



Energy & Sustainability
Management Consultants

FILE

51

10729-B Birmingham Way
Woodstock, Maryland 21163
410-500-9555

March 27, 2024

VIA OVERNIGHT MAIL

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

Re: ***CQI Associates, LLC***
FEIN #52-2284758
Case Number: 15-2079-EL-AGG
Renewal Application for Electric Aggregators/Power Brokers

RECEIVED-DOCKETING DIV
2024 MAR 29 PM 12:54
PUCO

Dear Sir/Madam:

In connection with the above-referenced case number, attached please find an original plus two copies of the "Renewal" Competitive Retail Electric Service Provider Application for Electric Aggregators/Power Brokers.

If you have any questions regarding the enclosed Renewal Application, please contact me on (443) 677-8870 or by email at melissa@cqiassociates.com.

Thank you.

Melissa K. Anderson
President

Enclosures

cc: Richard Anderson, CQI Associates

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 Dmm Date Processed 03/29/24



Public Utilities Commission

Competitive Retail Electric Service (CRES)
Provider Application

Case Number: 15 2079 -EL-AGG

Please complete all information. Identify all attachments with a label and title (example: Exhibit C-2 Financial Statements). For paper filing, you can mail the original and two complete copies to the Public Utilities Commission of Ohio, Docketing Division, 180 East Broad Street, Columbus, Ohio 43215-3793.

A. Application Information

A-1. Provider Type.

Select the competitive retail electric service (CRES) provider type(s) for which the applicant is seeking certification. Please note you can select more than one.

Aggregator

☒

Power Broker

☐

Power Marketer

☐

Retail Electric
Generation Provider

☐

A-2. Applicant's legal name and contact information.

Provide the name and contact information of the business entity.

Legal Name: CQI Associates, LLC
Street Address: 10729-B Birmingham Way
City: Woodstock State: MD Zip: 21163
Telephone: 410-740-0667 Website: www.cqiassociates.com

A-3. Names and contact information under which the applicant will do business in Ohio.

Provide the names and contact information the business entity will use for business in Ohio. This does not have to be an Ohio address and may be the same contact information given in A-2.

Name: CQI Associates, LLC
Street Address: 10729-B Birmingham Way
City: Woodstock State: MD Zip: 21163
Telephone: 410-740-0667 Website: www.cqiassociates.com

A-4. Names under which the applicant does business in North America.

Provide all business names the applicant uses in North America. You do not need to include the names provided in A-2 and A-3.

Name(s): N/A

A-5. Contact person for regulatory matters.

Name: Melissa K. Anderson Title: Managing Principal
Street Address: 10729-B Birmingham Way
City: Woodstock State: MD Zip: 21163
Telephone: 410-740-0667 Email: melissa@cqiassociates.com

A-6. Contact person for PUCO Staff use in investigating consumer complaints.

Name: Melissa K. Anderson Title: Managing Principal
Street Address: 10729-B Birmingham Way
City: Woodstock State: MD Zip: 21163
Telephone: 410-740-0667 Email: melissa@cqiassociates.com

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

Street Address: 10729-B Birmingham Way
City: Woodstock State: MD Zip: 21163
Toll-free
Telephone: _____ Email: melissa@cqiassociates.com

A-8. Applicant's federal employer identification number.

FEIN: 52-2284758

A-9. Applicant's form of ownership (select one).

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

A-10. Identify current or proposed service areas.

Identify each service area in which the applicant is currently providing service or intends to provide service and identify each customer class that the applicant is currently serving or intends to serve.

Service area selection:

AES Ohio <input checked="" type="checkbox"/>	American Electric Power (AEP Ohio) <input checked="" type="checkbox"/>	Duke Energy Ohio <input type="checkbox"/>	FirstEnergy – Cleveland Electric Illuminating <input checked="" type="checkbox"/>
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FirstEnergy – Ohio
Edison

☐

FirstEnergy – Toledo
Edison

☐

Class of customer selection:

Commercial

☒

Industrial

☐

Mercantile

☐

Residential

☐

A-11. Start Date.

Indicate the approximate start date the applicant began/will begin offering services.

Date: 11/30/2015

A-12. Principal officers, directors and partners.

Please provide an attachment for all contacts that should be listed as an officer, director or partner.

A-13. Company history.

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

A-14. Secretary of State.

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

B. Managerial Capability

Provide a response or attachment for each of the sections below.

B-1. Jurisdiction of operations.

List all jurisdictions in which the applicant or any affiliated interest of the applicant is certified, licensed, registered or otherwise authorized to provide retail natural gas service or retail/wholesale electric service as of the date of filing the application.

B-2. Experience and plans.

Describe the applicant's experience in providing the service(s) for which it is applying (e.g., number and type of customers served, utility service areas, amount of load, etc.). Include the 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 Sections [4928.10](#) and/or [4929.22](#) of the Ohio Revised Code.

B-3. Disclosure of liabilities and investigations.

For the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant, describe all existing, pending or past rulings, judgments, findings, contingent liabilities, revocation of authority, regulatory investigations, judicial actions, or other formal or informal notices of violations, or any other matter related to competitive services in Ohio or equivalent services in another jurisdiction.

B-4. Disclosure of consumer protection violations.

Has the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years? If yes, attach a document detailing the information.

Yes

☐

No

☒**B-5. Disclosure of certification denial, curtailment, suspension, or revocation.**

Has the applicant, affiliate, or a predecessor of the applicant had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, revoked, or cancelled or been terminated or suspended from any of Ohio's Natural Gas or Electric Utility's Choice programs within the past two years? If yes, attach a document detailing the information.

Yes

☐

No

☒**B-6. Environmental disclosure.**

This section is only applicable if power marketer or retail electric generation provider has been selected in A-1.

Provide a detailed description of how the applicant intends to determine its generation resource mix and environmental characteristics, including air emissions and radioactive waste. Include the annual projection methodology and the proposed approach to compiling the quarterly actual environmental disclosure data. See [4901:1-21-09](#) of the Ohio Administrative Code for additional details of this requirement.

C. Financial Capability

Provide a response or attachment for each of the sections below.

C-1. Financial reporting.

Provide a current link to the most recent Form 10-K filed with the Securities and Exchange Commission (SEC) or attach a copy of the form. If the applicant does not have a Form 10-K, submit the parent company's Form 10-K. If neither the applicant nor its parent is required to file Form 10-K, state that the applicant is not required to make such filings with the SEC and provide an explanation as to why it is not required.

C-2. Financial statements

Provide copies of the applicant's two most recent years of audited financial statements, including a 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, provide 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 bank account numbers redacted.

If the applicant is unable to meet the requirement for two years of financial statements, the Staff reviewer may request additional financial information.

C-3. Forecasted financial statements.

Provide two years of forecasted income statements based solely on the applicant's anticipated business activities in the state of Ohio.

Include the following information with the forecast: a list of assumptions used to generate the forecast; a statement indicating that the forecast is based solely on Ohio business activities only; and the name, address, email address, and telephone number of the preparer of the forecast.

The forecast may be in one of two acceptable formats: 1) an annual format that includes the current year and the two years succeeding the current year; or 2) a monthly format showing 24 consecutive months following the month of filing this application broken down into two 12-month periods with totals for revenues, expenses, and projected net incomes for both periods. Please show revenues, expenses, and net income (revenues minus total expenses) that is expected to be earned and incurred in business activities only in the state of Ohio for those periods.

If the applicant is filing for both an electric certificate and a natural gas certificate, please provide a separate and distinct forecast for revenues and expenses representing Ohio electric business activities in the application for the electric certificate and another forecast representing Ohio natural gas business activities in the application for the natural gas certificate.

C-4. Credit rating.

Provide a credit opinion disclosing the applicant's credit rating as reported by at least one of the following ratings agencies: Moody's Investors Service, Standard & Poor's Financial Services, Fitch Ratings or the National Association of Insurance Commissioners. If the applicant does not have its own credit ratings, substitute the credit ratings of a parent or an affiliate organization and submit 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 "Not Rated".

C-5. Credit report.

Provide a copy of the applicant's credit report from Experian, Equifax, TransUnion, Dun and Bradstreet or a similar credit reporting organization. If the applicant is a newly formed entity with no credit report, then provide a personal credit report for the principal owner of the entity seeking certification. At a minimum, the credit report must show summary information and an overall credit score. Bank/credit account numbers and highly sensitive identification information must be redacted. If the applicant provides an acceptable credit rating(s) in response to C-4, then the applicant may select "This does not apply" and provide a response in the box below stating that a credit rating(s) was provided in response to C-4.

C-6. Bankruptcy information.

Within the previous 24 months, have any of the following filed for reorganization, protection from creditors or any other form of bankruptcy? If yes, attach a document detailing the information.

- Applicant
- Parent company of the applicant
- Affiliate company that guarantees the financial obligations of the applicant
- Any owner or officer of the applicant

Yes

☐

No

☒

C-7. Merger information.

Is the applicant currently involved in any dissolution, merger or acquisition activity, or otherwise participated in such activities within the previous 24 months? If yes, attach a document detailing the information.

Yes

☐

No

☒

C-8. Corporate structure.

Provide a graphical depiction of the applicant's corporate structure. Do not provide an internal organizational chart. The graphical depiction should include all parent holding companies, subsidiaries and affiliates as well as 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 the applicant may respond by stating that it is a stand-alone entity with no affiliate or subsidiary companies.

C-9. Financial arrangements.

This section is only applicable if power marketer or retail electric generation provider has been selected in A-1.

Provide copies of the applicant's financial arrangements to satisfy collateral requirements to conduct retail electric/natural gas business activities (e.g., parental guarantees, letters of credit, contractual arrangements, etc., as described below).

Renewal applicants may provide a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU's collateral requirements. The statement or letter must be on the utility's letterhead and dated within a 30-day period of the date the applicant files its renewal application.

First-time applicants or applicants whose certificate has expired must meet the requirements of C-9 in one of the following ways:

1. The applicant itself states that it is investment grade rated by Moody's Investors Service, Standard & Poor's Financial Services, or Fitch Ratings and provides evidence of rating from the rating agencies. If you provided a credit rating in C-4, reference the credit rating in the statement.

2. The applicant's parent company is investment grade rated (by Moody's, Standard & Poor's, or Fitch) and guarantees the financial obligations of the applicant to the LDU(s). Provide a copy of the most recent credit opinion from Moody's, Standard & Poor's or Fitch.
3. The applicant's parent company 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 parent company's financials and a copy of the parental guarantee must be included in the application if the applicant is relying on this option.
4. The applicant can provide evidence of posting a letter of credit with the LDU(s) listed as the beneficiary, in an amount sufficient to satisfy the collateral requirements of the LDU(s).

D. Technical Capability

Provide an attachment for each of the sections below.

D-1. Operations.

Power brokers/aggregators: Include details of the applicant's business operations and plans for arranging and/or aggregating for the supply of electricity to retail customers.

Power Marketers/Generators: Describe the operational nature of the applicant's business, specifying whether operations will include the generation of power for retail sales, the scheduling of retail power for transmission and delivery, the provision of retail ancillary services, as well as other services used to arrange for the purchase and delivery of electricity to retail customers.

D-2. Operations expertise and key technical personnel.

Provide evidence of the applicant's experience and technical expertise in performing the operations described in this application. Include the names, titles, e-mail addresses, telephone numbers and background of key personnel involved in the operational aspects of the applicant's business. If vendors or third parties are or will be utilized for any activities listed in this application, provide the name, contact information for each, and list which activities they will perform. Also, indicate which activities will be performed directly by the company. Please note that this information is required to be updated within 30 days of any changes.

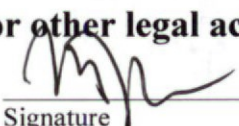
D-3. FERC power marketer authorization.

This section is only applicable if power marketer or retail electric generation provider has been selected in A-1.

Provide the FERC docket granting the applicant power marketer authority.

As authorized representative for the above company/organization, I certify that all the information contained in this application is true, accurate and complete. I also understand that failure to report completely and accurately may result in penalties or other legal actions.

Signature



03/27/2024

Date

President

Title

Competitive Retail Electric Service Affidavit

County of Howard :

State of Maryland :

Melissa K. Anderson, Affiant, being duly sworn/affirmed, hereby states that:

1. The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant, and that it will amend its application while it is pending if any substantial changes occur regarding the information provided.
2. The applicant will timely file an annual report of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Sections [4905.10\(A\)](#), [4911.18\(A\)](#), and [4928.06\(F\)](#), Ohio Revised Code.
3. The applicant will timely pay any assessment made pursuant to Sections [4905.10](#), [4911.18](#), and [4928.06\(F\)](#), Ohio Revised Code.
4. The applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to [Title 49](#), Ohio Revised Code.
5. The applicant 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 will fully comply with Section [4928.09](#), Ohio Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
7. The applicant will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
8. The applicant 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 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, 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.
11. The Applicant will inform the Public Utilities Commission of Ohio 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 consumer complaints.

12. The facts set forth above are true and accurate 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.

13. Affiant further sayeth naught.

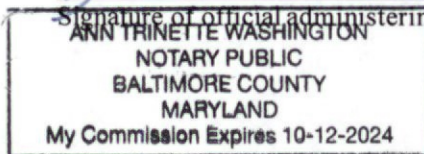
 President & CEO
Signature of Affiant & Title

Sworn and subscribed before me this 27th day of March, 2024
Month Year


Signature of official administering oath

Ann Trinette Washington, Notary Public

Print Name and Title



My commission expires on 10-12-2024

CQI Associates, LLC

Exhibit A-12
Principal Officers, Directors, and Partners

Melissa Anderson

President, CEO, Managing Member LLC

10408 Springtwig Court

Woodstock, MD 21163

Direct Phone Number: 443-677-8870

Main Phone Number: 410-500-9555

Facsimile Number: 410-630-5911

Email Address: melissa@cqiassociates.com

Richard Anderson

COO, Member LLC, Founder

9827 Davidge Drive

Columbia, MD 21044

Direct Phone Number: 443-864-7293

Main Phone Number: 410-500-9555

Facsimile Number: 410-630-5911

Email Address: Richard@cqiassociates.com

Exhibit A-13
Company History

CQI Associates, LLC is a leader in energy and sustainability management consulting. The firm offers services that allow clients to increase profitability by minimizing operating costs. From small businesses to national accounts such as Northrop Grumman and AutoNation, CQI Associates, LLC provides custom-tailored services to suit company's unique needs.

CQI Associates, LLC was established in 1995 to provide energy management consulting services. When energy deregulation legislation was enacted in Maryland in 2002, the firm's existing energy management clients asked CQI Associates, LLC to assist in the procurement of electricity and natural gas supply services. Seeking advice from the Maryland Public Service Commission, CQI Associates, LLC obtained a license to act as a client consultant, broker & aggregator.

CQI Associates, LLC was the first energy management consulting firm in the Baltimore-Washington region to offer commercial energy purchasing cooperatives sponsored by Chambers of Commerce and Business Associations. The commercial energy purchasing cooperative program was expanded as CQI Associates, LLC obtained licenses as a client consultant, broker, & aggregator in Delaware, Illinois, and the District of Columbia.

CQI Associates, LLC provides consulting expertise in the following areas:

- Energy Management Services Programs & Project Management
- Energy Procurement Management Services
- Sustainable Management & Planning Services
- Energy Assessments & Audits
- LEED Certification & Green Building Certifications
- Renewable Energy Assessment & Planning
- Facility Management Consulting
- Greenhouse Gas Emissions Assessments & Plans

Melissa Anderson, Member and Managing Principal, joined CQI Associates, LLC in 2000 with a background in business and environmental project management. Ms. Anderson, poised to lead CQI Associates, LLC into the new millennium, has been instrumental in developing key programs like the Energy Purchasing Cooperatives. Her leadership on high-profile projects, like the Discovery Communications LEED Platinum Certification, continue to prove invaluable.

Richard Anderson is a Member and Principal of CQI Associates, LLC and founded the company in 1995. He believes that organizations can improve the quality of service they provide while optimizing the use of existing resources. Richard has worked in the facility management, energy management, and sustainability management field for 40 years. He brings a wealth of practical experience to meet each client's unique needs. Richard is currently working on multiple solar photovoltaic installations and combined heat & power assignments for clients seeking the use of advanced energy management technology application.

Exhibit A-13
Company History (continued)

The firm is organized to allow the principals to work on client projects and work with the client staff. This allows the clients to receive top level expertise and experience on each assignment.

CQI Associates, LLC has conducted energy management assignments which have saved clients over \$1,800,000,000 following the implementation of the recommendations developed by the firm. The assignments have been conducted in 36 states.

CQI Associates, LLC has conducted multiple energy procurement assignments since 2002 that have included over 35,000 accounts for over 18,000 locations.

The firm works closely with the International Facility Management Association, Maryland Energy Institute, Association of Energy Engineers, National Association of Environment Management, and the National Environmental Education and Training Foundation. These relationships allow CQI Associates, LLC to provide clients with programs to reduce costs and improve profitability.

CQI Associates, LLC

Exhibit A-14
Secretary of State

See attached



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
12/01/2015	201533405058	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.

CQI ASSOCIATES, LLC
MELISSA ANDERSON
9827 DAVIDGE DR
COLUMBIA, MD 21044

STATE OF OHIO CERTIFICATE

Ohio Secretary of State, Jon Husted
2449709

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

CQI ASSOCIATES, LLC

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

Document(s)

REGISTRATION OF FOREIGN FOR PROFIT LLC

Effective Date: 11/30/2015

Document No(s):

201533405058

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
1st day of December, A.D. 2015.

Ohio Secretary of State

The limited liability company hereby appoints the following as its agent upon whom process against the limited liability company may be served in the state of Ohio. The name and complete address of the agent is

National Registered Agents, Inc.

Name

1300 E. 9th St.

Mailing Address

Cleveland

City

OH

State

44114

ZIP Code

The limited liability company irrevocably consents to service of process on the agent listed above as long as the authority of the agent continues, and to service of process upon the Ohio Secretary of State if:

- a. an agent is not appointed, or
- b. an agent is appointed but the authority of that agent has been revoked, or
- c. the agent cannot be found or served after the exercise of reasonable diligence.

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

Required

Must be signed by an authorized representative.

If authorized representative is an individual, then they must sign in the "signature" box and print their name in the "Print Name" box.

If authorized representative is a business entity, not an individual, then please print the business name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print their name in the "Print Name" box.

Signature

By (if applicable)

Melissa K. Anderson

Print Name

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name

STATE OF MARYLAND
Department of Assessments and Taxation

I, HEIDI DUDDERAR OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF THE STATE OF MARYLAND, DO HEREBY CERTIFY THAT THE DEPARTMENT, BY LAWS OF THE STATE, IS THE CUSTODIAN OF THE RECORDS OF THIS STATE RELATING TO LIMITED LIABILITY COMPANIES, OR THE RIGHTS OF LIMITED LIABILITY COMPANIES TO TRANSACT BUSINESS IN THIS STATE, AND THAT I AM THE PROPER OFFICER TO EXECUTE THIS CERTIFICATE.

I FURTHER CERTIFY THAT CQI ASSOCIATES, LLC, REGISTERED MAY 01, 2003, IS A LIMITED LIABILITY COMPANY EXISTING UNDER AND BY VIRTUE OF THE LAWS OF THE STATE OF MARYLAND, AND THAT THE LIMITED LIABILITY COMPANY IS AT THE TIME OF THIS CERTIFICATE IN GOOD STANDING TO TRANSACT BUSINESS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY SIGNATURE AND AFFIXED THE SEAL OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND AT BALTIMORE ON THIS NOVEMBER 02, 2015.



Heidi Dudderar
Associate Director



301 West Preston Street, Baltimore, Maryland 21201
Telephone Balto. Metro (410) 767-1340 / Outside Balto. Metro (888) 246-5941
MRS (Maryland Relay Service) (800) 735-2258 TT/Voice
Fax (410) 333-7097

Exhibit B-1
Jurisdictions of Operations

The applicant is certified to provide retail electric and natural gas services or aggregation services in the following jurisdictions:

- | | |
|------------------------|---------------------------------|
| • Maryland | IR 1753 (gas) IR 575 (electric) |
| • Delaware | EA 2013-22-6, Order #17279 |
| • Illinois | 12-0565 |
| • District of Columbia | Order #7082, Docket 06-347 |
| • Ohio | 15-2079-AGG |
| • Pennsylvania | PUC A2016-2534371 |
| • Texas | Aggregator Lic #80416 |

Exhibit B-2
Experience and Plans

CQI Associates, LLC was established in 1995 to provide energy management consulting services. When energy deregulation legislation was enacted in Maryland in 2002, the firm's existing energy management clients asked CQI Associates, LLC to assist in the procurement of electricity and natural gas supply services. Seeking advice from the Maryland Public Service Commission, CQI Associates, LLC obtained a license to act as a client consultant, broker & aggregator.

CQI Associates, LLC was the first energy management consulting firm in the Baltimore-Washington region to offer commercial energy purchasing cooperatives sponsored by Chambers of Commerce and Business Associations. The commercial energy purchasing cooperative program was expanded as CQI Associates, LLC obtained licenses as a client consultant, broker, & aggregator in Maryland, Delaware, Illinois, the District of Columbia, Ohio Pennsylvania, and Texas.

CQI Associates, LLC will contract with clients for the company's suite of energy management services, including providing energy procurement aggregation services. After contracting for the services, the company's employees provide the contracted services, and send bills directly to clients for these services where applicable (Consulting) or incorporating a fee per unit of energy as billed and collected by the contracting energy supplier. CQI Associates, LLC has a customer service email address and telephone number to provide to customers to answer any questions and provide general customer services and support.

Exhibit B-3
Disclosure of Liabilities and Investigations

There are no existing, pending, or past rulings, judgements, 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.

Exhibit B-6
Environmental Disclosure

CQI Associates LLC as an Energy and Sustainability Management Power Marketer and Consultant advocates to all clients the use of applicable renewable generation resources from the Suppliers selected to serve the Client accounts in Ohio.

The recommendations attempt to exceed the suppliers reported data to include but limited to the generation resource mix and environmental characteristics, including air emissions, and radioactive wastes.

The current active accounts for Ohio Clients include 100% Green E certifications.

Assessments are underway to determine how the installation of on-site solar generation systems to offset the clients purchase of energy supply services from the utility for service beginning by December 2023.

CQI Associates, LLC

Exhibit C-1
Financial Reporting

The applicant is not required to make 10-K/8-K filings with the SEC as it is not a public company.

CQI Associates, LLC

Exhibit C-2
Financial Statements

Copies of CQI Associates, LLC two most recent years of Profit and Loss and Balance Sheet financial statements (2022 & 2023) are attached.

CQI Associates, LLC
Profit and Loss
January - December 2023

	<u>Total</u>
Income	
Energy Supply & Consulting Services	1,747,973.81
Total Income	<u>\$ 1,747,973.81</u>
Gross Profit	<u>\$ 1,747,973.81</u>
Expenses	
Accountant-CPA	15,716.00
Advertising Expenses	3,975.82
Auto Expenses	349.93
Gas	24,402.56
Mileage Reimbursement	1,545.78
Repair and Maintenance	6,675.64
Total Auto Expenses	<u>\$ 32,973.91</u>
Auto Insurance	9,283.47
Auto Lease	58,833.14
Bank Charges	1,456.99
Bonding Fee Expense	1,403.50
Bookkeeping Expense	4,400.00
Chamber Memb/Sponsor/Coop Fees	55,496.32
Computer/Printer Purchase	2,562.14
Consultant Services	339,074.68
Cr Card Merchant Fees	1,186.25
Gifts	53.70
Guaranteed Payments - LLC Members	286,500.00
Health Insurance (Amwins)	134,735.61
Insurance Expense	2,494.17
Interest	22,927.09
Internet Expense	7,598.07
Licenses & Permits	5,545.25
Marketing Expenses	1,718.59
Meeting Fees	2,372.25
Office Repairs/Maintenance/Cleaning	2,931.48
Office Supplies	11,333.62
Payroll Expenses	
ADP Payroll Tax	-42.00
FUTA Expense	395.01
Medicare-ER	6,959.08
Social Security-ER	29,756.07
SUI Expense	2,472.96
Total ADP Payroll Tax	<u>\$ 39,541.12</u>

CQI Associates, LLC
Profit and Loss
January - December 2023

	Total
ADP Wage Pay	479,936.71
Total Payroll Expenses	\$ 519,477.83
Penalties	164.91
Personal Property Tax	627.98
Postage and Delivery Services	1,517.23
Rent for Office Space	43,611.36
Subscriptions	7,299.19
Taxes	2,310.34
Taxes - California	1,191.77
Taxes - Delaware	77.50
Taxes - Illinois	5,838.95
Tech Support	4,145.19
Telephone	19,835.46
Travel & Entertainment	
Air and Other Transpotantions	9,609.68
Car Rental	2,932.82
Lodging	9,579.21
Meals	7,082.46
Parking	766.35
Tolls	2,686.00
Total Travel & Entertainment	\$ 32,656.52
Utilities	3,447.33
Workmens Comp Insurance	6,471.00
Total Expenses	\$ 1,653,244.61
Net Operating Income	\$ 94,729.20
Other Income	
Interest Income	2.23
Total Other Income	\$ 2.23
Net Other Income	\$ 2.23
Net Income	\$ 94,731.43

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CQI Associates, LLC
Balance Sheet
As of December 31, 2023

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
Fulton Bank-Operating-6701	19,306.39
Fulton Bank-Payroll-6869	27,399.71
Fulton Bank-Savings-6721	17,599.52
Money Market-Edward Jones	74.06
Total Bank Accounts	\$ 64,379.68
Other Current Assets	
Accumulated Amortization	-6,139.00
Bond Deposit-Columbia Bank	10,541.45
Certificate of Deposit	0.00
ERTC Receivable	69,434.00
Loan Receivable - Dick	0.00
Prepaid Taxes	0.00
Total Other Current Assets	\$ 73,836.45
Total Current Assets	\$ 138,216.13
Fixed Assets	
Accumulated Depreciation	-6,319.64
Computers	3,149.04
Furniture & Fixtures	3,171.00
Office Buildout	0.00
Vehicles	13,000.00
Total Fixed Assets	\$ 13,000.40
Other Assets	
Deposits	1,840.14
Loan Receivable - Summit	0.00
Total Other Assets	\$ 1,840.14
TOTAL ASSETS	\$ 153,056.67
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	0.00
Total Accounts Payable	\$ 0.00
Credit Cards	
American Express	
Business Purchase - 42003	37,694.22
Total American Express	\$ 37,694.22

CQI Associates, LLC
Balance Sheet
As of December 31, 2023

	<u>Total</u>
Fulton Bank Credit Card	18,604.08
HH Gregg/Synchrony	0.00
Total Credit Cards	\$ 56,298.30
Other Current Liabilities	
Accrued Payroll	15,119.55
Direct Deposit Liabilities	0.00
Due to MJA/JGA	-45,631.00
Loan - Advanta Bank Corp	-7,953.72
Loan - RWA	52,768.00
Loan Payable - MKA	1,625.00
Payroll Liabilities	0.00
401(k) Co. Match Payable	0.00
401(k) Empl Payable	0.00
Federal Tax Deposit Due	9,280.98
FUTA Payable	-2,595.70
GA Withholding Due	231.11
IL Withholding Due	1,154.03
MD Withholding Due	4,067.60
NC Withholding Due	244.00
SUI Payable	615.25
Total Payroll Liabilities	\$ 12,997.27
SBA PPP Loan	0.00
Total Other Current Liabilities	\$ 28,925.10
Total Current Liabilities	\$ 85,223.40
Long-Term Liabilities	
Loan	0.00
N/P-Fulton Bank LOC	64,000.00
Sun Trust	0.00
Total Long-Term Liabilities	\$ 64,000.00
Total Liabilities	\$ 149,223.40
Equity	
Capital - MKA	237,543.00
Draws - MKA	-200,863.40
Health Insurance - MKA	-198.30
Insurance - Members	-8,177.00
Member Sep - MKA	0.00
Taxes - Federal	-63,509.56
Taxes State of California	-630.00
Taxes State of Illinois	-2,930.00

CQI Associates, LLC
Balance Sheet
As of December 31, 2023

	<u>Total</u>
Taxes State of Maryland	-21,500.00
Total Capital - MKA	-\$ 60,265.26
Capital - RWA	-192,383.79
Draws - RWA	-119,188.17
Insurance - Members	-20,213.83
Member Sep - RWA	0.40
Taxes - Federal	-43,575.19
Taxes State of California	-417.00
Taxes State of Illinois	-2,053.00
Taxes State of Maryland	-15,187.93
Total Capital - RWA	-\$ 393,018.51
Retained Earnings	362,385.61
Net Income	94,731.43
Total Equity	\$ 3,833.27
TOTAL LIABILITIES AND EQUITY	\$ 153,056.67

CQI Associates, LLC
Profit and Loss
January - December 2022

	<u>Total</u>
Income	
Energy Supplier Commission	1,571,392.59
Total Income	<u>\$ 1,571,392.59</u>
Gross Profit	<u>\$ 1,571,392.59</u>
Expenses	
Accountant-CPA	13,565.80
Advertising Expenses	3,330.34
Auto Expenses	
Gas	26,440.28
Mileage Reimbursement	767.30
Repair and Maintenance	2,697.30
Total Auto Expenses	<u>\$ 29,904.88</u>
Auto Insurance	13,088.56
Auto Lease	67,622.96
Bank Charges	1,406.00
Bonding Fee Expense	1,475.00
Bookkeeping Expense	4,537.50
Chamber Memb/Sponsor/Coop Fees	37,867.51
Consultant Services	188,007.60
Contributions	1,685.00
Cr Card Merchant Fees	1,173.45
Educational/Training	259.77
Gifts	198.26
Guaranteed Payments - MKA	195,500.00
Guaranteed Payments - RWA	89,000.00
Health Insurance (Amwins)	146,488.49
Insurance Expense	4,406.46
Interest	19,039.98
Internet Expense	7,924.02
Licenses & Permits	4,297.15
Marketing Expenses	2,745.20
Meeting Fees	2,241.50
Office Repairs/Maintenance/Cleaning	5,462.14
Office Supplies	19,878.67
Payroll Expenses	
ADP Payroll Tax	412.28
FUTA Expense	420.00
Medicare-ER	8,832.01
Social Security-ER	37,764.49

CQI Associates, LLC

Profit and Loss

January - December 2022

	Total
SUI Expense	5,151.70
Total ADP Payroll Tax	\$ 52,580.48
ADP Wage Pay	609,104.72
Total Payroll Expenses	\$ 661,685.20
Personal Property Tax	514.07
Postage and Delivery Services	2,424.06
Printing & Duplication Services	839.52
Rent for Office Space	38,546.71
Subscriptions	7,683.27
Taxes	1,067.62
Taxes - California	2,270.85
Taxes - Delaware	75.00
Taxes - Illinois	3,237.69
Tech Support	3,719.75
Telephone	20,844.29
Travel & Entertainment	
Air and Other Transportation	5,303.32
Car Rental	728.84
Lodging	4,099.67
Meals	14,651.50
Parking	525.50
Tolls	280.00
Total Travel & Entertainment	\$ 25,588.83
Utilities	4,064.51
Workmens Comp Insurance	6,048.94
Total Expenses	\$ 1,639,716.55
Net Operating Income	-\$ 68,323.96
Other Income	
Interest Income	2.53
Other Income	70,925.51
Total Other Income	\$ 70,928.04
Net Other Income	\$ 70,928.04
Net Income	\$ 2,604.08

CQI Associates, LLC

Balance Sheet

As of December 31, 2022

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
Fulton Bank-Operating-6701	21,297.56
Fulton Bank-Payroll-6869	29,225.39
Fulton Bank-Savings-6721	5,597.29
Money Market-Edward Jones	74.06
Total Bank Accounts	<u>\$ 56,194.30</u>
Other Current Assets	
Accumulated Amortization	-6,139.00
Bond Deposit-Columbia Bank	10,541.45
Certificate of Deposit	0.00
ERTC Receivable	69,434.00
Loan Receivable - Dick	0.00
Prepaid Taxes	0.00
Total Other Current Assets	<u>\$ 73,836.45</u>
Total Current Assets	<u>\$ 130,030.75</u>
Fixed Assets	
Accumulated Depreciation	-6,319.64
Computers	3,149.04
Furniture & Fixtures	3,171.00
Office Buildout	0.00
Vehicles	13,000.00
Total Fixed Assets	<u>\$ 13,000.40</u>
Other Assets	
Deposits	1,840.14
Loan Receivable - Summit	0.00
Total Other Assets	<u>\$ 1,840.14</u>
TOTAL ASSETS	<u>\$ 144,871.29</u>
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	0.00
Total Accounts Payable	<u>\$ 0.00</u>
Credit Cards	
American Express	
Business Purchase - 42003	56,232.27
Total American Express	<u>\$ 56,232.27</u>

CQI Associates, LLC

Balance Sheet

As of December 31, 2022

	Total
Fulton Bank Credit Card	11,501.57
HH Gregg/Synchrony	0.00
Total Credit Cards	\$ 67,733.84
Other Current Liabilities	
Direct Deposit Liabilities	0.00
Due to MJA/JGA	-45,631.00
Loan - Advanta Bank Corp	0.00
Loan - RWA	52,768.00
Loan Payable - MKA	1,625.00
Payroll Liabilities	0.00
401(k) Co. Match Payable	0.00
401(k) Empl Payable	0.00
Federal Tax Deposit Due	401.86
FUTA Payable	84.00
GA Withholding Due	1,760.58
IL Withholding Due	1,622.29
MD Withholding Due	65.78
NC Withholding Due	244.00
SUI Payable	0.00
Total Payroll Liabilities	\$ 4,178.51
SBA PPP Loan	0.00
Total Other Current Liabilities	\$ 12,940.51
Total Current Liabilities	\$ 80,674.35
Long-Term Liabilities	
Loan	0.00
N/P-Fulton Bank LOC	64,000.00
Sun Trust	0.00
Total Long-Term Liabilities	\$ 64,000.00
Total Liabilities	\$ 144,674.35
Equity	
Capital - MKA	237,543.00
Draws - MKA	-200,801.60
Health Insurance - MKA	-148.30
Insurance - Members	-5,451.20
Member Sep - MKA	0.00
Taxes - Federal	-22,345.64
Taxes State of California	-630.00
Taxes State of Illinois	-2,898.00
Taxes State of Maryland	-14,300.00

CQI Associates, LLC

Balance Sheet

As of December 31, 2022

	Total
Total Capital - MKA	-\$ 9,031.74
Capital - RWA	-192,383.79
Draws - RWA	-120,167.17
Insurance - Members	-13,169.18
Member Sep - RWA	0.40
Taxes - Federal	-14,980.19
Taxes State of California	-417.00
Taxes State of Illinois	-2,053.00
Taxes State of Maryland	-9,987.00
Total Capital - RWA	-\$ 353,156.93
Retained Earnings	359,781.53
Net Income	2,604.08
Total Equity	\$ 196.94
TOTAL LIABILITIES AND EQUITY	\$ 144,871.29

CQI Associates, LLC

Exhibit C-3
Forecasted Financial Statements
Fiscal Years 2024-2026

See attached

CQI Associates
Ohio
Balance Sheet Projection
2024-2026

<u>2024</u>	<u>Total</u>
<u>Revenue</u>	
Procurement Services	\$ 5,940.00
Consulting Services	\$ -
Total	\$ 5,940.00
<u>Expenses</u>	
Members Hourly Costs	\$ 1,620.00
Staff Hourly Costs	\$ 2,880.00
Legal Expenses	\$ 350.00
General Expenses	\$ 540.00
Total	\$ 5,390.00
Balance 2024	\$ 550.00

<u>2025</u>	<u>Total</u>
<u>Revenue</u>	
Procurement Services	\$ 6,120.00
Consulting Services	\$ 2,400.00
Total	\$ 8,520.00
<u>Expenses</u>	
Members Hourly Costs	\$ 1,680.00
Staff Hourly Costs	\$ 4,880.00
Legal Expenses	\$ 350.00
General Expenses	\$ 600.00
Total	\$ 7,510.00
Balance 2025	\$ 1,010.00

<u>2026</u>	<u>Total</u>
<u>Revenue</u>	
Procurement Services	\$ 6,240.00
Consulting Services	\$ 3,600.00
Total	\$ 9,840.00
<u>Expenses</u>	
Members Hourly Costs	\$ 1,800.00
Staff Hourly Costs	\$ 5,880.00
Legal Expenses	\$ 350.00
General Expenses	\$ 600.00
Total	\$ 8,630.00
Balance 2026	\$ 1,210.00

CQJ ASSOCIATES

Cash Flow & Income Statement Projection - OHIO

2024	January	February	March	April	May	June	July	August	September	October	November	December	Total Income/Loss
Revenue													
Procurement Services	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 5,940.00
Consulting Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 495.00	\$ 5,940.00
Expenses													
Members Hourly Costs	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 1,620.00
Staff Hourly Costs	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 240.00	\$ 2,880.00
Legal Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350.00	\$ 350.00
General Expenses	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 540.00
Total	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00	\$ 770.00	\$ 5,390.00
Balance	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ (275.00)	\$ 550.00
2025													Total
Revenue													
Procurement Services	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 6,120.00
Consulting Services	\$ -	\$ -	\$ -	\$ -	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 2,400.00
Total	\$ 510.00	\$ 510.00	\$ 510.00	\$ 510.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 8,520.00
Expenses													
Members Hourly Costs	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 1,680.00
Staff Hourly Costs	\$ 260.00	\$ 260.00	\$ 260.00	\$ 260.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 480.00	\$ 4,880.00
Legal Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350.00	\$ 350.00
General Expenses	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00
Total	\$ 450.00	\$ 450.00	\$ 450.00	\$ 450.00	\$ 670.00	\$ 670.00	\$ 670.00	\$ 670.00	\$ 670.00	\$ 670.00	\$ 670.00	\$ 1,020.00	\$ 7,510.00
Balance	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ (210.00)	\$ 1,010.00

CQI Associates, LLC

Exhibit C-4
Credit Rating

Dun & Bradstreet scores for CQI Associates, LLC is:

Paydex: 76 out of 100 (Low risk)

D&B Rating: 2R3

Viability Score: 3 out of 9 (Low Risk)

Portfolio Companion: 2 out of 9 (Low Risk)

Data Depth Indicator: B (on a scale of A to G)

No other ratings are available on CQI Associates, LLC.

CQI Associates, LLC have an A+ rating with the Better Business Bureau with no derogatory comments.

CQI Associates, LLC

Exhibit C-5
Credit Report

Copy of Dun & Bradstreet Report for CQI Associates, LLC is attached,

and

Three Bureau Scores for Managing Member & Principal, Melissa K. Anderson and Member & Principal, Richard W. Anderson, Jr. are listed below.

Credit Scores (Three Bureaus) for **Melissa K. Anderson**, Managing Member & Principal

Experian 724

Transunion 737

Equifax 711

Credit Scores (Three Bureaus) for **Richard W. Anderson, Jr.**, Member and Partner

Experian 776

Transunion 735

Equifax 741

Exhibit C-6
Bankruptcy Information

Not applicable. There have been no reorganizations, protections 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.

CQI Associates, LLC

Exhibit C-8 Corporate Structure

CQI Associates, LLC is a standalone Maryland Limited Liability Corporation. It does not have any affiliate or subsidiary companies that supply retail or wholesale electricity or natural gas to customers and companies that aggregate in North America.

Organizational Roster/Chart:

President, Member LLC:	Melissa K. Anderson
Member LLC:	Richard W. Anderson, Jr.

Senior Associate:	Jennie Anderson
Senior Associate:	Bill Sell
Senior Associate:	Joe Tabling
Senior Associate:	Jay Ariano

Associate:	Shelby Dupont
Associate:	Ann Washington
Associate:	Emily Badin
Associate:	Sean Corcoran
Associate:	Kameron Jones
Associate:	Brian McLemore
CPA:	Cristina Brickhouse

Number of Employees: 11

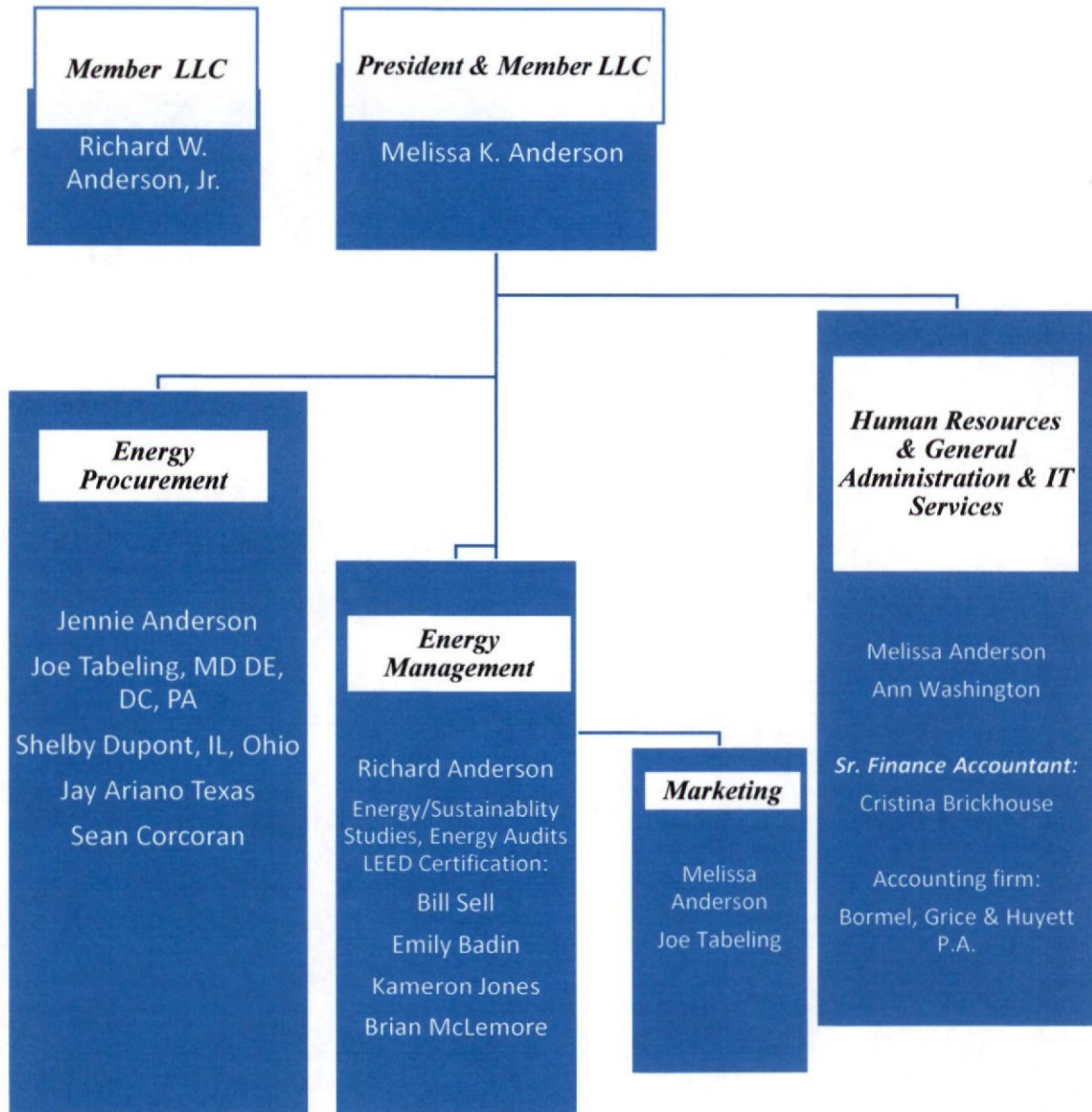
Normal Business Hours: 8:30 am to 5:30 pm Monday-Friday
8:30 am to 12:30 pm Saturday

Geographic Location: CQI Associates, LLC is a regional-based firm in the Mid Atlantic Area with Field Operations in Illinois serving the Central States to include Ohio .

CQI Associates, LLC

Exhibit C-8 Corporate Structure (continued)

CQI Associates, LLC is a standalone Maryland Limited Liability Corporation. It does not have any affiliate or subsidiary companies that supply retail or wholesale electricity or natural gas to customers and companies that aggregate customers in North America.



Geographic Location: CQI Associates, LLC is a regional-based firm in the Mid Atlantic area with Field Operations in Illinois serving the Central States to include Ohio.

CQI Associates, LLC

Exhibit C-9
Financial Arrangements

See attached Business Loan Agreement for a line of credit with Columbia Bank.

BUSINESS LOAN AGREEMENT

Lender: The Columbia Bank
Columbia Town Center Office
7168 Columbia Gateway Drive
Corporate Address
Columbia, MD 21046

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral. (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal,

release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Time Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or provided the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers hereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Motion of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all pending and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with the following:

Annual Statements. As soon as available, but in no event later than one-hundred-twenty (120) days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, compiled by a certified public accountant satisfactory to Lender.

Tax Returns. As soon as available, but in no event later than one-hundred-twenty (120) days after the applicable filing date for the tax-reporting period ended, Borrower's Federal and other governmental tax returns, prepared by a certified public accountant satisfactory to Lender.

All financial reports required to be provided under this Agreement shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Borrower as being true and correct.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Such insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is granted a security interest for the Loan, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (Borrower not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Guaranties. Prior to disbursement of any Loan proceeds, furnish executed guaranties of the Loans in favor of Lender, executed by the guarantors named below, on Lender's forms, and in the amounts and under the conditions set forth in those guaranties.

Names of Guarantors

Richard Anderson, Jr.
Melissa Anderson

Amounts

Unlimited
Unlimited

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the liability of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on its books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

Compliance Certificates. Unless waived in writing by Lender, provide Lender at least annually, with a certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate and further certifying that, as of the date of the certificate, no event of Default exists under this Agreement.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to

exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authority; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loan and to perfect all Security Interests.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; or (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note.

NEGATIVE COVENANTS. Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

Indebtedness and Liens. (1) Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases, (2) sell, transfer, mortgage, assign, pledge, lease, grant a security interest in, or encumber any of Borrower's assets (except as allowed as Permitted Liens), or (3) sell with recourse any of Borrower's accounts, except to Lender.

Conduct of Operations. (1) Engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, change its name, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

Loans, Acquisitions and Guaranties. (1) Loan, invest in or advance money or assets to any other person, enterprise or entity, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

Agreements. Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

DEFAULT. Default will occur if payment in full is not made immediately when due.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all sums owing in connection with the Loans, including all principal, interest, and all other fees, costs and charges, if any, will become immediately due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Section by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

CROSS DEFAULT. Any event of default under any loan due and owing to Lender by Borrower, at any time, shall constitute an event of default under all loans due and owing to Lender by Borrower.

DEPOSIT ACCOUNTS. The Borrower shall maintain its deposit accounts with Lender.

CONFLICT IN TERMS OF DOCUMENTS. In the event of any conflict between the terms of any commitment letter issued prior to the date hereof by Lender to Borrower in respect of the Loan and the other Related Documents, the terms set forth in the other Related Documents shall control.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees Expenses. Borrower agrees that if Lender hires an attorney to help enforce this Agreement, Borrower will pay, subject to any limits under applicable law, Lender's attorneys' fees equal to 15.000% of the principal balance due on the Loan and all of Lender's other collection expenses, whether or not there is a lawsuit and including without limitation additional legal expenses for bankruptcy proceedings.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Jurisdiction. Borrower irrevocably submits to the jurisdiction of any state or federal court sitting in the State of Maryland over any suit, action, or proceeding arising out of or relating to this Agreement. Borrower irrevocably waives, to the fullest extent permitted by law, any objection that Borrower may now or hereafter have to the laying of venue of any such suit, action, or proceeding brought in any such court and any claim that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum. Final judgment in any such suit, action, or proceeding brought in any such court shall be conclusive and binding upon Borrower and may be enforced in any court in which Borrower is subject to jurisdiction by a suit upon such judgment provided that service of process is effected upon Borrower as provided in this Agreement or as otherwise permitted by applicable law.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower

further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Maryland without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Maryland.

JURY WAIVER. LENDER AND BORROWER EACH HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH LENDER OR BORROWER MAY BE PARTIES, ARISING OUT OF, OR IN ANY WAY PERTAINING TO, THIS AGREEMENT. IT IS AGREED THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY LENDER AND BORROWER, AND LENDER AND BORROWER EACH HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. BORROWER FURTHER REPRESENTS THAT BORROWER HAS BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF BORROWER'S OWN FREE WILL, AND THAT BORROWER HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, not any course of dealing between Lender and Borrower, or between Lender and any Guarantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notice. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, if hand delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Sovereignty. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in extending Loan Advances, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any rescission made by Lender, all such representations, warranties and covenants will survive the extension of Loan Advances and delivery to Lender of the Related Documents, shall be continuing in nature, shall be deemed made and redated by Borrower at the time each Loan Advance is made, and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

Advance. The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word "Borrower" means CCI Associates, LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all property and assets granted as collateral security for a loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

Default. The word "Default" means the Default set forth in this Agreement in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-469 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Grantor. The word "Grantor" means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, and their personal representatives, successors and assigns.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Loan.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means The Columbia Bank, its successors and assigns.

Exhibit D-1
Operations

CQI Associates, LLC operates in Ohio as a Power Broker/Aggregator.

CQI Associates, LLC will contract with clients for the company's suite of energy management services, including providing energy procurement aggregation services. After contracting for the services, the company's employees provide the contracted services, and send bills directly to clients for these services where applicable (Consulting) or incorporating a fee per unit of energy as billed and collected by the contracting energy supplier. CQI Associates, LLC has a customer service email address and telephone number to provide to customers to answer any questions and provide general customer services and support.

Exhibit D-2
Operations expertise and key technical personnel

CQI Associates, LLC was the first energy management consulting firm in the Baltimore-Washington region to offer commercial energy purchasing cooperatives sponsored by Chambers of Commerce and Business Associations. The commercial energy purchasing cooperative program was expanded as CQI Associates, LLC obtained licenses as a client consultant, broker, & aggregator in Maryland, Delaware, Illinois, the District of Columbia, Ohio, Pennsylvania, and Texas.

Key Staff:

Melissa K. Anderson
President and Member LLC
Phone: 410-500-9555 or 443-677-8870
Fax: 410-630-5911
Email: melissa@cqiassociates.com

Melissa K. Anderson, President and Member, joined CQI Associates, LLC in 2000 with a background in business and environmental project management. Ms. Anderson, poised to lead CQI Associates, LLC into the new millennium, has been instrumental in developing key programs like the Energy Purchasing Cooperatives. Her leadership on high-profile projects continues to prove invaluable.

Richard W. Anderson
Member LLC
Phone: 410-500-9555 or 443-864-7293
Fax: 410-630-5911
Email: richard@cqiassociates.com

Richard Anderson is a Member of CQI Associates, LLC and founded the company in 1995. He believes that organizations can improve the quality of service they provide while optimizing the use of existing resources. Richard has worked in the facility management, energy procurement, energy management, and sustainability management field for 50 years. He brings a wealth of practical experience to meet each client's unique needs. Richard is currently working on multiple solar photovoltaic installations and combined heat & power assignments for clients seeking the use of advanced energy management technology applications.

CQI Associates, LLC

Exhibit D-3
FERC Power Marketer Authorization

This section does not apply to CQI Associates, LLC.