        |
| Broker Services          | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ 500 | \$ 1,000 | \$ 1,500 | \$ 2,500 | \$ 3,500 | \$ 5,000 | \$ 14,000 | 100%  | 100% | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 100% | 100% | 100% | 100% | 100% | 100%   |
| TOTAL SALES              | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ 500 | \$ 1,000 | \$ 1,500 | \$ 2,500 | \$ 3,500 | \$ 5,000 | \$ 14,000 | 100%  | 100% | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 100% | 100% | 100% | 100% | 100% | 100%   |
| <b>COST OF SALES</b>     |        |        |        |        |        |        |        |          |          |          |          |          |           |       |      |     |     |     |     |     |     |      |      |      |      |      |        |
| TREND                    |        |        |        |        |        |        |        |          |          |          |          |          |           |       |      |     |     |     |     |     |     |      |      |      |      |      |        |
| Broker Services          | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -      | 0%    | 0%   | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 0%   | 0%   | 0%   | 0%   | 0%   | 0%     |
| TOTAL COST OF SALES      | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -      | -     | 0%   | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 0%   | 0%   | 0%   | 0%   | 0%   | 0%     |
| Gross Profit             | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ 500 | \$ 1,000 | \$ 1,500 | \$ 2,500 | \$ 3,500 | \$ 5,000 | \$ 14,000 |       | 0%   | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 7%   | 11%  | 18%  | 25%  | 36%  | 100%   |
| <b>EXPENSES</b>          |        |        |        |        |        |        |        |          |          |          |          |          |           |       |      |     |     |     |     |     |     |      |      |      |      |      |        |
| TREND                    |        |        |        |        |        |        |        |          |          |          |          |          |           |       |      |     |     |     |     |     |     |      |      |      |      |      |        |
| Commission expenses      | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ 225 | \$ 450   | \$ 675   | \$ 1,125 | \$ 1,575 | \$ 2,250 | \$ 6,188  | 64%   | 64%  | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 100% | 100% | 100% | 100% | 100% | 100%   |
| Outside services         | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ 125 | \$ 250   | \$ 375   | \$ 625   | \$ 875   | \$ 1,250 | \$ 3,500  | 36%   | 36%  | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 100% | 100% | 100% | 100% | 100% | 100%   |
| TOTAL EXPENSES           | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ 350 | \$ 700   | \$ 1,050 | \$ 1,750 | \$ 2,450 | \$ 3,500 | \$ 9,688  | 100%  | 100% | 0%  | 0%  | 0%  | 0%  | 0%  | 0%  | 100% | 100% | 100% | 100% | 100% | 100%   |
| 2014 Net Profit Forecast | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ -   | \$ 150 | \$ 300   | \$ 450   | \$ 750   | \$ 1,050 | \$ 1,500 | \$ 4,312  |       | 0%   | 0%  | 0%  | 0%  | 0%  | 0%  | 4%  | 7%   | 11%  | 18%  | 25%  | 36%  | 100%   |



## Forecasted Financial Statement JAN 2015

|                           | JAN-15   | FEB-15   | MAR-15   | APR-15   | MAY-15   | JUN-15    | JUL-15    | AUG-15    | SEP-15    | OCT-15    | NOV-15    | DEC-15    | YEARLY     | IND % | J %  | P %  | M %  | A %  | N %  | O %  | D %  | YEAR % |
|---------------------------|----------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-------|------|------|------|------|------|------|------|--------|
| TREND<br>REVENUES (SALES) |          |          |          |          |          |           |           |           |           |           |           |           |            |       |      |      |      |      |      |      |      |        |
| Broker Services           | \$ 5,000 | \$ 6,000 | \$ 7,000 | \$ 8,000 | \$ 9,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000  |       | 100% |      |      |      |      |      |      |        |
| TOTAL SALES               | \$ 5,000 | \$ 6,000 | \$ 7,000 | \$ 8,000 | \$ 9,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 105,000 |       | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100%   |
| TREND<br>COST OF SALES    |          |          |          |          |          |           |           |           |           |           |           |           |            |       |      |      |      |      |      |      |      |        |
| Broker Services           | \$ - \$  | - \$     | - \$     | - \$     | - \$     | - \$      | - \$      | - \$      | - \$      | - \$      | - \$      | - \$      | - \$       |       | 0%   |      |      |      |      |      |      |        |
| TOTAL COST OF SALES       | \$ - \$  | - \$     | - \$     | - \$     | - \$     | - \$      | - \$      | - \$      | - \$      | - \$      | - \$      | - \$      | - \$       |       | 0%   | 0%   | 0%   | 0%   | 0%   | 0%   | 0%   | 0%     |
| Gross Profit              | \$ 5,000 | \$ 6,000 | \$ 7,000 | \$ 8,000 | \$ 9,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 105,000 |       | 5%   | 6%   | 7%   | 8%   | 8%   | 10%  | 10%  | 100%   |
| TREND<br>EXPENSES         |          |          |          |          |          |           |           |           |           |           |           |           |            |       |      |      |      |      |      |      |      |        |
| Commission expenses       | \$ 2,250 | \$ 2,700 | \$ 3,150 | \$ 3,600 | \$ 4,050 | \$ 4,500  | \$ 4,500  | \$ 4,500  | \$ 4,500  | \$ 4,500  | \$ 4,500  | \$ 4,500  | \$ 47,250  |       | 64%  | 64%  | 64%  | 64%  | 64%  | 64%  | 64%  | 64%    |
| Outside services          | \$ 1,750 | \$ 1,500 | \$ 1,750 | \$ 2,000 | \$ 2,250 | \$ 2,500  | \$ 2,500  | \$ 2,500  | \$ 2,500  | \$ 2,500  | \$ 2,500  | \$ 2,500  | \$ 24,750  |       | 36%  | 36%  | 36%  | 36%  | 36%  | 36%  | 36%  | 36%    |
| TOTAL EXPENSES            | \$ 3,500 | \$ 4,200 | \$ 4,900 | \$ 5,600 | \$ 6,300 | \$ 7,000  | \$ 7,000  | \$ 7,000  | \$ 7,000  | \$ 7,000  | \$ 7,000  | \$ 7,000  | \$ 73,500  |       | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100%   |
| 2015 Net Profit Forecast  | \$ 1,500 | \$ 1,800 | \$ 2,100 | \$ 2,400 | \$ 2,700 | \$ 3,000  | \$ 3,000  | \$ 3,000  | \$ 3,000  | \$ 3,000  | \$ 3,000  | \$ 3,000  | \$ 31,500  |       | 5%   | 6%   | 7%   | 8%   | 8%   | 10%  | 10%  | 100%   |

# **AFFIDAVIT**

State of CA :

Encinitas ss.  
(Town)

County of San Diego :

Ken MacDonald, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the President (Office of Affiant) of Network Services Corp (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant,

1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in the application.
2. The Applicant herein, attests it will timely file an annual report with the Public Utilities Commission of Ohio of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Division (A) of Section 4905.10, Division (A) of Section 4911.18, and Division (F) of Section 4928.06 of the Revised Code.
3. The Applicant herein, attests that it will timely pay any assessments made pursuant to Sections 4905.10, 4911.18, or Division F of Section 4928.06 of the Revised Code.
4. The Applicant herein, attests that it will comply with all Public Utilities Commission of Ohio rules or orders as adopted pursuant to Chapter 4928 of the Revised Code.
5. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, and its Staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the Applicant.
6. The Applicant herein, attests that it will fully comply with Section 4928.09 of the Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
7. The Applicant herein, attests that it will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
8. The Applicant herein, attests that it will use its best efforts to verify that any entity with whom it has a contractual relationship to purchase power is in compliance with all applicable licensing requirements of the Federal Energy Regulatory Commission and the Public Utilities Commission of Ohio.
9. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, the electric distribution companies, the regional transmission entities, and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of the electric service in accordance with the emergency plans and other procedures as may be determined appropriate by the Commission.
10. If applicable to the service(s) the Applicant will provide, the Applicant herein, attests that it will adhere to the reliability standards of (1) the North American Electric Reliability Council (NERC), (2) the appropriate regional reliability council(s), and (3) the Public Utilities Commission of Ohio. (Only applicable if pertains to the services the Applicant is offering)

11. The Applicant herein, attests that it will inform the Commission of any material change to the information supplied in the application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

[Signature] President  
Signature of Affiant & Title

Sworn and subscribed before me this 25<sup>th</sup> day of April, 2017  
Month Year

Shawn M. Russell  
Signature of official administering oath

Shawn M. Russell, Notary Public  
Print Name and Title

My commission expires on March 25, 2017

