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17-1861-EL-AGG

Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, OH 43215-3793

Dear Ladies and Gentlemen:

Enclosed for filing is a signed and notarized original, and 3 copies of a completed Certification for Aggregators/Power Brokers Application for HomeADE, LLC d/b/a Zentility

If you have any questions about this application, please call Ryan Peusch at (443) 710-1920.

Sincerely yours,


Kyle Nicholson
Partner

KN/jmf

Attachments

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
Technician MN Date Processed AUG 28 2017

THE NEW WAY TO TAKE CARE OF YOUR ENERGY

INFO@ZENTILITY.COM  443.710.1920



**Public Utilities
Commission**

PUCO USE ONLY		
Date Received	Case Number	Version
	17-1861-EL-AGG	May 2016

INITIAL CERTIFICATION APPLICATION FOR ELECTRIC AGGREGATORS/ POWER BROKERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-12 Company History). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division; 180 East Broad Street, Columbus, Ohio 43215-3793.

This PDF form is designed so that you may 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 HomeADE, LLC d/b/a Zentility
Address 1350 Magnolia Avenue, Annapolis, MD 21403-4668
Telephone # (443) 710-1920 Web site address (if any) www.zentility.com

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

Legal Name Zentility
Address 1350 Magnolia Avenue, Annapolis, MD 21403-4668
Telephone # (443) 710-1920 Web site address (if any) www.zentility.com

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

<u>HomeADE, LLC</u>	<u>Zentility</u>
<u></u>	<u></u>
<u></u>	<u></u>

A-4 Contact person for regulatory or emergency matters

Name Ryan Peusch
Title President and CEO

Business address 1350 Magnolia Avenue, Annapolis, MD 21403-4668
Telephone # (443) 710-1920 Fax # (717) 766-9245
E-mail address ryan@zentility.com

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

Name Ryan Peusch
Title President & CEO
Business address 1350 Magnolia Avenue, Annapolis, MD 21403-4668
Telephone # (443) 710-1920 Fax # (717) 766-9245
E-mail address ryan@zentility.com

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

Customer Service address 1350 Magnolia Avenue, Annapolis, MD 21403-4668
Toll-free Telephone # (877) 563-4483 Fax # (717) 766-9245
E-mail address ryan@zentility.com

A-7 Applicant's federal employer identification number # 464962685

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

- ☐ Sole Proprietorship ☐ Partnership
☐ Limited Liability Partnership (LLP) ☐ Limited Liability Company (LLC)
☐ Corporation ☐ 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"/> First Energy | | | | |
| <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"/> Duke Energy | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> Monongahela Power | <input type="checkbox"/> Residential | <input type="checkbox"/> Commercial | <input type="checkbox"/> Mercantile | <input type="checkbox"/> Industrial |
| <input type="checkbox"/> American Electric Power | | | | |
| <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"/> Dayton Power and Light | <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

October 1, 2017

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 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-13** **Exhibit A-13 "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-14** **Exhibit A-14 "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. (This is generally only applicable to publicly traded companies who publish annual reports)

C-2 **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If the applicant does not have such filings, it may submit those of its parent company. An applicant may submit a current link to the filings or provide them in paper form. 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. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns (with social security numbers and account numbers redacted).

C-4 **Exhibit C-4 “Financial Arrangements,”** provide copies of the applicant's financial to satisfy collateral requirements to conduct retail electric/gas business activity (e.g., parental or third party guarantees, contractual arrangements, credit agreements, etc.).

Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU’s collateral requirements.

First time applicants or applicants whose certificate has expired as well as renewal applicants can meet the requirement by one of the following methods:

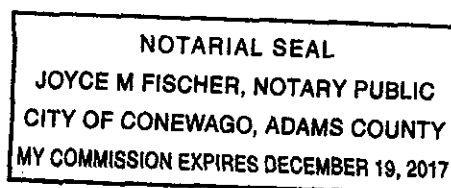
1. The applicant itself stating that it is investment grade rated by Moody’s, Standard & Poor’s or Fitch and provide evidence of rating from the rating agencies.
2. Have a parent company or third party that is investment grade rated by Moody’s, Standard & Poor’s or Fitch guarantee the financial obligations of the applicant to the LDU(s).
3. Have a parent company or third party that is not investment grade rated by Moody’s, Standard & Poor’s or Fitch but has substantial financial wherewithal in the opinion of the Staff reviewer to guarantee the financial obligations of the applicant to the LDU(s). The guarantor company’s financials must be included in the application if the applicant is relying on this option.
4. Posting a Letter of Credit with the LDU(s) as the beneficiary.

If the applicant is not taking title to the electricity or natural gas, enter “N/A” in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

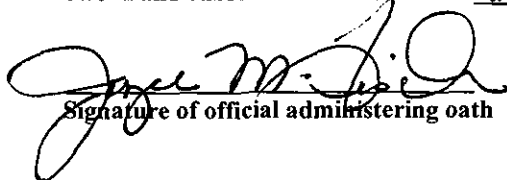
C-5 **Exhibit C-5 “Forecasted Financial Statements,”** provide two years of forecasted income statements for the applicant’s **ELECTRIC related business activities in the state of Ohio Only**, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year.

- 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. If an applicant or its parent does not have such a credit rating, enter "N/A" in Exhibit C-6.
- 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. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter "N/A" for Exhibit C-7.
- 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 two most recent years preceding the application.
- C-10 **Exhibit C-10 "Corporate Structure,"** provide a description of the applicant's corporate structure, not an internal organizational chart, 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 in North America. If the applicant is a stand-alone entity, then no graphical depiction is required and applicant may respond by stating that they are a stand-alone entity with no affiliate or subsidiary companies.

 CEO
Signature of Applicant & Title



Sworn and subscribed before me this 22nd day of August, 2017


Signature of official administering oath

Month . Year
Joyce M. Fischer
Print Name and Title

My commission expires on December 19, 2017

AFFIDAVIT

State of Pennsylvania

Conewago ss.
(Town)

County of Adams :

Ryan Peusch, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the CEO (Office of Affiant) of HomeAde, LLC (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.

PP CEO
Signature of Affiant & Title

Sworn and subscribed before me this 22nd day of August, 2017
Month Year

Joyce M. Fischer
Signature of official administering oath

Joyce M. Fischer
Print Name and Title

My commission expires on December 19, 2017

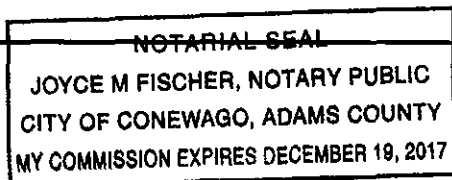


Exhibit A-11 "Principal Officers, Directors & Partners"

Provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.

Ryan Peusch, President & CEO

1350 Magnolia Avenue

Annapolis MD 21403

443-710-1920

10 years of diverse experience in energy management, business development, technology product management, and consulting. He worked in Business Development for Exelon, the leading U.S. power generator and Retail Energy Supplier, helping to develop and provide in-depth education on complex product structures and energy settlement options within the following industry segments: Power, Natural Gas, Load Response, Energy Efficiency, Solar, and Renewable Energy. He managed over \$30 million in energy related contracts while at Exelon.

Craig Tobe, Partner & Chief Technology Officer

1350 Magnolia Avenue

Annapolis, MD 21403

610-551-2667

Senior architect specializing in developing and scaling client/server applications. He has contributed to the success of major applications at companies like eBay, Constant Contact, FINRA, NPR, the American Red Cross, and many others across the finance, e-commerce, marketing, and media sectors.

Joseph Patanella, Partner

1350 Magnolia Avenue

Annapolis, MD 21403

202-744-0589

18 years as a technologist with the National Security Agency (NSA); entrepreneurial business experience throughout government career; founded TrustWave, a leading information security company in 1998, and grew it to over 300 employees and \$60M in annual revenue before stepping down from daily operations in 2008. He remains on TrustWave's Board of Directors.

Kyle Nicholson, Partner

434 North Front Street

Wormleysburg, PA 17043

202-258-7754

Zentility's Senior Vice President of Business Development. Since graduating from George Washington University with a BA in Entrepreneurship and Marketing, Nicholson has been involved in start-ups and investment projects throughout a wide variety of industries, from Internet technology to Special Education Services. Prior to joining Zentility, he operated a Sales and Use Tax Recovery firm and served as a managing partner at a lighting retrofit company that helped its customers benefit from energy savings achieved by upgrading their facilities to more energy efficient lighting.

Application for Power Broker License of HomeADE, LLC d/b/a Zentility

James H. Cawley, CSO, Advisor
1020 Kent Drive
Mechanicsburg, PA 17050
717-439-8776

Senior advisor to the company on strategy and regulatory compliance. He served for many years as a commissioner and chairman of the Pennsylvania Public Utility Commission, one of the largest public utility regulatory bodies in the nation, beginning in the early 1980's and ending in 2015, interspersed with twenty years of law practice as counsel to several public utilities and competitive electric, gas, and telephone suppliers.

Exhibit A-12 "Company History"

Provide a concise description of the applicant's company history and principal business interests.



Applicant was incorporated in Maryland on March 3, 2014. It has spent the first two years of its existence developing its proprietary software. It began marketing in the spring of 2016 while continuing to enhance its service with new features.

As the following narrative describes, HomeADE, LLC d/b/a Zentility facilitates the purchase of electricity by businesses by providing a competitive bidding platform (the Zentility Marketplace) that puts electricity sellers and nonresidential buyers together for a small negotiated fee per kilowatt hour. It also helps users manage their electricity usage by conveniently displaying existing and projected account information and comparisons clearly and concisely in one place, and by providing recommendations for energy saving measures.



By making its application-based software available free to its users on their desktop computers and mobile Apple or Android devices, Zentility facilitates and automates the purchase and management of electricity by users from over two dozen state-licensed electricity suppliers that are members of the Zentility Marketplace, an energy platform that allows suppliers to bid competitively for users' electricity load.

The software provides both users and suppliers with their own energy management "dashboard." A user's dashboard displays an array of constantly-updated usage, price, and cost data, projections, and comparisons for the user's building/account (or tens of thousands of them, often in far flung locations across diverse states and electric utility operating territories), based on data received from the electric public utility serving the building/account and market data provided by the supplier members of the Zentility Marketplace. Suppliers' dashboards graphically display convenient tools to facilitate electronic bidding on a user's load.

Zentility is paid a small fee per kilowatt hour by the winning supplier only if the user and supplier contract through Zentility's Marketplace. Very uncommon in the industry, the fee (usually 1 mil or less, i.e., $\leq \$0.001/\text{kWh}$) is not only disclosed in negotiations upfront but is typically 60-90% lower than the per kilowatt hour commissions charged by energy brokers. That fee is then included in all supplier price and term bids.

Application for Power Broker License of HomeADE, LLC d/b/a Zentility

A user simply provides Zentility with ongoing electronic access to its usage and bill data provided by the user's electric public utility, which is shared with the state-licensed suppliers on the Marketplace platform for bidding purposes but is otherwise kept confidential.

The software solicits fixed-price bids from suppliers on the platform, reviews offers and terms submitted, and makes a report and recommendation to the user (which is under no obligation to accept any supplier's offer or Zentility's recommendation). Rather than a reverse auction process where suppliers see other ongoing bids and bid only as low as they need to, all suppliers bid simultaneously but may submit multiple bids of differing rates and terms.

With the report and recommendation, the software provides the recommended supplier's contract, which can be downloaded if desired. The user may request different parameters or contract terms by dealing directly with the supplier. When the contract is acceptable to both parties, the new supplier notifies the user's electric distribution company which in turn notifies the replaced supplier and verifies the switch with the user.

Uniquely, the software then constantly monitors the marketplace and re-solicits bids from suppliers if it determines that a more economically advantageous rate and term may be available midway in the existing contract term, even with payment of an early termination fee. If a bid is received that is better than the user's current contract terms, the software makes a recommendation to the user to accept it (but, again, the user is under no obligation to do so).

If the user wishes, its individual circumstances are determined, and the software provides energy efficiency and conservation recommendations. As an additional service, it checks users' electric bills for accuracy.

Exhibit A-13 "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.

As a Limited Liability Company, HomeADE, LLC has an Operating Agreement rather than articles of incorporation and bylaws.

See the next page for the Third Amended and Restated Operating Agreement of HomeADE, LLC.

**THIRD AMENDED AND RESTATED OPERATING AGREEMENT
OF
HOMEADE, LLC**

This THIRD AMENDED AND RESTATED OPERATING AGREEMENT (this “**Agreement**”) is entered into and made effective as of May 24, 2016 (the “**Effective Date**”), by and among HomeADE, LLC, a Maryland limited liability company d/b/a Zentility (the “**Company**”), RYAN M. PEUSCH (“**Peusch**”), CRAIG TOBE (“**Tobe**”), RAINMAKERS II, LLC, a Delaware limited liability company (“**Rainmakers**”), PATRICK NEWELL (“**Newell**”), JOSEPH L. PATANELLA FAMILY TRUST (“**JLP Trust**”), and MONARCH LAND, LLC, a Delaware limited liability company (“**Monarch**”). Peusch, Tobe, Rainmakers, Newell, JLP Trust and Monarch may each be referred to herein as a “**Member**” and collectively as the “**Members**”.

Background

- A. The Company was organized on April 24, 2014 as a Maryland limited liability company.
- B. Peusch, Tobe, Joseph L. Patanella (“**Patanella**”) and Rainmakers are parties to a certain Second Amended and Restated Operating Agreement of the Company dated as of January 1, 2015 (the “**Prior Operating Agreement**”).
- C. As of the Effective Date, Patanella has transferred each of his 200 Class A Interests in the Company to the JLP Trust.
- D. As of the Effective Date, both JLP Trust and Monarch have purchased Class A Interests in the Company pursuant to certain Subscription Agreements, and the parties desire to admit JLP Trust and Monarch as Members of the Company subject to the terms and conditions of this Agreement.
- E. As of the Effective Date, both of Peusch and Tobe have transferred 34.565 Class A Interests to Newell (69.130 total Class A Interests), and the parties desire to admit Newell as a Member of the Company subject to the terms and conditions of this Agreement.
- F. The parties further desire for this Agreement to amend, restate and supersede any prior agreement among the Members and the Company, whether oral or in writing, which relates to the subject matter of this Agreement, including without limitation, the Prior Operating Agreement.

Agreement

In consideration of the above background, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

**ARTICLE I
DEFINITIONS**

1.1 Definitions. Capitalized terms used in this Agreement which are not otherwise defined shall have the meanings assigned to them in Schedule 1.1.

1.2 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa. Unless expressly stated otherwise, Section, Schedule and Article references herein shall refer to Sections, Schedules and Articles of this Agreement.

ARTICLE II

FORMATION OF COMPANY

2.1 Formation. The Company has been organized as a Maryland limited liability company by executing and delivering the Articles in accordance with and pursuant to the Act.

2.2 Name. The name of the Company is HomeADE, LLC.

2.3 Registered Office; Principal Place of Business. The address of the Company's registered office and principal place of business shall be located at 1350 Magnolia Avenue, Annapolis, Maryland 21403, or at such other place as the Board of Managers may from time to time determine.

2.4 Purpose. The purposes of the Company shall be (a) to provide software-based energy products to customers (the "**Principal Business**"), (b) to advance, extend and grow the Principal Business, as determined from time to time by the Board of Managers in its sole discretion, (c) to engage in all other lawful business authorized pursuant to the Act, and (d) to make, enter into and perform any contracts and other undertakings, and to engage in any activities and transactions as may be ancillary to or necessary or advisable to carry out the foregoing purposes.

2.5 Term. The term of the Company shall be perpetual unless the Company is earlier dissolved in accordance with the provisions of this Agreement.

2.6 Membership Interests. There shall be two types of Membership Interests – Class A Interests and Class B Interests. The Class A Members and the Class B Members shall have the respective rights, duties and obligations specified hereunder. The Board of Managers is authorized to issue an unlimited number of Membership Interests, and is authorized, but not required, to issue certificates to the Members to evidence their respective Membership Interests.

2.7 Preemptive Rights.

(a) Upon a determination by the Board of Managers to proceed with the issuance or sale of additional Membership Interests, indebtedness which is convertible to Membership Interests or other equity securities of the Company (individually and collectively, "**New Company Interests**"), the Board of Managers shall first submit to each Class A Member (collectively, the "**Preemptive Right Holders**") a written notice not later than 20 days prior to the expected consummation of the proposed issuance and sale, describing the type of New Company Interests to be issued and sold, the New Company Interest (or equivalent) purchase price and the other terms upon which the Company proposes to issue the same. Without limiting the generality of any other provision hereof, the description of the price and terms in the Board of Manager's notice to the Preemptive Right Holders may be in the form of a term sheet (in customary detail for term sheets for transactions of the same type with unrelated third parties providing financing) agreed upon by the

Company and the Person to whom the Company proposes to sell such New Company Interests; provided, however, that the Board of Managers shall give each Preemptive Right Holder an additional written notice at least five days prior to any change in the price or other material change in the terms upon which the Company proposes to issue such New Company Interests. Each Preemptive Right Holder shall have 20 days after any such written notice (including any additional notice required above of a change in terms) is delivered to elect to purchase up to such Preemptive Right Holder's pro rata share of the New Company Interests by delivering a binding written notice of its election to the Board of Managers and all other Preemptive Right Holders stating the exact number of New Company Interests such Preemptive Right Holder elects to purchase out of its pro rata share. If a Preemptive Right Holder does not elect to purchase, or is not legally able to purchase, all of its pro rata share of New Company Interests, the remaining Preemptive Right Holders may each purchase such non-purchasing Preemptive Rights Holder's pro rata share of New Company Interests pro rata among themselves in accordance with their respective ownership of Company Interests (and further pro rata based on the maximum number of New Company Interests the Preemptive Right Holders are willing to purchase if any of such remaining Preemptive Right Holders shall not purchase its pro rata share) by giving written notice to the Board of Manager's and all other Preemptive Right Holders within ten days after its receipt of notice of a Preemptive Right Holder's election not to participate.

(b) If all of the New Company Interests are not purchased by one or more of the Preemptive Right Holders entitled to purchase hereunder, the Company may sell such New Company Interests to the transferee named in the Board of Manager's notice to the Preemptive Right Holders on terms providing for a cash price equal to or higher than the amount set forth in such notice. If the Board of Managers fails to consummate the sale of such New Company Interests within 180 days following the expiration of the time provided for the Preemptive Right Holders to elect to purchase the New Company Interests, the right of the Company to sell such unpurchased New Company Interests shall terminate and the Board of Managers shall be required to submit another notice to the Members and comply with the procedures set forth herein in order to Transfer any such New Company Interests to a transferee.

(c) A Preemptive Right Holder's "pro rata share" of New Company Interests for purposes of this preemptive right is the Preemptive Right Holder's Percentage Interest immediately prior to the issuance of the New Company Interests.

ARTICLE III

CAPITAL ACCOUNTS; ACCOUNTING AND TAX MATTERS

3.1 Initial Capital Contributions. Each of Peusch, Tobe, JLP Trust (as successor-by-assignment to Patanella) and Rainmakers has previously made Capital Contributions to the Company. As of the Effective Date, the Preferred Members' have made Capital Contributions to the Company in the respective amounts set forth on Schedule D.

3.2 Additional Capital Contributions. From and after the Effective Date, no Member shall be required to make any additional Capital Contributions to the Company.

3.3 Capital Accounts.

(a) A separate Capital Account shall be established and maintained for each Member. The balance of each Capital Account shall equal the amount of such Member's aggregate

Capital Contributions to such Capital Account, increased by (i) such Member's distributive share of Net Profits allocable to such Capital Account, and (ii) the amount of any Company liabilities that are assumed by such Member or that are secured by any Company assets distributed to such Member; and decreased by (A) such Member's distributive share of Net Losses allocable to such Capital Account, (B) distributions made by the Company to such Member, and (C) the amount of any liabilities of such Member that are assumed by the Company.

(b) Notwithstanding the foregoing, to the extent the book value of property of the Company for Capital Account purposes differs from the Company's basis in such property, depreciation, gain and loss for Capital Account purposes shall be computed by reference to such book value rather than such tax basis. In accordance with Section 704(c) of the Code, income, gain, loss and deduction with respect to such property shall, solely for tax purposes, be shared among the Members so as to take account of the variation between the basis of the property to the Company and its fair market value at the time of contribution, or at the time that the book value of such property is adjusted under Regulations § 1.704-1(b)(2)(iv)(f), as the case may be, in accordance with the traditional method with curative allocations as described under Regulations § 17.04-3(c).

(c) All provisions of this Agreement relating to the maintenance of the Capital Accounts are intended to comply with Section 704 of the Code and Regulations § 1.704-1(b) and shall be interpreted and applied in a manner consistent with such provisions.

3.4 Transfers. If any Membership Interest, or a portion thereof, is transferred in accordance with this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest.

3.5 No Interest or Return of Capital Contributions. No interest shall be paid on Capital Contributions to the Company. No Member shall have the right to receive the return of any Capital Contribution made to the Company.

3.6 Loans. Any and all loans made to the Company by any Member shall not be considered Capital Contributions.

3.7 Returns and other Elections. The Tax Matters Member shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. All elections permitted to be made by the Company under federal or state laws shall be made by the Tax Matters Member in its sole discretion. The Tax Matters Member shall cause the Company to be treated as a partnership for federal, state and local income tax purposes.

3.8 Tax Matters Member. The Tax Matters Member is authorized to represent the Company, or select representation for the Company, in connection with all examinations of the affairs of the Company by tax authorities, including without limitation, administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith. As of the Effective Date, Rainmakers is the acting Tax Matters Member. Successor Tax Matters Members shall be selected by the Board of Managers.

ARTICLE IV

ALLOCATIONS AND DISTRIBUTIONS

4.1 General Allocation of Net Profits and Net Losses. All Net Profits and Net Losses shall be allocated among the Members in a manner such that, after giving effect to the Regulatory Allocations set forth in Section 4.2, the Capital Account balances of the Members, immediately after making such allocation, is equal to (A) an amount sufficient to pay any accrued but unpaid Preferred Distributions owed to the Preferred Members, and (B) after making a deemed payment of any accrued but unpaid Preferred Distributions to the Preferred Members, an amount sufficient to pay pro rata liquidating distributions to all Members based upon Percentage Interests.

4.2 Regulatory Allocations/Qualified Income Offset. Notwithstanding anything to the contrary set forth herein, (a) all allocations of Net Profits and Net Losses under this Agreement are intended to comply with, and shall be made in accordance with, the Regulatory Allocations and (b) if any Member unexpectedly receives any adjustments, allocations, or distributions described in Regulations § 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of income and gain will be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Capital Account balance deficit of that Member as quickly as possible, provided that an allocation pursuant to this Section 4.2 will be made only if and to the extent that such Member would have a Capital Account balance deficit requiring elimination pursuant to the Regulations after all other allocations provided for in this Article IV have been tentatively made as if this Section 4.2 were not in the Agreement.

4.3 Proration in the Event of a Transfer. If any Membership Interest is transferred during a Fiscal Year, then Net Profits and Net Losses attributable to the transferred Membership Interest shall be prorated between the transferor and transferee for federal income tax purposes using any convention or method permitted by the Code or Regulations that the Tax Matters Member deems appropriate.

4.4 Allocations upon Admissions or Redemptions. If the Percentage Interest of a Member is changed during a Fiscal Year for any reason other than the Transfer of all or a portion of the Member's Membership Interest, then such Member's share of Net Profits and Net Losses shall be determined for federal income tax purposes by taking into account such Member's varying Percentage Interest in the Company and using any convention or method permitted by the Code or Regulations that the Tax Matters Member deems appropriate.

4.5 Distributions.

(a) Preferred Distributions. The Preferred Members shall be entitled to receive cumulative priority Distributions at the rate of 4% of the amount of their respective initial Capital Contributions, compounded annually (the "**Preferred Distributions**"), which Preferred Distributions shall commence to accrue as of the Effective Date and continue to accrue through and including the first to occur of the following: (i) a Sale of the Company; or (ii) a liquidation of the Company in accordance with Article VIII hereof (the earlier of (i) and (ii) being the "**Preferred Payment Date**"). Prior to the Company paying any other Distributions to its Members, including but not limited to Tax Distributions, the Company shall pay all accrued but unpaid Preferred Distributions to the Preferred Members. For the avoidance of doubt, the Board of Managers may, but shall not be required to, pay any accrued but unpaid Preferred Distributions prior to the Preferred Payment Date.

(b) Tax Distributions. With respect to any taxable year of the Company pursuant to which Members are allocated taxable income for federal income tax purposes (and for this purpose all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703 of the Code shall be included in the calculation of taxable income (other than the amount, if any, by which capital losses exceed capital gains)), the Company shall make, within 90 days after the close of each Fiscal Year, Distributions to the Members which are proportionate to their Percentage Interests, in an amount equal to the Company's taxable income for the immediately preceding Fiscal Year (computed as set forth in this sentence) multiplied by the highest aggregate federal, state and local tax rate applicable to any Member of the Company (or with respect to Members that are treated as partnerships for federal income tax purposes, any individual partner or member of such Member) ("**Tax Distributions**"); provided, however, that no Tax Distribution shall be paid hereunder unless and until all accrued but unpaid Preferred Distributions have been paid in full. For purposes of the preceding sentence, the Company's taxable income for a taxable year shall be reduced by any net loss of the Company in prior taxable years that has not previously been so taken into account under this Section 4.5(b).

(c) Discretionary Distributions. Upon payment in full of all accrued but unpaid Preferred Distributions, the Company may, but shall not be required to, make additional Distributions at such times and in such amounts as determined by the Board of Managers in its sole discretion. All such distributions shall be made to the Members in proportion to their respective Percentage Interests.

ARTICLE V

MANAGEMENT

5.1 Management. The management and control of the Company and its business and affairs shall be vested in the Board of Managers. The members of the Board of Managers shall be appointed pursuant to the terms of this Agreement. The Board of Managers shall have all the rights and powers that may be possessed by managers in a limited liability company pursuant to the Act and such rights and powers as are otherwise conferred by law or necessary, advisable or convenient to the discharge of the Board of Manager's duties under this Agreement and to the management of the business and affairs of the Company. Except as otherwise expressly provided herein or within the Act, the Board of Managers shall have full, complete and exclusive discretion to take any and all actions whatsoever that the Company is authorized to take and to make all decisions with respect thereto, including without limitation, the power and authority to execute and deliver on behalf of the Company, such contracts, agreements, mortgages, deeds, leases, promissory notes, confessions of judgment and such other instruments or documents determined by the Board of Managers to be in the best interests of the Company. Each Manager shall devote such time to the business and affairs of the Company as is reasonable, necessary or appropriate based on all relevant facts and circumstances.

5.2 Composition of Board. At all times, the Board of Managers shall be comprised of five Managers. As of the Effective Date, the Board of Managers shall be comprised of Ryan M. Peusch, Craig Tobe, Joseph L. Patanella, Kyle T. Nicholson and Timothy F. Nicholson. Each such Manager shall serve until his earlier death or resignation, and may not be removed or replaced by the other Members or Managers. Any subsequent Manager may be removed and/or replaced, with or without Cause, at any time and from time to time, by the Class A Majority. The names of each of the Managers shall be set forth on Schedule B from time to time. A Manager may, but need not be, a Member of the Company.

5.3 Actions of the Board of Managers. The Board of Managers may act only by the affirmative vote, or with the affirmative consent, of a majority of all of the Managers, or as a majority of all of the Managers may otherwise determine.

5.4 Resignation. A Manager may resign at any time by giving written notice of his resignation to the remaining Managers. The resignation of a Manager shall not affect his rights as a Member, if any. The resignation of a Manager shall take effect upon receipt of notice thereof or at such later date specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The Transfer by a Manager that is also a Member of all of his Membership Interest in the Company shall be deemed a resignation from the Board of Managers by such transferring Member, unless otherwise agreed upon in writing by the transferring Member and the remaining members of the Board of Managers.

5.5 Removal; Vacancies. Each Manager other than Joseph L. Patanella, Ryan M. Peusch, Craig Tobe, Kyle T. Nicholson and Timothy F. Nicholson may be removed and replaced by the Class A Majority. Subsequent Managers may be appointed, and vacancies may be filled, by the Class A Majority.

5.6 Meetings. The Board of Managers shall meet at such times as the Managers determine necessary, advisable or appropriate. The Managers may designate any place as the place of meeting for any meeting of Managers. If no designation is made, the place of meeting shall be the principal place of business of the Company. Any Manager may participate in a meeting by means of conference telephone or similar communications equipment by means of which all those participating in the meeting can hear each other and participation in the meeting by means of such equipment shall constitute presence in person at such meeting. Action may be taken without a meeting if the action is evidenced by one or more written consents signed by a majority of all of the Managers.

5.7 Affiliate Transactions. The Board of Managers may authorize the Company to engage in transactions with an Affiliate of a Manager, so long as such affiliation is disclosed in advance and such transaction is approved by a majority of the non-interested Manager or Managers.

5.8 Other Business Membership Interests. Subject to Section 9.1 below, any of the Managers may engage in other business ventures of every nature and description, independently or with others, and the engagement in such activities shall not be deemed to be wrongful or improper. Neither the Company nor any other Members or Managers shall, by virtue of their interest in the Company, have any rights in or to such ventures or the income or profits derived from them. Notwithstanding the foregoing, the Managers shall exercise any and all rights hereunder in good faith, solely in the best interests of the Company, and not in a manner intended to serve or benefit any other business or venture.

5.9 Officers and Employees. The Board of Managers may, in its sole discretion, appoint such officers of the Company as the Board of Managers may from time to time deem necessary or advisable. Any such officers shall hold office for a term designated by the Board of Managers until such officer's successor has been elected or until such officer's earlier death, resignation or removal from office. Any such officer may be removed, with or without cause, by the Board of Managers at any time. Subject to Section 6.2(v) below, the Board of Managers shall also have the right to hire such employees and engage such consultants, contractors and agents as the Board of Managers deems necessary or advisable, pursuant to such terms and conditions as the Board of Managers

deems necessary or advisable. Unless otherwise determined by the Board of Managers and notified to the applicable officers in writing, each such officer appointed by the Board of Managers shall have the customary roles and authority traditionally conferred in connection with such appointments (e.g., the President shall have responsibility for overseeing all aspects of the day-to-day management of the Company and the power to enter into all contracts on behalf of the Company, subject to the authority of the Board of Managers).

5.10 Indemnification. To the fullest extent permitted by the Act, the Company shall indemnify the Managers and the officers of the Company against any and all losses, costs, expenses, damages or liabilities, including reasonable attorneys' fees, arising out of or resulting from any act performed by the Managers or the officers within the scope of the authority conferred by this Agreement, except for any acts of gross negligence, willful misconduct or fraud. Neither the Company nor any Member shall have any right or claim against the Managers or any officer, or any of their respective agents or attorneys, by reason of any act of omission or commission by the Managers or any officer, provided such was done in good faith and such did not constitute gross negligence, willful misconduct or fraud. Within 30 days following the Effective Date, the Company shall obtain directors and officers liability insurance covering each member of the Board of Managers, in such amounts and with such insurer as is satisfactory to the Board of Managers, in its sole and absolute discretion. The Company shall maintain such coverage at all times throughout the term of this Agreement, unless the Board of Managers unanimously agrees otherwise.

5.11 Advancement of Expenses. Expenses (including without limitation attorneys' fees) incurred by the Managers or any officer of the Company in defending any action or proceeding referred to in Section 5.10 shall be paid by the Company in advance of the final disposition of the action or proceeding, upon receipt of an undertaking by or on behalf of the Manager or officer to repay the amount advanced if it shall ultimately be determined that the Manager or officer is not entitled to be indemnified by the Company.

5.12 Reimbursement. All expenses incurred by the Managers with respect to the operation and management of the Company shall be borne by the Company, and the Managers shall be entitled to reimbursement from the Company for reasonable, out-of-pocket expenses allocable to the operation and management of the Company. Except for the foregoing reimbursement, the Managers shall not be entitled to any compensation or other remuneration for services performed as members of the Board of Managers.

ARTICLE VI

MEMBERS

6.1 Members. The name, address, Capital Contribution, Percentage Interest and number and class of Membership Interests of each Member shall be set forth on Schedule A, which shall be amended by the Board of Managers from time to time to reflect (a) the withdrawal or admission of a Member, (b) the Transfer of any part of a Membership Interest by a Member, or (c) any changes in a Member's respective Percentage Interest or number of Membership Interests.

6.2 Voting Rights.

(a) *Class A Members*. Notwithstanding anything to the contrary set forth herein, the affirmative vote or written consent of each of (I) the Class A Majority, (II) the JLP Trust, and

(III) Monarch shall be required (and the affirmative vote or written consent of the Board of Managers shall not be required) in order for the Company to take any of the following actions:

- (i) authorize, approve or consummate a Sale of the Company;
- (ii) authorize or cause the Company to dissolve;
- (iii) authorize or cause the Company to exercise any Elective Purchase Option or Involuntary Purchase Option;
- (iv) materially change or alter the total compensation package of any employee of the Company whose annual salary and bonus exceeds \$150,000 in the aggregate;
- (v) issue or sell, or offer for issuance or sale, any Membership Interests or debt of the Company;
- (vi) alter or change the rights, preferences or privileges of the Class A Interests;
- (vii) authorize and approve any Distributions other than Tax Distributions or Preferred Distributions;
- (viii) determine the Fair Market Value of the Company pursuant to the terms of this Agreement;
- (ix) authorize and approve any Permitted Transferee pursuant to the terms of this Agreement; or
- (x) cause any Member to become personally liable for any debts, obligations, liabilities or losses of the Company of any kind or nature, whether arising in contract, tort or otherwise, beyond such Member's Capital Contribution, if any.

For the avoidance of doubt, (A) none of the actions set forth in this Section 6.2(a) may be taken without the affirmative vote or written consent of both the JLP Trust and Monarch, and (B) the Class A Interests held by the JLP Trust and Monarch shall be included with all other Class A Interests in determining whether the Class A Majority requirement is satisfied.

(b) *Class B Members.* No Class B Member shall have the right to vote on or consent to any Company matter.

6.3 Other Activities of Members and Affiliates. Subject to Section 9.1 below, each of the Members may engage in and possess interests in business ventures and investment opportunities outside of the Company. Neither the Company nor any other Member shall have any rights in or to such ventures or opportunities or the income or profits derived therefrom by reason of this Agreement. At the discretion of the Board of Managers, the Company may employ, retain, transact business with or contract with any Person related to, having a common interest with, or that is an Affiliate of, a Member.

ARTICLE VII

RESTRICTIONS ON TRANSFER

7.1 **General Restrictions.** Except for Transfers to Permitted Transferees or as otherwise expressly permitted pursuant to this Agreement, no Member may Transfer all or any portion of its respective Membership Interests. Any purported Transfer contrary to the terms of this Agreement shall be null and void and of no effect whatsoever.

7.2 **Permitted Transfers.** Notwithstanding the foregoing, a Member may Transfer all or any portion of its Membership Interests to a Permitted Transferee, provided that each of the following conditions precedent have been fulfilled to the satisfaction of the Class A Majority, in their sole discretion: (a) the Board of Managers has received from the transferee a fully executed and acknowledged joinder to this Agreement setting forth the transferee's agreement to be bound by the terms and conditions of this Agreement; (b) the Permitted Transferee has paid all reasonable expenses incurred by the Board of Managers and the Company (including its reasonable legal fees) in connection with such Transfer; and (c) the transferor and the Permitted Transferee provide the Board of Managers with satisfactory evidence that the Transfer complies with all applicable state and federal securities laws and does not require the consent of any governmental agency or entity. Once the above conditions have been fulfilled to the satisfaction of the Board of Managers, the Permitted Transferee shall become a Member, and shall be subject to all provisions of this Agreement as if originally a party hereto.

7.3 **Elective Purchase Option.**

(a) Upon the occurrence of an Offering Event, the Company shall have the first exclusive right of purchase, and the remaining Members shall have the second exclusive right of purchase, with respect to all, but not less than all, of the Membership Interest owned by the Member subject to the Offering Event (the "**Elective Offered Interest**"), pursuant to the terms and conditions of this Section 7.3 (the "**Elective Purchase Option**"). The Member subject to the Offering Event (the "**Offering Member**") shall give prompt written notice to the Company and the remaining Members following the occurrence of an Offering Event. In addition, to the extent the Offering Event is foreseeable by the Offering Member, the Offering Member shall endeavor to give the Company and the Members at least ten days prior written notice of such Offering Event.

(b) The Company shall have the first exclusive right to exercise the Elective Purchase Option for a period of 30 days after receipt of notice of the Offering Event (the "**Initial Period**"). The Company shall exercise the Elective Purchase Option by providing written notice thereof to the Offering Member and each remaining Member.

(c) If the Company fails or declines to timely exercise the Elective Purchase Option with respect to the Elective Offered Interest, the remaining Members shall have the exclusive right to exercise the Elective Purchase Option for a period of 30 days after expiration of the Initial Period (the "**Additional Period**"). The remaining Members shall exercise the Elective Purchase Option by providing written notice thereof to the Offering Member and the Company. The remaining Members shall be entitled to purchase the Elective Offered Interest in such proportions as they shall agree, or, if they are unable to agree, in pro rata portions based on the relative Percentage Interests of all remaining Members exercising the Elective Purchase Option.

(d) If the Company and/or the remaining Members timely exercise the Elective Purchase Option, closing on the purchase and sale of the Elective Offered Interest shall take place within 30 days after expiration of the Initial Period or the Additional Period, as applicable, or at such other time as the parties shall agree. At such closing, the Offering Member shall deliver to the purchaser such assignments, instruments of conveyances and other documents as the purchaser shall reasonably request to effectively convey title to the Elective Offered Interest, free and clear of any liens, pledges or other encumbrances, and the purchaser shall deliver the purchase price for the Elective Offered Interest in accordance with Sections 7.5 and 7.6 below.

7.4 Conversion Events.

(a) Immediately upon the occurrence of an Conversion Event with respect to a Class A Member, all of the Class A Interests owned by such Class A Member shall immediately and automatically convert into Class B Interests, on a one-to-one conversion ratio. Notwithstanding the foregoing, should the Conversion Event consist of a termination of an Indirect Member's Service with the Company for Cause, then a percentage of the Class A Interests owned by the underlying Member shall immediately and automatically convert into Class B Interests, on a one-to-one conversion ratio, which percentage shall be equal to such Indirect Member's percentage Interest in the underlying Member. For example, if a Conversion Event occurs with respect to Kyle T. Nicholson, then 40.0% of Rainmaker's Class A Interests shall be converted into Class B Interests (because Kyle T. Nicholson is a 40.0% equity owner of Rainmakers).

(b) The Company shall have the right, but not the obligation, to redeem all, but not less than all, of the Membership Interests of any Member that are subject to such Conversion Event (collectively, the **"Involuntary Offered Interest"**) for a period of 180 days after notice is received by the Company of the Conversion Event (**"Involuntary Purchase Option"**). The Company shall exercise the Involuntary Purchase Option by providing written notice thereof to the affected Member.

(c) Closing on an Involuntary Purchase Option shall take place within 30 days after the Involuntary Purchase Option is exercised, or at such other time as the parties shall agree. At such closing, the affected Member shall deliver to the Company such assignments, instruments of conveyances and other documents as the Company shall reasonably request to effectively convey title to the Involuntary Offered Interest, free and clear of any liens, pledges or other encumbrances, and the Company shall deliver the purchase price for the Involuntary Offered Interest in accordance with Sections 7.5 and 7.6 below.

7.5 Purchase Price.

(a) The purchase price for any Membership Interest purchased as a result of an Elective Purchase Option shall be the Fair Market Value of the Company, multiplied by the Percentage Interest of the Membership Interest being purchased. The initial Fair Market Value of the Company is \$2,350,000. The Class A Members constituting a Class A Majority shall endeavor to agree upon and, if necessary, adjust the Fair Market Value on an annual basis, as of December 31 each year. Notwithstanding the foregoing, if at the time of any purchase price determination hereunder, the Class A Members constituting a Class A Majority have not been able to agree upon the Fair Market Value for a period of two years or more, then the Class A Majority shall engage an Appraiser to determine the Fair Market Value. The Appraiser's determination in such instance shall

be binding upon the parties, absent a showing of manifest error, and the Company shall solely bear the costs of the Appraiser.

(b) The purchase price for any Involuntary Offered Interest purchased upon exercise of an Involuntary Purchase Option shall be (i) such amount as agreed upon by the Company and the Withdrawn Member in writing, or (ii) in the absence of such agreement, an amount equal to the positive balance of such Withdrawn Member's Capital Account at the time of such Conversion Event. In the event that the Withdrawn Member's Capital Account balance is negative at the time of such Conversion Event, the purchase price for the Involuntary Offered Interest shall be \$250.

7.6 Payment Terms.

(a) If the total purchase price for any Membership Interest purchased as a result of an Elective Purchase Option or an Involuntary Purchase Option (each, a "**Purchase Event**") is \$20,000 or less, then the entire purchase price shall be paid in immediately available funds at closing.

(b) If the total purchase price for any Membership Interest purchased as a result of a Purchase Event is greater than \$20,000, then the entire purchase price shall be paid by delivery of a promissory note at closing, which promissory note and the terms and conditions thereof (each, a "**Seller Note**") shall be in the form attached hereto as Schedule C.

7.7 Drag Along Rights.

(a) In the event that each of the Class A Majority, the JLP Trust and Monarch (collectively, the "**Electing Members**"), approve or consent to the Sale of the Company, then, at the request of the Electing Members, each of the remaining Members agrees to execute and deliver any consents, approvals or other documentation necessary or desirable, in the reasonable discretion of the Electing Members, to: (i) execute and deliver a definite purchase, sale or merger agreement which, in the sole and absolute discretion of the Electing Members, is necessary or appropriate to effectuate the Sale of the Company (the "**Purchase Agreement**"); (ii) authorize or consummate the Sale of the Company; and, (iii) deliver any and all instruments of transfer and certificates (if any), free and clear of all claims, liens, security interests and encumbrances whatsoever. Notwithstanding the foregoing, the Electing Members shall have no power to exercise their drag along rights under this provision unless: (A) no remaining Member shall be required to make any representations or warranties except as to such Member's (1) ownership of the Membership Interests to be transferred by such Member free and clear of liens, claims and encumbrances, (2) such Member's power and authority to effect such transfer and (3) matters pertaining to compliance with securities laws as the transferee may reasonably require; and (B) no remaining Member shall be subject to indemnification obligations or other liability under the terms of the applicable Purchase Agreement in excess of the amount allocable to such Member's proportionate ownership of the Company or the cash consideration received by such Member under the terms of the Purchase Agreement.

(b) Subject to the last sentence of Section 7.7(a) above, each Member that is not an Electing Member, if any, hereby irrevocably names each of the Electing Members as its agent and attorney-in-fact to: (i) negotiate, execute and deliver, on behalf of and in the name of, such Member, the Purchase Agreement; (ii) execute and deliver, on behalf of and in the name of, such Member, any and all consents, approvals or other documentation necessary or desirable, in the reasonable discretion of the Electing Members, to authorize or consummate the Sale of the Company in accordance with the terms and conditions of the Purchase Agreement; and (iii) to make assignments

and to make transfers of Membership Interests on the Company's books, on behalf of and in the name of, such Member. Such power-of-attorney is irrevocable and shall be deemed coupled with an interest.

7.8 Tag Along Rights.

(a) In the event that each of the Class A Majority, the JLP Trust and Monarch (collectively, the "**Offering Members**") approve or consent to the Transfer of their Membership Interests to a bona fide third-party purchaser (the "**Proposed Sale**"), then, the Offering Members shall promptly provide written notice of the Proposed Sale to each of the remaining Members ("**Seller's Notice**"), setting forth: (i) the name and address of the proposed transferee; (ii) the proposed type and amount (on a per-Membership Interest basis) of consideration offered by the proposed transferee; and (iii) any other terms and conditions of payment or transfer offered by the proposed transferee.

(b) Within 15 days after receiving the Seller's Notice, each of the remaining Members may exercise their individual right to participate in the Proposed Sale on the same terms and conditions set forth in the Seller's Notice (the "**Tag Along Rights**"), and may sell and transfer that portion of such Member's Membership Interests which represents the same portion of Membership Interests subject to Transfer by the Offering Members in relation to all such Offering Members' total Membership Interests (e.g., if the Offering Members are transferring 50% of their total Membership Interests pursuant to the transaction then each remaining Member shall have the right to Transfer 50% of each such Member's Membership Interests). The remaining Members shall exercise their respective Tag Along Rights by delivering written notice of such to the Offering Members (the "**Tag Along Notice**") within the aforementioned 15-day period. If any term listed in the Seller's Notice is materially changed prior to closing on the Proposed Sale, then, the Offering Members shall provide an amended Seller's Notice to each of the remaining Members, and the aforementioned 15-day period shall be renewed. If any Member exercises its Tag Along Rights, then the Offering Members shall cause the proposed transferee listed in the Seller's Notice to purchase such Member's Membership Interests subject to Tag Along Rights as of the date of closing on the Proposed Sale as a condition precedent to purchasing the Membership Interests held by the Offering Members.

(c) The terms and conditions listed in the Seller's Notice shall govern the purchase of the Membership Interests of any Member exercising its Tag Along Rights. If any Member fails to timely deliver a Tag Along Notice, such Member shall forfeit its Tag Along Rights with respect to the Proposed Sale for a period of 120 days. If the Proposed Sale does not close prior to the expiration of such 120-day period, the Offering Members shall be required to resubmit a Seller's Notice and give each remaining Member renewed Tag Along Rights pursuant to this Section.

ARTICLE VIII

DISSOLUTION AND LIQUIDATION

8.1 Dissolution.

(a) The Company shall be dissolved and its affairs wound up and terminated only upon the first to occur of the following (i) the determination by each of the Class A Majority, the JLP Trust and Monarch, or (ii) at any time there are no Members.

(b) Dissolution of the Company shall be effective on the day on which an event described in Section 8.1(a) above occurs, but the Company shall not terminate until the articles of cancellation shall be filed with the Department of Assessments and Taxation of the State of Maryland and the assets of the Company are distributed as provided in Section 8.2 below. Notwithstanding the dissolution of the Company, prior to the termination of the Company, the business of the Company and the affairs of the Members shall continue to be governed by this Agreement.

8.2 Winding Up. Upon the occurrence of a dissolution event described in Section 8.1(a) above, the Board of Managers shall select the Person or Persons responsible for winding up the affairs of the Company, and the assets of the Company shall be distributed as follows:

(a) first, to creditors, in the order of priority as provided by applicable law, including all Members who are creditors, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provisions for payment thereof); and

(b) then, to the Members in the following order and priority, but only to the extent of the positive balance in each of their respective Capital Accounts: (i) first, to each the Preferred Members, an amount equal to the sum of its respective initial Capital Contribution plus any accrued but unpaid Preferred Distributions owing to such Preferred Member; and (ii) second, to each of the Members (including the Preferred Members), a liquidating distribution in proportion to each of their remaining positive Capital Account balances after taking into account all Capital Account activity for the Fiscal Year during which such liquidation occurs (including without limitation the special liquidating distributions set forth in subsection (i) above), all in accordance with Regulations § 1.704-1(b).

8.3 Articles of Cancellation. When all debts, liabilities and obligations have been paid and discharged (or adequate provisions have been made therefor), and all of the remaining assets and properties have been distributed to the Members, articles of cancellation shall be duly executed and completed by the Person or Persons responsible for winding up the affairs of the Company in accordance with the provisions of the Act.

ARTICLE IX

NONCOMPETITION, NON-SOLICITATION, NONDISCLOSURE

AND INVENTION ASSIGNMENT

9.1 Noncompetition and Non-Solicitation. In consideration of the terms and conditions of this Agreement, each Member and Indirect Member agrees that, except as set forth below, he will not, directly or indirectly, on his own behalf or as a partner, officer, director, stockholder, member, employee, independent contractor, principal, agent, advisor or consultant for any other person, firm or entity, during its association with the Company, and for a period of three years thereafter, regardless of the reason for termination:

(a) engage in the Principal Business or otherwise compete with the Company in any area within the geographical area where the Company markets or provides its services during such Member's membership with the Company (collectively, the "**Restricted Area**");

(b) solicit for himself or any other person, firm or entity (other than the Company) the business of any customer of the Company, which shall include any prospective

customer which the Company solicited to be a customer at any time during such Member's or Indirect Member's affiliation with the Company;

(c) persuade or attempt to persuade customers or prospective customers of the Company to discontinue or reduce their business with the Company; or

(d) solicit, hire, entice, aid or cooperate with others in soliciting, hiring, enticing or aiding any employee or service provider of the Company to leave the Company's employ or to cease providing services to the Company.

The activities referred to in subsections (a), (b), (c) and (d) above are collectively referred to as the "**Restricted Activities**". Each of the Members agrees that the restrictions contained in subsections (b), (c) and (d) above have no geographic limitation. Each of the Members agrees that the restrictions contained in subsection (a) above are geographically limited to the Restricted Area. Each of the Members acknowledges and agrees that the covenants contained herein, and the definitions above of the Restricted Activities and Restricted Area, are reasonable in time, territory and terms to protect the legitimate business interests, goodwill and relationships of the Company.

9.2 Member Acknowledgements. Each of the Members further acknowledges and agrees that:

(a) the Company's business is, and/or following the date hereof is likely to be, national in scope;

(b) the Company's products and services are, and/or following the date hereof are likely to be, marketed throughout the United States of America;

(c) the Company has competed, and/or following the date hereof is likely to, compete with other businesses that are or could be located in any part of the states and territories of the United States of America;

(d) the businesses of the Company is highly competitive and face competition from numerous and various Persons, firms and other business organizations;

(e) the Company will require substantial and continuous expenditures of time and money to develop and maintain its market share within the Restricted Area; and

(f) the parties would not have entered into this Agreement hereby without each of the Members agreeing to be bound by the covenants set forth above.

9.3 Confidentiality. The parties acknowledge and agree that each Member will have access to proprietary and confidential information relating to the Company and its clients (collectively, "**Proprietary Information**"). Accordingly, each Member agrees that neither it nor any of its Affiliates will use, publish, disseminate, misappropriate, or otherwise disclose any Proprietary Information during their membership with the Company, and for a period of three years thereafter, regardless of the reason for termination, except as may be required by applicable law. Proprietary Information shall not include information which (a) was or becomes generally available to the public other than as a result of disclosure by a Member to the public or any third party in violation of this Section 9.3 or (b) was rightfully in a Member's possession prior to its receipt from the Company.

Each Member will take all reasonable precautions to protect the confidential nature of Proprietary Information and all other documents or materials entrusted to such Member containing Proprietary Information. All files, records, documents, statistical data, lists and similar items relating to the business of the Company are the property of the Company. Upon the time such Member ceases to be a Member, such Member shall (i) return any and all Proprietary Information to the Company, and (ii) cease the use of and permanently delete and destroy the electronic embodiments of any Proprietary Information contained on any computer or hard drive, together with all disks, printouts and copies of the same and all analysis based on such Proprietary Information.

9.4 Invention Assignment. Each Invention, whether now existing or hereafter created, does and will belong exclusively to the Company. If it is determined that any Invention is not a work made for hire, then such Member hereby assigns to the Company all of his right, title and interest, including all rights of copyright, patent and other intellectual property rights, to or in such Invention. Each Member hereby covenants and agrees that he will promptly: (a) disclose to the Company in writing any Invention; (b) assign to the Company or to a party designated by the Company, at the Company's request and without additional compensation, all of the Member's right, title and interest to the Invention for the United States of America and all foreign jurisdictions; (c) execute and deliver to the Company such applications, assignments and other documents as the Company may request in order to apply for and obtain patents or other registrations with respect to any Invention in the United States of America and any foreign jurisdictions; (d) sign all other papers necessary to carry out the above obligations; and (e) give testimony and render any other assistance in support of the Company's rights to any Invention.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.1 Notices. Any notice, demand or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be deemed to have been delivered (a) two business days after being sent by registered or certified United States mail, or (b) upon delivery if hand delivered, sent via facsimile transmission or electronic mail. If delivered to a Member, such notice shall be delivered to his address as it appears in the records of the Company. If to the Company, such notice shall be delivered to its principal place of business.

10.2 Governing Law. This Agreement, and the application and interpretation hereof, shall be subject to and governed exclusively by its terms and by the laws of the State of Delaware, without regard to its conflicts of laws provisions.

10.3 Further Assurances. Each Member shall cooperate and take such action as may be reasonably requested by the Members in order to carry out the provisions and purposes of this Agreement and the transactions contemplated hereby.

10.4 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa. Unless expressly stated otherwise, Section, Schedule and Article references herein shall refer to the Sections, Schedules and Articles of this Agreement.

10.5 Amendments; Waivers. The Company shall not amend, revise or modify the Articles or this Agreement without the prior written consent of all Class A Members; provided, however, that

the Board of Managers may amend, revise and modify Schedule A and Schedule B from time to time to reflect any duly authorized changes therein. No waiver by any party of the breach of any provision hereof shall be deemed to constitute a waiver of any continuing or subsequent breach of such provision or any other provision hereof.

10.6 Rights and Remedies Cumulative; Specific Performance. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise. The parties acknowledge that the provisions of this Agreement are reasonable and necessary for the protection of the Company and the Members, and that the Company and the Members will be irrevocably damaged if such provisions are not specifically enforced. Accordingly, the parties agree that the Company and the Members will be entitled to injunctive relief for the purpose of restraining any party from violating such provisions (and no bond or other security shall be required in connection therewith) in addition to any other relief to which they may be entitled under this Agreement.

10.7 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law, provided that the essential purpose of this Agreement is not frustrated.

10.8 Heirs, Successors and Assigns. The covenants, terms, provisions and agreements herein contained shall be binding upon, and inure to the benefit of, the parties hereto and, except as otherwise provided to the contrary, their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

10.9 Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter, including without limitation the Prior Operating Agreement.

10.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. Any counterpart signature page delivered by electronic means or by facsimile transmission shall be deemed to have the same force and effect as an originally executed signature page.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties to this Agreement have caused their signatures to be set forth below as of the Effective Date.

COMPANY:

HOMEADE, LLC

By: _____

Ryan M. Peusch, Manager

MEMBERS:

Ryan M. Peusch

Craig Tobe

Patrick Newell

RAINMAKERS II, LLC

By: _____

Kyle T. Nicholson, Manager

JOSEPH L. PATANELLA FAMILY TRUST

By: _____

Joseph L. Patanella, Trustee

MONARCH LAND, LLC

By: _____

Timothy F. Nicholson,
Managing Director

IN WITNESS WHEREOF, the parties to this Agreement have caused their signatures to be set forth below as of the Effective Date.

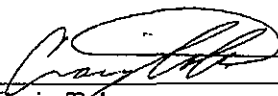
COMPANY:

HOMEADE, LLC

By: _____
Ryan M. Peusch, Manager

MEMBERS:

Ryan M. Peusch


Craig Tobe

Patrick Newell

RAINMAKERS II, LLC

By: _____
Kyle T. Nicholson, Manager

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MEMBERS:

Ryan M. Peusch

Craig Tobe



Patrick Newell

RAINMAKERS II, LLC

By: _____
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MEMBERS:

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By: 
Kyle T. Nicholson, Manager

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Ryan M. Peusch

Craig Tobe

Patrick Newell

RAINMAKERS II, LLC

By: _____
Kyle T. Nicholson, Manager

JOSEPH L. PATANELLA FAMILY TRUST

By: _____
Joseph L. Patanella, Trustee

MONARCH LAND, LLC

By: Timothy F. Nicholson
Timothy F. Nicholson,
Managing Director

Schedule 1.1

Definition

The following capitalized terms used in this Agreement shall have the following meanings (unless otherwise expressly provided herein):

“Act” means the Maryland Limited Liability Company Act, as amended.

“Additional Period” has the meaning set forth in Section 7.3(c).

“Affiliate” means, with respect to any Person, a Person that directly or indirectly through one or more intermediaries, Controls, is Controlled by, or is under Common Control with, the first Person.

“Agreement” has the meaning set forth in the Preamble.

“Appraiser” means an independent business valuation professional experienced in valuing businesses such as the Company.

“Articles” means the Articles of Organization as filed by the organizer of the Company with the Department of Assessments and Taxation of the State of Maryland, as amended.

“Board of Managers” means the Company’s board of managers, and **“Manager”** means an individual member of the Board of Managers.

“Capital Account” means the capital account maintained by the Company for each Member as adjusted up to the date in question pursuant to the terms and conditions of this Agreement.

“Capital Contribution” means any contribution of cash or property to the Company, or an obligation to contribute cash or property to the Company, whenever made.

“Cause” means: (a) “Cause” as defined in an Indirect Member’s or Individual Member’s employment, consulting or other agreement, if any, with the Company; or (b) if there is no such agreement between the Company and the Indirect Member or Individual Member, as the case may be, that includes a definition of Cause, then Cause means:

(i) an indictment or conviction of, or a plea of guilty or *nolo contendere* to, a crime (A) constituting a felony under any state or federal law, or (B) involving fraud, embezzlement or an act of moral turpitude, whether or not in connection with the performance by the Indirect Member or Individual Member of his, her or its duties or obligations to the Company;

(ii) an act of fraud committed by the Indirect Member or Individual Member with respect to a material aspect of the Company’s business, even if not criminally charged, indicted or convicted therefore; or any willful misconduct engaged in by the Indirect Member or Individual Member, even if not criminal in nature, that brings the Company or any of its officers, Managers, subsidiaries or Members into public disgrace or disrepute in any material respect; or

(iii) a violation of any non-solicitation, noncompetition or nondisclosure provision set forth in this Agreement.

“Class A Interest” means a voting Membership Interest authorized pursuant to Section 2.6.

“Class A Majority” means Class A Members owning at least 51% of the then outstanding Class A Interests.

“Class A Member” means the legal owner of a Class A Interest, in his, her or its capacity as such.

“Class B Interest” means a nonvoting Membership Interest authorized pursuant to Section 2.6.

“Class B Member” means the legal owner of a Class B Interest, in his, her or its capacity as such.

“Code” means the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

“Company” has the meaning set forth in the Preamble.

“Control” (including the terms **“Controlled by”** and **“under Common Control with”**) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person (whether through the ownership of voting securities, by contract, as trustee or executor or otherwise). Without limiting the generality of the foregoing, Control shall be deemed to exist upon the ownership of securities entitling the holder thereof to exercise more than 50% of the voting power in the election of directors of such Person (or other Persons or body performing similar functions).

“Conversion Event” means the occurrence of any of the following events: (a) an Indirect Member’s or Individual Member’s Service with the Company is terminated for Cause; (b) a Member files a voluntary petition of bankruptcy or consents to the filing of a petition for involuntary bankruptcy; (c) all or any portion of an Individual Member’s Membership Interest becomes subject to distribution as marital property following the divorce of such Individual Member; and (d) any purported Transfer of a Membership Interest, during the life of or upon the death of a Member, which is contrary to the terms and conditions of this Agreement, as determined by the Board of Managers in its sole discretion.

“Distributions” shall refer to current distributions, as opposed to liquidating distributions, as specified in Section 1.731-1(a) of the Regulations.

“Effective Date” has the meaning set forth in the Preamble.

“Electing Members” has the meaning set forth in Section 7.7(a).

“Elective Offered Interest” has the meaning set forth in Section 7.3(a).

“Elective Purchase Option” has the meaning set forth in Section 7.3(a).

“Fair Market Value” means the fair market value of the Company as a whole, as determined by the Class A Majority, or if the Class A Majority is unable to agree for a period of two years or

more, by an Appraiser, without regard to any applicable discounts, including without limitation, a discount for lack of marketability or a minority interest discount.

“Fiscal Year” means the Company’s tax year, which shall be the calendar year.

“Indirect Member” means each individual person that is an equity owner of Rainmakers. As of the Effective Date, Kyle T. Nicholson, Andrew J. Twomey and Ryan M. Nicholson are the equity owners of Rainmakers.

“Individual Member” means each individual person that is a Member of the Company. As of the Effective Date, Peusch, Newell, Tobe and Patanella, each in his individual capacity, are Individual Members.

“Initial Period” has the meaning set forth in Section 7.3(b).

“Invention” means any invention, technique, modification, process or improvement (whether patentable or not) and any work of authorship (whether or not copyright protection may be obtained for it) created, conceived, or developed by a Member, either solely or in conjunction with others, during the Member’s membership with the Company, whether or not on the premises of the Company and whether or not completed or reduced to practice during the Member’s membership with the Company, which is (a) related in any material way to any business, product, research, service or technology of the Company, or (b) created in significant manner using Company resources or facilities.

“Involuntary Offered Interest” has the meaning set forth in Section 7.4(b).

“Involuntary Purchase Option” has the meaning set forth in Section 7.4(a).

“JLP Trust” has the meaning set forth in the Preamble.

“Member(s)” has the meaning set forth in the Preamble.

“Membership Interest” means each Member’s entire ownership interest in the Company, and all rights in connection therewith, including but not limited to each Member’s economic interest in the Company, and, with respect to Class A Members, shall also mean each Class A Member’s right to vote on, consent to or participate in the management of the Company.

“Monarch” has the meaning set forth in the Preamble.

“Net Losses” means the losses and deductions of the Company as determined for federal income tax purposes.

“Net Profits” means the income and gains of the Company as determined for federal income tax purposes.

“New Company Interests” has the meaning set forth in Section 2.7.

“Newell” has the meaning set forth in the Preamble.

“Offering Event” means, with respect to each Member, either (a) the voluntary withdrawal from the Company by such Member, or (b) in the case of an Individual Member, the death of such Individual Member.

“Offering Member” has the meaning set forth in Section 7.3(a).

“Offering Members” has the meaning set forth in Section 7.8(a).

“Patanella” has the meaning set forth in the Background.

“Percentage Interest” means a Member’s respective ownership percentage of all issued and outstanding Membership Interests.

“Peusch” has the meaning set forth in the Preamble.

“Permitted Transferee” means a proposed transferee of a Membership Interest that is approved to be admitted as a Member in accordance with the terms of Section 6.2(a) hereof.

“Person” means any individual, trust, partnership, corporation, limited liability company or entity.

“Preemptive Right Holders” has the meaning set forth in Section 2.7(a).

“Preferred Members” means each of JLP Trust and Monarch.

“Preferred Distributions” has the meaning set forth in Section 4.5(a).

“Preferred Payment” has the meaning set forth in Section 4.5(a).

“Principal Business” has the meaning set forth in Section 2.4.

“Prior Operating Agreement” has the meaning set forth in the Background.

“Proposed Sale” has the meaning set forth in Section 7.8(a).

“Proprietary Information” has the meaning set forth in Section 9.3.

“Purchase Agreement” has the meaning set forth in Section 7.7(a)(i).

“Purchase Event” has the meaning set forth in Section 7.6(a).

“Rainmakers” has the meaning set forth in the Preamble.

“Regulations” means the U.S. Department of Treasury Regulations, including any temporary regulations, from time to time promulgated under the Code.

“Regulatory Allocations” means the rules for determining “substantial economic effect” under Section 704 of the Code and the Regulations promulgated thereunder. The Regulatory Allocations are hereby incorporated by reference and made a material part of this Agreement; including without limitation, the Regulatory Allocations regarding allocations of “partner

nonrecourse deductions” under Regulations § 1.704-2(i)(1), “minimum gain chargeback” under Regulations § 1.704-2(f) and “partner nonrecourse debt minimum gain chargeback” under Regulations § 1.704-2(i)(4).

“**Restricted Activity**” has the meaning set forth in Section 9.1.

“**Restricted Area**” has the meaning set forth in Section 9.1(a).

“**Sale of the Company**” means (a) the sale of all of the issued and outstanding Membership Interests of the Company, (b) the sale of all or substantially all of the assets of the Company, or (c) the merger or consolidation of the Company with or into a Person in which the Members do not have Control immediately following such merger or consolidation.

“**Seller’s Notice**” has the meaning set forth in Section 7.8(a).

“**Service**” means the provision of services to the Company by an Individual Member or Indirect Member in his or her capacity as an employee, consultant, independent contractor or member of the Board of Managers.

“**Tag Along Notice**” has the meaning set forth in Section 7.8(b).

“**Tag Along Rights**” has the meaning set forth in Section 7.8(b).

“**Tax Distributions**” has the meaning set forth in Section 4.5(b).

“**Tax Matters Member**” shall have the same meaning as the term “tax matters partner” used in Section 6231 of the Code.

“**Tobe**” has the meaning set forth in the Preamble.

“**Transfer**” means the sale, gift, assignment, grant, pledge, hypothecation, encumbrance or other transfer of any Membership Interest, or rights therein, including without limitation, any assignment or transfer of a Membership Interest by operation of law or by order of court, and the granting of a security interest in all or any portion of a Membership Interest.

“**Withdrawn Member**” means a Member subject to a Conversion Event.

Schedule B
Managers

Ryan M. Peusch
Craig Tobe
Joseph L. Patanella
Kyle T. Nicholson
Timothy F. Nicholson

Application for Power Broker License of HomeADE, LLC d/b/a Zentility

Exhibit A-14 "Secretary of State"

Provide evidence that the applicant has registered with the Ohio Secretary of the State.

See the next page.



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
05/23/2016	201614102142	REGISTRATION OF FOREIGN FOR PROFIT LLC (LFP)	99.00	0.00	0.00	0.00	0.00

Receipt

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

HOMEADE, LLC
RYAN PEUSCH
1350 MAGNOLIA AVE.
ANNAPOLIS, MD 21403

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Jon Husted
3905623

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

HOMEADE, LLC D/B/A ZENTILITY

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

Document(s)

REGISTRATION OF FOREIGN FOR PROFIT LLC

Effective Date: 05/17/2016

Document No(s):

201614102142



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

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio this
23rd day of May, A.D. 2016.

Jon Husted

Ohio Secretary of State

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.

Pennsylvania

Massachusetts

New Jersey

Illinois

Connecticut

New York

Texas

District of Columbia

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.

Customer inquiries and complaints may be e-mailed to ryan@zentility.com or made by calling toll free 1-877-563-4483, although the nature of Applicant's business substantially forestalls customer complaints because Applicant's software is the intermediary between user/purchasers and suppliers who must contractually agree between themselves before Applicant is entitled to a fee for facilitating the transaction.

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.).

Applicant does not provide an aggregation service. This is an application for an Electric Power Broker license. As described in the previous exhibit and as the company's web site indicates (see www.zentility.com), the company essentially acts as an electricity broker and energy manager using proprietary software (1) to assist its customers to purchase electricity at the best price from competitive suppliers that are properly licensed in Ohio, (2) to ensure that its customers' electric bills are accurate, and (3) to recommend energy efficiency and conservation measures to its customers.

Ryan Peusch, the company's founder and President, has extensive experience in energy sales and marketing. He is an energy veteran with over 10 years of energy knowledge and expertise. Before starting HomeADE, LLC, Peusch was a successful Business Development Manager working for Constellation Energy before and after it merged with Exelon. He was responsible for bringing new, highly technical energy products to market, and developed lasting relationships with customers. He has a highly technical background in high-level energy sales, having dealt with Fortune 500 companies on a regular basis.

At Constellation Energy, Peusch sold a variety of technical solutions, including electricity, natural gas, solar, energy efficiency, and demand response products, to high-level, market-leading companies. At Exelon, Peusch brought to market new technologies with the implementation of new energy software systems in large commercial real estate organizations in the District of Columbia. He helped to increase customer retention, and he enabled customers to better manage their facilities, which resulted in increased profitability. He managed an extensive territory: MD, PA, DC, CT, NY, IL, TX, and NJ. Overall, Peusch dedicated himself while at Exelon (Constellation Energy) to bringing transparent energy solutions to his customers at all times. He realized that the energy market was full of people who did not have their customers' best interest in mind, and he set out to help his customers to manage their costs and risks over time. His goal with Zentility is the same.

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.

None.

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. (This is generally only applicable to publicly traded companies who publish annual reports.)

Applicant was incorporated in Maryland on March 3, 2014. It is not a publicly traded company and does not publish annual reports. The company spent the first two years of its existence developing its proprietary software, which it began marketing in the spring of 2016.

Exhibit C-2 "SEC Filings"

Provide the most recent 10-K/8-K Filings with the SEC. If the applicant does not have such filings, it may submit those of its parent company. An applicant may submit a current link to the filings or provide them in paper form. 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.

The company has no parent company or affiliates. It is not required to make filings with the SEC.

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. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns (with social security numbers and account numbers redacted).

Internal Financial Statements – HomeADE, LLC

Assets:

HomeADE, LLC

BALANCE SHEET

2015

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$15,145
Accounts Receivable	-0-
Inventories	-0-
Other Receivables	-0-
Prepaid Expenses	-0-
<hr/>	
Total Current Assets	15,145

PROPERTY and EQUIPMENT

Automobiles and Trucks	-
Machinery and Shop Equipment	-

Application for Power Broker License of HomeADE, LLC d/b/a Zentility

Office Equipment	12,000
Leasehold Improvements	-
	<hr/>
	12,000
Accumulated Depreciation	2,400
	<hr/>
Net Property and Equipment	9,600
 TOTAL ASSETS	 \$24,745
	<hr/>

Liabilities and Equity:

HomeADE, LLC
BALANCE SHEET (Continued)

2015

LIABILITIES and PARTNERS' EQUITY

CURRENT LIABILITIES

Lines of Credit	\$-0-
Current Maturities of Long-Term Debt	-0-
Accounts Payable	-0-
Customer Deposits	-0-
Accrued Salaries and Wages	-0-
Accrued and Withheld Payroll Liabilities	-0-
Accrued Miscellaneous	-0-
Sales Tax Payable	-
	<hr/>

Application for Power Broker License of HomeADE, LLC d/b/a Zentility

Total Current Liabilities	-
LONG-TERM DEBT, less Current Maturities	-0-
	<hr/>
TOTAL LIABILITIES	-
PARTNERS' EQUITY	24745
TOTAL LIABILITIES and	
PARTNERS' EQUITY	\$24,745
	<hr/>

Income Statement:

HomeADE, LLC	
PROFIT AND LOSS	
	2015
SALES	\$-
OPERATING EXPENSES	
Taxes and Licenses	812
Depreciation	2,400
Bank Fees	228
Design Fees	2,000
Legal & Professional Fees	12,667
Meals and Entertainment	1,794
Software Expense	21,185
Supplies	11,130

Application for Power Broker License of HomeADE, LLC d/b/a Zentility

Travel	148
Utilities	291
	<hr/>
Total Operating Expenses	52,655
	<hr/>
Operating Income (Loss)	(52,655)
OTHER INCOME (EXPENSE)	
Miscellaneous Income	0
Gain on Sale of Property and Equipment	-0-
Interest Expense	-0-
	<hr/>
Net Other Income	-
	<hr/>
NET INCOME (LOSS)	<u><u>\$(52,655)</u></u>

Exhibit C-4 "Financial Arrangements"

Provide copies of the applicant's financial [documents] to satisfy collateral requirements to conduct retail electric/gas business activity (e.g., parental or third party guarantees, contractual arrangements, credit agreements, etc.,).

Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU's collateral requirements.

If the applicant is not taking title to the electricity or natural gas, enter "N/A" in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

First time applicants or applicants whose certificate has expired as well as renewal applicants can meet the requirement by one of the following methods:

- 1. The applicant itself stating that it is investment grade rated by Moody's, Standard & Poor's or Fitch and provide evidence of rating from the rating agencies.*
- 2. Have a parent company or third party that is investment grade rated by Moody's, Standard & Poor's or Fitch guarantee the financial obligations of the applicant to the LDU(s).*
- 3. Have a parent company or third party that is not investment grade rated by Moody's, Standard & Poor's or Fitch but has substantial financial wherewithal in the opinion of the Staff reviewer to guarantee the financial obligations of the applicant to the LDU(s). The guarantor company's financials must be included in the application if the applicant is relying on this option.*
- 4. Posting a Letter of Credit with the LDU(s) as the beneficiary.*

If the applicant is not taking title to the electricity or natural gas, enter "N/A" in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

N/A

Exhibit C-5 "Forecasted Financial Statements"

Provide two years of forecasted income statements for the applicant's ELECTRIC related business activities in the state of Ohio Only, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year.

See the next page.

Preparer:

Zack Mufson
2420 14th Street NW
Apartment 229
Washington, D.C. 20009

(617) 429-2566
jmufson@gmail.com

EXHIBIT C-5 FORECASTED FINANCIAL STATEMENTS

	Year 1	Year 2
Fixed cost	\$ 110,000	\$ 75,000
FT Developer	\$ 20,000	\$ 15,000
App Dev	\$ 5,000	\$ 5,000
Web Dev	\$ 5,000	\$ 5,000
Infrastructure	\$ 10,000	\$ 10,000
Market Analytics	\$ 15,000	\$ 5,000
Design	\$ 5,000	\$ 10,000
PR&C (legal, travel, etc.)	\$ 40,000	\$ 20,000
Customer Service	\$ 3,000	\$ 5,000
Sales & Marketing	\$ 20,000	\$ 15,000
Variable cost	\$ 20,000	\$ 20,000
Year 1	\$ 150,000	\$ 2,000,000
Revenue		

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Fixed cost		\$9,300	\$14,115	\$17,200	\$16,467	\$14,931	\$15,000	\$14,167	\$11,111	\$12,000	\$11,667	\$10,833	\$10,000	\$11,429	\$12,200	\$12,700	\$13,000	\$14,300	\$17,200	\$11,790	\$10,000	\$10,150	\$11,200	\$11,750	\$14,000
Variable cost		\$1,667	\$1,111	\$1,000	\$1,467	\$1,431	\$1,000	\$1,167	\$1,111	\$1,000	\$1,067	\$1,111	\$1,000	\$1,143	\$1,200	\$1,270	\$1,000	\$1,200	\$1,200	\$1,270	\$1,000	\$1,150	\$1,200	\$1,250	\$15,000
Total Cost		\$10,967	\$15,226	\$18,200	\$17,934	\$16,362	\$16,000	\$15,334	\$12,222	\$13,000	\$12,734	\$11,933	\$11,000	\$12,572	\$13,400	\$13,970	\$14,000	\$15,500	\$18,400	\$12,960	\$11,150	\$11,300	\$12,450	\$13,000	\$19,000
Revenue		\$0	\$0	\$0	\$11,000	\$12,000	\$17,200	\$16,200	\$12,000	\$15,000	\$16,200	\$17,200	\$18,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200	\$19,200
CASH ON HAND	\$200,000	\$189,033	\$174,818	\$157,618	\$141,251	\$124,890	\$108,290	\$91,457	\$74,228	\$56,700	\$38,967	\$21,033	\$3,000	\$14,286	\$27,800	\$41,230	\$54,200	\$66,700	\$77,800	\$87,500	\$95,800	\$102,650	\$108,100	\$112,200	\$115,000

Break Even Analysis

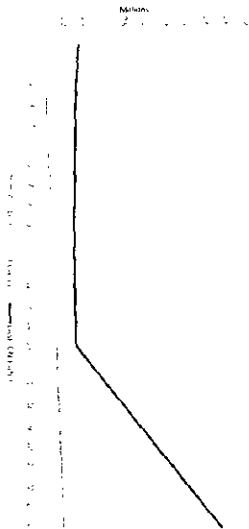


Exhibit C-6 "Credit Rating"

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. If an applicant or its parent does not have such a credit rating, enter "N/A" in Exhibit C-6.

N/A

Exhibit C-7 "Credit Report"

Provide a copy of the applicant's credit report from Experion, Dun and Bradstreet or a similar organization. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter "N/A" for Exhibit C-7.

N/A (and none as yet is available).

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.

None.

Exhibit C-9 "Merger Information"

There has been no dissolution or merger or acquisition of HomeADE, LLC d/b/a Zentility within the five most recent years preceding this application. In fact, there has never been such a dissolution, merger, or acquisition.

Application for Power Broker License of HomeADE, LLC d/b/a Zentility

Exhibit C-10 "Corporate Structure"

Applicant is a stand-alone entity with no affiliate or subsidiary companies.

RP CEO

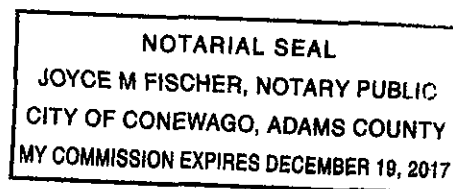
Ryan Peusch, President & CEO

HomeADE, LLC d/b/a Zentility

Signature of Applicant & Title

Sworn and subscribed before me this 22nd day of August, 2017

Joyce M. Fischer
Signature of official administering oath



My commission expires on December 19, 2017