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13-832-EL-AGG 55

PUCO

The Public Utilities Commission of Ohio

PUCO USE ONLY		
Date Received	Case Number	Version
	- -EL-AGG	August 2004

CERTIFICATION APPLICATION FOR AGGREGATORS/POWER BROKERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-5 Experience). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division; 180 East Broad Street, Columbus, Ohio 43215-3793.

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

RECEIVED-DOCKETING DIV 2013 APR -5 AM 9:09 PUCO

A. APPLICANT INFORMATION

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

Legal Name U.S.E.C. LLC
Address 77 Sugar Creek Cntr Blvd # 501 Sugar Land, TX 77478
Telephone # 713-772-044€ Web site address (if any) www.useclic.com

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

Legal Name U.S.E.C. LLC
Address 77 Sugar Creek Cntr Blvd # 501 Sugar Land, TX 77478
Telephone # 713-772-044€ Web site address (if any) www.useclic.com

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

U.S.E.C. LLC
US Energy Consultants

A-4 Contact person for regulatory or emergency matters

Name Mikhail Skachko
Title President

pg

Business address 77 Sugar Creek Cntr Blvd 501 Sugar Land TX 77478
Telephone # 713-772-0446 Fax # 888-764-3888
E-mail address (if any) mskachko@usecllc.com

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

Name Mikhail Skachko
Title President
Business address 77 Sugar Creek Cntr Blvd 501 Sugar Land TX 77478
Telephone # 713-772-0446 Fax # 888-764-3888
E-mail address (if any) mskachko@usecllc.com

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

Customer Service address 77 Sugar Creek Cntr Blvd 501 Sugar Land TX 77478
Toll-free Telephone # 888-991-USEC Fax # 888-764-3888
E-mail address (if any) sales@usecllc.com

A-7 Applicant's federal employer identification number # 94-3445514

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).

☒ **First Energy**				
☒ **Ohio Edison**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial
☒ **Toledo Edison**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial
☒ **Cleveland Electric Illuminating**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial
☒ **Cincinnati Gas & Electric**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial
☒ **Monongahela Power**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial
☒ **American Electric Power**				
☒ **Ohio Power**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial
☒ **Columbus Southern Power**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial
☒ **Dayton Power and Light**	☐ Residential	☒ Commercial	☒ Mercantile	☒ Industrial

A-10 Provide the approximate start date that the applicant proposes to begin delivering services

4/01/2013

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. pg 9

A-12 **Exhibit A-12 "Corporate Structure,"** provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers and companies that aggregate customers in North America.

pg 10

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

pg 11

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

pg 12-13

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

pg 14-15

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.

pg 16

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.

pg 17

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.). pg 18

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. pg 19

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. pg 20

C-2 **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why. pg 21

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. pg 22 2011 – 23 to 35
2010 - 36 to 45

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

pg 46

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

pg 47

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.

pg 48&49

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

pg 50 Credit report pgs 51-57

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. n/A

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

N/A

Signature of Applicant & Title

Sworn and subscribed before me this 26 **day of** March, 2013
Month **Year**

Signature of official administering oath

Danny Tryon Jr., Notary Public
Print Name and Title

DANNY CAL TRYON JR
My Commission Expires
October 31, 2016

My commission expires on October 31, 2016

AFFIDAVIT

State of Texas :   Sugar Land ss.
(Town)

County of Fort Bend

Mikhail IShachko, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the President/CEO (Office of Affiant) of U.S.E.C. 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.

president /CEO

Signature of Affiant & Title

Sworn and subscribed before me this 26 day of March, 2013
Month Year

Signature of official administering oath

Danny Tryon Jr. / Notary Public
Print Name and Title

DANNY CAL TRYON JR
My Commission Expires
October 31, 2016

My commission expires on October 31, 2016

Exhibit 11-A
Principal Officers, Directors & Partners

Mikhail Skachko
CEO, Owner
2210 Blue Rose Dr
Missouri City, TX 77459
(312)608-3875 cell
mskachko@usecllc.com

Elena Skachko
CFO
2210 Blue Rose Dr
Missouri City, TX 77459
(713)377-1935
eskachko@usecllc.com

Exhibit 11-B
Corporate Structure

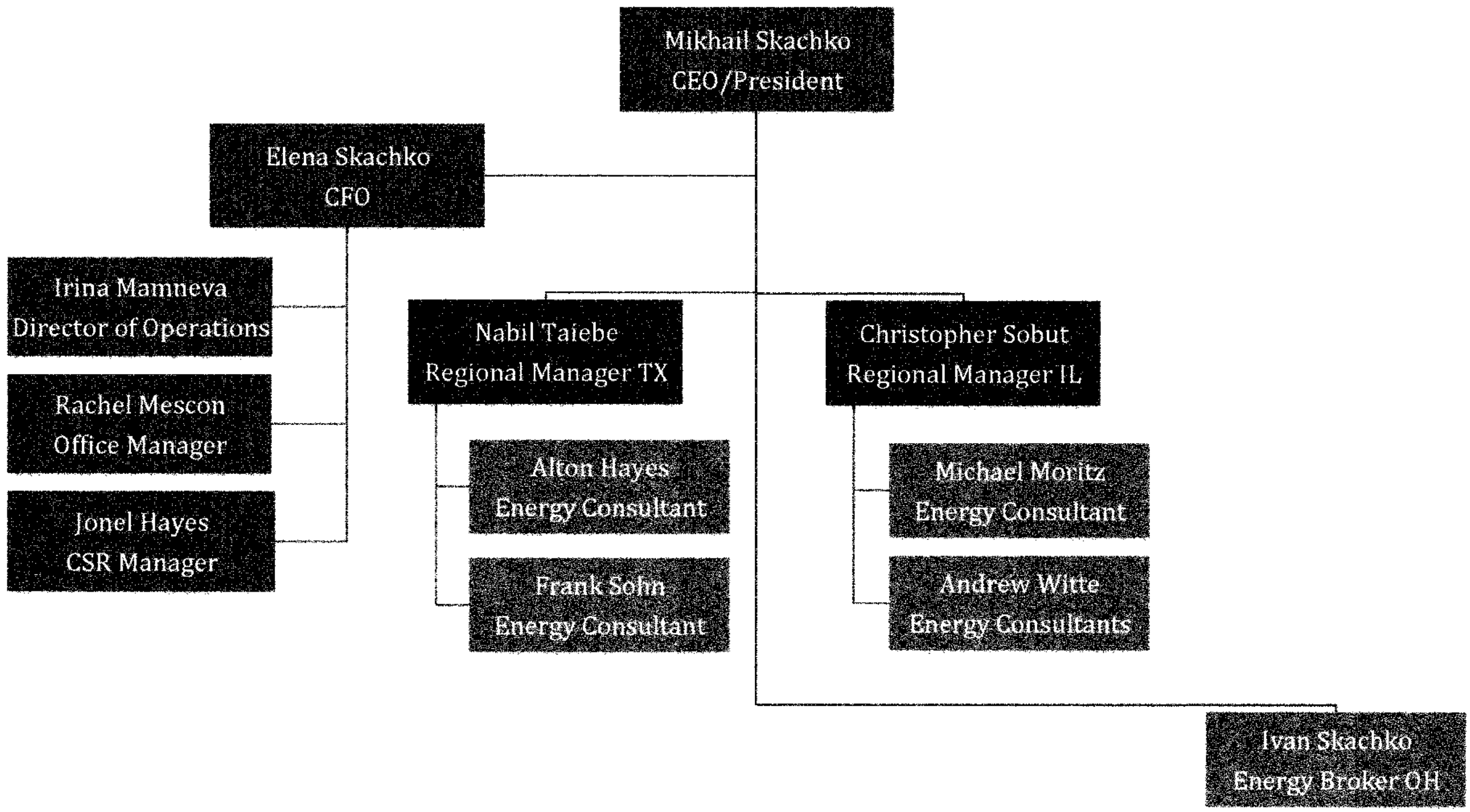

Exhibit A-13
Company History

USEC was founded in September of 2008. Our corporate office is in Houston Texas, with satellite locations in Dallas Texas, Chicago Illinois and East Berlin Connecticut. USEC is a privately held company with positive growth every year since its inception in 2008.

USEC specializes in the following areas:

- Bill Audit
- Electricity and Natural Gas Procurement
- Contract Negotiations
- Lighting and Retrofitting

USEC is a full service Electricity and Natural Gas Consultant/Broker, our main business focus is Bill Audit, Energy Procurement and Contract Negotiations. While other companies in our industry concentrate on quantity, USEC focuses on Client Relations and long-term sustainability.

With top-tier retail supplier relations, focus on reputation and internal attitude that puts customer first, allowed for USEC to have a healthy sustainable growth in the industry. Our business model is simple, we generate cost savings for clients by taking advantage of deregulated utilities to negotiate and secure competitive natural gas and/or electric supply contracts. USEC offers energy procurement and management services to more than 2,200 diverse clients of all sizes, including commercial and industrial businesses, hospitals, property management companies, and nonprofits.

Noteworthy accomplishments:

- Veteran owned business
- Accredited by the BBB with 3 Gold Star Certificates
- USEC is the only Energy Consultant/Broker to have won the BBB Award for Excellence and we did it two years in a row.
- USEC is a member of TEPA (The Energy Professionals Association)
- To date USEC has 0 PUC or ICC complaints in all of the markets that we operate in

Form 205 **(revised 6/01)** Return in Duplicate to: Secretary of State P.O. Box 13697 Austin, TX 78711-3697 FAX: 512/463-5709 **Filing Fee:**	THE STATE OF TEXAS **Articles of Organization For A Texas Limited Liability Company Act**	This space reserved for office use. **FILED In the Office of the Secretary of State of Texas** SEP 26 2008 **Corporations Section**

Article 1 – Name

The name of the limited liability company is as set forth below:

U.S.E.C. LLC

The name of the entity must contain the words "Limited Liability Company" or "Limited Company," or an accepted abbreviation of such terms. The name must not be the same as, deceptively similar to or similar to that of an existing corporate. limited liability company, or limited partnership name on file with the secretary of state. A preliminary check for "name availability" is recommended.

Article 2 – Registered Agent and Registered Office (Select and complete either A or B and complete C)

☐ A. The initial registered agent is an organization **(cannot be company named above)** by the name of:

OR

☑ B. The initial registered agent is an individual resident of the state whose is set forth below.

First Name	M.I.	Last Name	Suffix
Mikhail		**Skachko**	

C. The business address of the registered agent and the registered office address is:

Street Address	City		Zip Code
3600 W. Loop 250 North Unit 1094	**Midland**	TX	**79707**

Article 3 – Management

A. ☑ The limited liability company is to be managed by managers. The names and addresses of the initial managers are set forth below:

OR (Select either option A or option B; do not select both.)

B. ☐ The limited liability company will not have managers. Management of the company is reserved to the members. The names and addresses of the initial members are set forth below:

Manager/Member Name and Address Information

MANAGER/MEMBER 1

LEGAL ENTITY: The manager/member is a legal entity named:

INDIVIDUAL: The manager/member is an individual whose name is set forth below:

First Name	M.I.	Last Name	Suffix
Mikhail		**Skachko**	

ADDRESS OF MANAGER/MEMBER 1:

Street Address	City	State	Zip Code
3600 W. Loop 250 North Unith 1094	**Midland**	**TX**	**79707**

MANAGER/MEMBER 2

LEGAL ENTITY: The manager/member is a legal entity named:

INDIVIDUAL: The manager/member is an individual whose name is set forth below.

Exhibit A-14
Articles of Organization

First Name	M.I	Last Name	Suffix

ADDRESS OF MANAGER/MEMBER 2:

Street Address	City	State	Zip Code

MANAGER/MEMBER 3:

LEGAL ENTITY: The manager/member is a legal entity named:

INDIVIDUAL: The manager/member is an individual whose name is set forth below.

First Name	M.I.	Last Name	Suffix

ADDRESS OF MANAGER/MEMBER 3:

Street Address	City	State	Zip Code

Article 4 – Duration

The period of duration is perpetual.

Article 5 – Purpose

The purpose for which the company is organized is for the transaction of any and all lawful business for which limited liability companies may be organized.

Supplemental Provisions Information

Text Area

[The attached addendum are incorporated herein by reference.]

Organizer

The name and address of the organizer is set forth below.

Name
Kerry Walsh

Street Address	City	State	Zip Code
173 N Main St #400	**Sayville**	**NY**	**11782**

Effective Date of Filing

A. ☑ This document will become effective when the document is filed by the secretary of state.

OR

B. ☐ This document will become effective at a later date, which is not more than ninety (90) days from the date of its filing by the secretary of state. The delayed effective date is

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a false or fraudulent document.

KWalsh

Signature of organizer

* 201308700966*

DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
03/29/2013	201308700966	REG. OF FOR. PROFIT LIM. LIAB. CO. (LFP)	125.00	100.00	.00	.00	.00

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

U.S.E.C. LLC
ATTN: MIKHAIL SKACHKO
77 SUGAR CREEK CENTER BLVD SUITE 501
SUGAR LAND, TX 77478

STATE OF OHIO
CERTIFICATE

Ohio Secretary of State, Jon Husted

2186111

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

US ENERGY CONSULTANTS

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

Document(s)	Document No(s):
REG. OF FOR. PROFIT LIM. LIAB. CO.	**201308700966**

Effective Date: 03/28/2013

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 29th day of March, A.D. 2013.

THE SEAL OF THE SECRETARY OF STATE OF OHIO

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

Jon Husted

Ohio Secretary of State

Exhibit A-15
Secretary of State

www2.sos.state.oh.us

Workspace Webmail :: Mail Index :: Inbox | PipelineDeals - Deals

Print this report

Corporation Details

Corporation Details	
Entity Number	2186111
Business Name	US ENERGY CONSULTANTS
Filing Type	*FOREIGN LIMITED LIABILITY COMPANY*
Status	Active
Original Filing Date	03/28/2013
Expiry Date	
Location: County: State: TEXAS	

Agent / Registrant Information

IVAN SKACHKO
6100 OAK TREE BOULEVARD SUITE 200
INDEPENDENCE,OH 44131
Effective Date: 03/28/2013
Contact Status: Active

Filings

Filing Type	Date of Filing	Document Number/Image
REG. OF FOR. PROFIT LIM. LIAB. CO.	03/28/2013	201308700966

Exhibit B-1
Jurisdiction of Operation

Texas (ERCOT) – No registration required for Energy Marketer. Incorporated in 09/26/2008. Authorized to do business in.

Illinois (PJM) – Requires an ABC License, filed for the license on 10/18/2010. Have been granted ABC License, Docket # 10-600, and Licensed on 01/05/2011.

Exhibit B-2
Experience & Plans

USEC has over 40 years of combined experience in Deregulated Energy. Our process for contracting is as follows:

- Consultant or Broker contact the customer about the choices that are available
- Get a signed LOA to pull HUD (Historical Usage Data)
- Submit the HUD to REP (Retail Electric Provider) for pricing
- Gather the offers from the REPs into a CSA (Cost and Savings Analysis)
- Present the CSA to the customer
- Customer chooses the REP of their liking
- Customer Signs an ESA (Electricity Service Agreement) for the perspective REP
- Consultant or Broker submit the ESA to USEC operations
- USEC operation conduct a QC (Quality Control) phone call, this is a recorded call and the questions from the QC call are attached as Exhibit B-2a
- Upon successful QC call the Contract is then forwarded to the respective REP for booking

USEC is not a supplier and does not send customer bills.

Complaint Resolution:
If USEC receives a complaint it is automatically escalated to DO (Director of Operations). DO will follow the complaint resolution process:

- DO will notify respective department of the complaint nature
- Responsible party will have 24 hours to resolve the complaint
- If the complaint is not resolved with in the time frame provided DO contacts the customer directly to try and resolve the issue
- If the DO can not resolve the issue it is then the complaint is passed to the President of the company for the final attempt to resolve the complaint

To date USEC has 0 (zero) PUC or ICC complaints. We don't promise perfection, but we do promise our dedication to doing everything possible to ensure customer satisfaction.

Exhibit B-3
Summary of Experience

USEC is not an Aggregator or a Supplier but an Energy Consultant/Broker. USEC specializes in contract negotiation on behalf of REPs (Retail Electric Providers). USEC is not seeking an Aggregator's license but an Energy Consulting License.

The following are the customers contracted on behalf of the REPs by USEC:

ERCOT (Texas Market)

REP	**# of Customers**	**Load in mWh**
APG&E	19	7,842
Constellation NE	62	89,234
Champion Energy	11	11,587
Direct Energy	35	69,588
Epcot Electric	46	25,544
Green Mountain	17	10,452
Hudson Energy	183	77,719
Liberty Power	192	56,789
Potentia Energy	4	1,009
Reliant Energy	8	17,178
StarTex Power	46	20,963
ERCOT Totals:	**623**	**387,905**

PJM (Illinois Market)

REP	**# of Customers**	**Load in mWh**
AEP	15	15,738
Champion Energy	65	97,175
Constellation NE	2	5,341
Direct Energy	316	108,504
Energy.ME	26	10,982
Exelon	1	7,112
NextEra	9	14,208
Hudson Energy	607	237,845
Liberty Power	1091	210,599
Sempra Energy	1	4,073
Spark Energy	168	64,271
PJM Totals:	**2,301**	**775,848**
USEC Totals:	**2,924**	**1,163,753**

USEC contracts commercial customers only.

Exhibit B-4

Disclosure of Liabilities and Investigations

Exhibit B-4 does not apply to USEC. U.S.E.C. LLC., has never had any rulings, judgments, contingent liabilities, revocation of authority, regulatory investigation and or any other matter that could adversely impact USEC financial or operational status.

Exhibit C-1
Annual Reports

Exhibit C-1 does not apply to USEC. U.S.E.C. LLC., is a privately owned company and does not have share holders that require Annual Reports.

Exhibit C-2
SEC Fillings

Exhibit C-2 does not apply to USEC. U.S.E.C. LLC., is a privately owned company that specializes in Deregulated Electricity and Natural Gas Consulting. USEC is not required to file with the SEC.

Exhibit C-3

Financial Statements

USEC has yet to file the 2012 tax returns, attached you will find the 2011 and 2010 Tax returns.

- 2011 pages 23 to 35
- 2010 pages 36 to 45

USE

Form **1120S** — Department of the Treasury, Internal Revenue Service

U.S. Income Tax Return for an S Corporation

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.

See separate instructions.

OMB No. 1545-0130 — **2011**

For calendar year 2011 or tax year beginning , ending

A S election effective date: 01/01/11	Name: U.S.E.C., LLC
B Business activity code number (see instructions): 541990	Number, street, and room or suite no. If a P.O. box, see instructions: c/o Gruber and Associates, P.A. 6550 North Federal Highway;Suite522
C Check if Sch. M-3 attached ☐	City or town, state, and ZIP code: Fort Lauderdale FL 33308-1417
D Employer identification number	[redacted]
E Date incorporated	01/01/2011
F Total assets (see instructions)	$ 53,088

TYPE OR PRINT

G Is the corporation electing to be an S corporation beginning with this tax year? ☒ Yes ☐ No If "Yes," attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year: 1

Caution. Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income

1a	Merchant card and third-party payments. For 2011, enter -0-	1a	0		
b	Gross receipts or sales not reported on line 1a (see instructions)	1b	1,029,578		
c	Total. Add lines 1a and 1b	1c	1,029,578		
d	Returns and allowances plus any other adjustments (see instructions)	1d			
e	Subtract line 1d from line 1c			1e	1,029,578
2	Cost of goods sold (attach Form 1125-A)			2	662,636
3	Gross profit. Subtract line 2 from line 1e			3	366,942
4	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			4	
5	Other income (loss) (see instructions – attach statement) See Stmt 1			5	30,000
6	**Total income (loss).** Add lines 3 through 5			6	396,942

Deductions (see instructions for limitations)

7	Compensation of officers	7	
8	Salaries and wages (less employment credits)	8	
9	Repairs and maintenance	9	3,082
10	Bad debts	10	
11	Rents	11	33,094
12	Taxes and licenses	12	1,007
13	Interest	13	1,615
14	Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14	56,750
15	Depletion **(Do not deduct oil and gas depletion.)**	15	
16	Advertising	16	7,098
17	Pension, profit-sharing, etc., plans	17	
18	Employee benefit programs	18	
19	Other deductions (attach statement) See Stmt 2	19	163,126
20	**Total deductions.** Add lines 7 through 19	20	265,772
21	**Ordinary business income (loss).** Subtract line 20 from line 6	21	131,170

Tax and Payments

22a	Excess net passive income or LIFO recapture tax (see instructions)	22a			
b	Tax from Schedule D (Form 1120S)	22b			
c	Add lines 22a and 22b (see instructions for additional taxes)			22c	
23a	2011 estimated tax payments and 2010 overpayment credited to 2011	23a			
b	Tax deposited with Form 7004	23b			
c	Credit for federal tax paid on fuels (attach Form 4136)	23c			
d	Add lines 23a through 23c			23d	
24	Estimated tax penalty (see instructions). Check if Form 2220 is attached ☐			24	
25	**Amount owed.** If line 23d is smaller than the total of lines 22c and 24, enter amount owed			25	
26	**Overpayment.** If line 23d is larger than the total of lines 22c and 24, enter amount overpaid			26	
27	Enter amount from line 26 **Credited to 2012 estimated tax**	Refunded		27	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Signature of officer: Mikhail I. Skachko — Date — Title: President

Paid Preparer Use Only

Print/Type preparer's name	Richard C. Gruber, C.P.A.
Preparer's signature	
Date	09/13/12
Check ☐ if self-employed	
PTIN	P01279478
Firm's name	Gruber and Associates, P.A.
Firm's EIN	[redacted]
Firm's address	6550 North Federal Highway, Suite 522, Fort Lauderdale, FL 33308-1417
Phone no.	954-522-2222

For Paperwork Reduction Act Notice, see separate instructions. Form **1120S** (2011)

DAA

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Form 1120S (2011) **U.S.E.C., LLC** [redacted] Page 2

Schedule B Other Information (see instructions)

		Yes	No
1	Check accounting method: a ☐ Cash b ☒ Accrual c ☐ Other (specify)		
2	See the instructions and enter the: a Business activity **Energy Consultant** b Product or service **Service**		
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing (a) name and employer identification number (EIN), (b) percentage owned, and (c) if 100% owned, was a qualified subchapter S subsidiary election made?		X
4	Has this corporation filed, or is it required to file, **Form 8918**, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		X
5	Check this box if the corporation issued publicly offered debt instruments with original issue discount ☐ If checked, the corporation may have to file **Form 8281**, Information Return for Publicly Offered Original Issue Discount Instruments.		
6	If the corporation: (a) was a C corporation before it elected to be an S corporation **or** the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation **and** (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) $		
7	Enter the accumulated earnings and profits of the corporation at the end of the tax year. $		
8	Are the corporation's total receipts (see instructions) for the tax year **and** its total assets at the end of the tax year less than $250,000? If "Yes," the corporation is not required to complete Schedules L and M-1		X
9	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions		X
10a	Did the corporation make any payments in 2011 that would require it to file Form(s) 1099 (see instructions)?		X
b	If "Yes," did the corporation file or will it file all required Forms 1099?		

Schedule K Shareholders' Pro Rata Share Items

Income (Loss)				Line	Total amount
	1	Ordinary business income (loss) (page 1, line 21)		1	131,170
	2	Net rental real estate income (loss) (attach Form 8825)		2	
	3a	Other gross rental income (loss)	3a		
	b	Expenses from other rental activities (attach statement)	3b		
	c	Other net rental income (loss). Subtract line 3b from line 3a		3c	
	4	Interest income		4	
	5	Dividends: a Ordinary dividends		5a	
		b Qualified dividends	5b		
	6	Royalties		6	
	7	Net short-term capital gain (loss) (attach Schedule D (Form 1120S))		7	
	8a	Net long-term capital gain (loss) (attach Schedule D (Form 1120S))		8a	
	b	Collectibles (28%) gain (loss)	8b		
	c	Unrecaptured section 1250 gain (attach statement)	8c		
	9	Net section 1231 gain (loss) (attach Form 4797)		9	
	10	Other income (loss) (see instructions) Type		10	

Form **1120S** (2011)

DAA

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Form 1120S (2011) **U.S.E.C., LLC** [redacted] Page 3

Section	Shareholders' Pro Rata Share Items (continued)	Line	Total amount
Deductions	11 Section 179 deduction (attach Form 4562)	11	
	12a Contributions	12a	
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type (2) Amount	12c(2)	
	d Other deductions (see instructions) Type	12d	
Credits	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	13c	
	d Other rental real estate credits (see instructions) Type	13d	
	e Other rental credits (see instructions) Type	13e	
	f Alcohol and cellulosic biofuel fuels credit (attach Form 6478)	13f	
	g Other credits (see instructions) Type	13g	
Foreign Transactions	14a Name of country or U.S. possession		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	
	Foreign gross income sourced at corporate level		
	d Passive category	14d	
	e General category	14e	
	f Other (attach statement)	14f	
	Deductions allocated and apportioned at shareholder level		
	g Interest expense	14g	
	h Other	14h	
	Deductions allocated and apportioned at corporate level to foreign source income		
	i Passive category	14i	
	j General category	14j	
	k Other (attach statement)	14k	
	Other information		
	l Total foreign taxes (check one) ☐ Paid ☐ Accrued	14l	
	m Reduction in taxes available for credit (attach statement)	14m	
	n Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties – gross income	15d	
	e Oil, gas, and geothermal properties – deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	13,088
	d Distributions (attach statement if required) (see instructions)	16d	133,071
	e Repayment of loans from shareholders	16e	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 **Income/loss reconciliation.** Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	131,170

Form **1120S** (2011)

DAA

Exhibit C-3
Financial Statements

USE

Form 1120S (2011) **U.S.E.C., LLC** [redacted] Page 4

Schedule L Balance Sheets per Books

	Assets	Beginning of tax year (a)	(b)	End of tax year (c)	(d)
1	Cash		33,089		32,114
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts	(		(	
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)				
7	Loans to shareholders				20,974
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets			74,750	
b	Less accumulated depreciation	(		(74,750	0
11a	Depletable assets				
b	Less accumulated depletion	(		(	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	(		(	
14	Other assets (attach statement)				
15	Total assets		33,089		53,088
	Liabilities and Shareholders' Equity				
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)				
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				52,988
21	Other liabilities (attach statement)				
22	Capital stock		100		100
23	Additional paid-in capital				
24	Retained earnings		32,989		0
25	Adjustments to shareholders' equity (attach statement)				
26	Less cost of treasury stock		(		( )
27	Total liabilities and shareholders' equity		33,089		53,088

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 required instead of Schedule M-1 if total assets are $10 million or more – see instructions

1	Net income (loss) per books	100,082	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest $	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14l (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a	Depreciation $ 18,000		a	Depreciation $	
b	Travel and entertainment $ 13,088	31,088	7	Add lines 5 and 6	
4	Add lines 1 through 3	131,170	8	Income (loss) (Schedule K, line 18). Line 4 less line 7	131,170

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

		(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	32,989		
2	Ordinary income from page 1, line 21	131,170		
3	Other additions			
4	Loss from page 1, line 21	(		
5	Other reductions Stmt 3	(31,088)	(	
6	Combine lines 1 through 5	133,071		
7	Distributions other than dividend distributions	133,071		
8	Balance at end of tax year. Subtract line 7 from line 6	0		

DAA Form **1120S** (2011)

USE

Form **1125-A** (December 2011) Department of the Treasury Internal Revenue Service

Cost of Goods Sold

Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, and 1065-B.

OMB No. 1545-2225

Name	Employer identification number
U.S.E.C., LLC	[redacted]

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	662,636
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	**Total.** Add lines 1 through 5	6	662,636
7	Inventory at end of year	7	
8	**Cost of goods sold.** Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions)	8	662,636

9a Check all methods used for valuing closing inventory:
- (i) ☐ Cost
- (ii) ☐ Lower of cost or market
- (iii) ☐ Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ☐

d If the LIFO inventory method was used for this tax year, enter the amount of closing inventory computed under LIFO | 9d |

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☐ No

For Paperwork Reduction Act Notice, see instructions. Form **1125-A** (12-2011)

DAA

USE

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☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0130

Schedule K-1 (Form 1120S) **2011**
Department of the Treasury
Internal Revenue Service

For calendar year 2011, or tax year beginning ________ ending ________

Shareholder's Share of Income, Deductions, Credits, etc.

See back of form and separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
[redacted]

B Corporation's name, address, city, state, and ZIP code
U.S.E.C., LLC
c/o Gruber and Associates, P.A.
6550 North Federal Highway;Suite522
Fort Lauderdale FL 33308-1417

C IRS Center where corporation filed return
e-file

Part II Information About the Shareholder

D Shareholder's identifying number
[redacted]2

E Shareholder's name, address, city, state, and ZIP code
Mikhail I. Skachco
2210 Blue Rose Drive

Missouri City TX 77459

F Shareholder's percentage of stock ownership for tax year .... 100.000000 %

For IRS Use Only

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	131,170	13	Credits	
2	Net rental real estate income (loss)				
3	Other net rental income (loss)				
4	Interest income				
5a	Ordinary dividends				
5b	Qualified dividends		14	Foreign transactions	
6	Royalties				
7	Net short-term capital gain (loss)				
8a	Net long-term capital gain (loss)				
8b	Collectibles (28%) gain (loss)				
8c	Unrecaptured section 1250 gain				
9	Net section 1231 gain (loss)				
10	Other income (loss)		15	Alternative minimum tax (AMT) items	
11	Section 179 deduction		16	Items affecting shareholder basis	
			C*		13,088
12	Other deductions		D		133,071
			17	Other information	

* See attached statement for additional information.

For Paperwork Reduction Act Notice, see Instructions for Form 1120S. Schedule K-1 (Form 1120S) 2011

DAA

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Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

See separate instructions. Attach to your tax return.

OMB No. 1545-0172
2011
Attachment Sequence No. 179

Name(s) shown on return: U.S.E.C., LLC

Identifying number: [redacted]

Business or activity to which this form relates: General depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2012. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election Stmt 4	15	56,750
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ☐		

Section B—Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only–see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	56,750
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions. Form **4562** (2011)

DAA

There are no amounts for Page 2

USE U.S.E.C., LLC
[redacted]
FYE: 12/31/2011

Federal Statements

Statement 1 - Form 1120S, Page 1, Line 5 - Other Income (Loss)

Description		Amount
State Tax Refunds	$	30,000
Total	$	30,000

Statement 2 - Form 1120S, Page 1, Line 19 - Other Deductions

Description		Amount
Automobile	$	11,024
Bank Charges		2,840
Computer		5,771
Contract Labor		90,000
Dues and Subscriptions		3,470
Insurance		1,448
Office		18,693
Postage		477
Professional Fees		3,809
Telephone		4,484
Travel		7,143
Utilities		879
50% of Meals & Entertainment		13,088
Total	$	163,126

USE U.S.E.C., LLC
[redacted]
FYE: 12/31/2011

Federal Statements

Statement 3 - Form 1120S, Page 4, Schedule M-2, Line 5(a) - Other Reductions

Description	Amount
Disallowed Entertainment Exp	$ 13,088
Depreciation Book/Tax Diff	18,000
Total	$ 31,088

3

USE U.S.E.C., LLC
[redacted]
FYE: 12/31/2011

Federal Statements

General depreciation

Statement 4 - Form 4562, Part II, Line 15 - Property Subject To Section 168(f)(1) Election

Description of Property	Method	Basis	Current Deduction
Transportation Equip	MACRS	$ 72,000	$ 54,000
Furniture	MACRS	2,750	2,750
Total			$ 56,750

USE U.S.E.C., LLC
[redacted]
FYE: 12/31/2011

Federal Statements

Mikhail I. Skachco
365-13-3292

Schedule K-1, Box 16, Code C - Nondeductible Expenses

Description	Shareholder Amount
Page 1 Meals/Entertainment	$ 13,088
Total	$ 13,088

Exhibit C-3
Financial Statements

USE

Form 1120S	Schedule K-1 Summary Worksheet	2011

Name: U.S.E.C., LLC

Employer Identification Number: [redacted]

	Shareholder Name	SSN/EIN
Column A	Mikhail I. Skachco	[redacted]
Column B		
Column C		
Column D		

	Schedule K Items	Column A	Column B	Column C	Column D	Sch K Total
1	Ordinary income	131,170				131,170
2	Net rental RE inc					
3c	Net other rental inc					
4	Interest income					
5a	Ordinary dividends					
5b	Qualified dividends					
6	Royalties					
7	Net ST capital gain					
8a	Net LT capital gain					
8b	Collectibles 28% gain					
8c	Unrecap Sec 1250					
9	Net Sec 1231 gain					
10	Other income (loss)					
11	Sec 179 deduction					
12a	Contributions					
12b	Invest interest exp					
12c	Sec 59(e)(2) exp					
12d	Other deductions					
13a,c	Low-inc house 42j5					
13b,d	Low-inc house other					
13e	Qualif rehab exp					
13f	Rental RE credits					
13g	Other rental credits					
13h	Fuel alcohol credit					
13i	Other credits					
14b	Gross inc all src					
14d-f	Total foreign inc					
14g-k	Total foreign deds					
14l	Total foreign taxes					
14m	Reduct in taxes					
15a	Depr adjustment					
15b	Adjusted gain (loss)					
15c	Depletion					
15d	Inc-oil/gas/geoth					
15e	Ded-oil/gas/geoth					
15f	Other AMT items					
16a	Tax-exempt interest					
16b	Other tax-exempt					
16c	Nonded expense	13,088				13,088
16d	Total property dist	133,071				133,071
16e	Shr loan repmts					
17a	Investment income					
17b	Investment expense					
18	Income (loss)	131,170				131,170

USE

Form 1120S	Retained Earnings Reconciliation Worksheet For calendar year 2011 or tax year beginning , ending	2011

Name: U.S.E.C., LLC

Employer Identification Number: [redacted]

Schedule L - Retained Earnings

Retained Earnings - Unappropriated	0
Accumulated Adjustments Account	0
Other Adjustments Account	0
Undistributed Previously Taxed Income	0
Schedule L, Line 24 - Retained Earnings	0

Schedule M-2 - Retained Earnings

	Accumulated Adjustments Account	Other Adjustments Account	Undistributed Previously Taxed Income	Retained Earnings Unappropriated/ Timing Differences	Total Retained Earnings
Beg Yr Bal	32,989	0	0	0	32,989
Ordinary Inc (Loss)	131,170				131,170
Other Additions					
Other Reductions	31,088				31,088
Distributions	133,071				133,071
End Yr Bal	0	0	0	0	0

SKAC3292 10/07/2011 11:57 AM

Form 1040 — Department of the Treasury—Internal Revenue Service — U.S. Individual Income Tax Return 2010 (99)

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2010, or other tax year beginning , 2010, ending , 20 — OMB No. 1545-0074

Name, Address, and SSN

See separate instructions.

PRINT CLEARLY

Your first name and initial: MIKHAIL I	Last name: SKACHKO	Your social security number: [redacted]
If a joint return, spouse's first name and initial: ELENA V	Last name: SKACHKO	Spouse's social security number: [redacted]
Home address (number and street). If you have a P.O. box, see instructions. 2210 BLUE ROSE DR	Apt. no.	Make sure the SSN(s) above and on line 6c are correct.
City, town or post office, state, and ZIP code. If you have a foreign address, see instructions. MISSOURI CITY TX 77459		Checking a box below will not change your tax or refund.

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund ☐ You ☐ Spouse

Filing Status

Check only one box.

1 ☐ Single
2 ☒ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above and full name here.
4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 ☐ Qualifying widow(er) with dependent child

Exemptions

6a ☒ **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b ☒ **Spouse**

Boxes checked on 6a and 6b: 2

c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qual child for child tax cr (see page 15)
LILIAN T	SKACHKO	[redacted]	DAUGHTER	X
ARTHUR M	SKACHKO	[redacted]	SON	X

If more than four dependents, see instructions and check here ☐

No. of children on 6c who:
- lived with you: 2
- did not live with you due to divorce or separation (see instructions):

Dependents on 6c not entered above:

d Total number of exemptions claimed — Add numbers on lines above: 4

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 20.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		
8a	**Taxable** interest. Attach Schedule B if required		
b	**Tax-exempt** interest. **Do not** include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required		
b	Qualified dividends	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes		
11	Alimony received		
12	Business income or (loss). Attach Schedule C or C-EZ		134,086
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐		
14	Other gains or (losses). Attach Form 4797		
15a	IRA distributions	15a	15b Taxable amount:
16a	Pensions and annuities	16a	16b Taxable amount:
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		
18	Farm income or (loss). Attach Schedule F		
19	Unemployment compensation		
20a	Social security benefits	20a	20b Taxable amount:
21	Other income. List type and amount		
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income**		134,086

Adjusted Gross Income

23	Educator expenses	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	8,311
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction	29	7,956
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN	31a	
32	IRA deduction	32	
33	Student loan interest deduction	33	
34	Tuition and fees. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 31a and 32 through 35	36	16,267
37	Subtract line 36 from line 22. This is your **adjusted gross income**	37	117,819

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.
DAA — Form 1040 (2010)

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Form 1040 (2010) MIKHAIL I & ELENA V SKACHKO [redacted] Page 2

Tax and Credits

38	Amount from line 37 (adjusted gross income)		117,819
39a	Check if: ☐ You were born before January 2, 1946, ☐ Blind. ☐ Spouse was born before January 2, 1946, ☐ Blind. Total boxes checked 39a ☐		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here 39b ☐		
40	**Itemized deductions** (from Schedule A) or your **standard deduction** (see instructions)		40,992
41	Subtract line 40 from line 38		76,827
42	**Exemptions.** Multiply $3,650 by the number on line 6d		14,600
43	**Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-		62,227
44	Tax (see instr.). Check if any tax is from: a ☐ Form(s) 8814 b ☐ Form 4972		8,496
45	**Alternative minimum tax** (see instructions). Attach Form 6251		
46	Add lines 44 and 45		8,496
47	Foreign tax credit. Attach Form 1116 if required		
48	Credit for child and dependent care expenses. Attach Form 2441		
49	Education credits from Form 8863, line 23		
50	Retirement savings contributions credit. Attach Form 8880		
51	Child tax credit (see instructions)	1,600	
52	Residential energy credits. Attach Form 5695		
53	Other credits from Form: a ☐ 3800 b ☐ 8801 c ☐		
54	Add lines 47 through 53. These are your **total credits**		1,600
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-		6,896

Other Taxes

56	Self-employment tax. Attach Schedule SE		16,621
57	Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919		
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required		
59	a ☐ Form(s) W-2, box 9 b ☐ Schedule H c ☐ Form 5405, line 16		
60	Add lines 55 through 59. This is your **total tax**		23,517

Payments

If you have a qualifying child, attach Schedule EIC.

61	Federal income tax withheld from Forms W-2 and 1099		
62	2010 estimated tax payments and amount applied from 2009 return		
63	Making work pay credit. Attach Schedule M	800	
64a	**Earned income credit (EIC)**		
b	Nontaxable combat pay election 64b		
65	Additional child tax credit. Attach Form 8812		
66	American opportunity credit from Form 8863, line 14		
67	First-time homebuyer credit from Form 5405, line 10		
68	Amount paid with request for extension to file	4,000	
69	Excess social security and tier 1 RRTA tax withheld		
70	Credit for federal tax on fuels. Attach Form 4136		
71	Credits from Form: a ☐ 2439 b ☐ 8839 c ☐ 8801 d ☐ 8885		
72	Add lines 61, 62, 63, 64a, and 65 through 71. These are your total payments		4,800

Refund

Direct deposit? See instructions.

73	If line 72 is more than line 60, subtract line 60 from line 72. This is the amount you **overpaid**		
74a	Amount of line 73 you want **refunded to you.** If Form 8888 is attached, check here ☐		
b	Routing number c Type: ☐ Checking ☐ Savings		
d	Account number		
75	Amount of line 73 you want **applied to your 2011 estimated tax**		

Amount You Owe

76	**Amount you owe.** Subtract line 72 from line 60. For details on how to pay, see instructions		18,717
77	Estimated tax penalty (see instructions)		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] **Yes.** Complete below. ☐ **No**

Designee's name: GREG GREGORY Phone no.: 281-242-1120 Personal identification number (PIN): 77477

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See page 12. Keep a copy for your records.

Your signature | Date | Your occupation: ENERGY BROKER | Daytime phone number

Spouse's signature. If a joint return, **both** must sign. | Date | Spouse's occupation: HOUSEWIFE

Paid Preparer Use Only

Print/Type preparer's name: GREG GREGORY | Preparer's signature: GREG GREGORY | Date: 10/07/11 | Check ☐ if self-employed | PTIN: P00188915

Firm's name: GREGORY J. GREGORY, CPA | Firm's EIN: 27-0210996

Firm's address: 12705 S KIRKWOOD RD SUITE 219, STAFFORD TX 77477 | Phone no. [redacted]

Form 1040 (2010)

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SCHEDULE A (Form 1040)
Department of the Treasury Internal Revenue Service (99)

Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedule A (Form 1040).

OMB No. 1545-0074
2010
Attachment Sequence No. 07

Name(s) shown on Form 1040: MIKHAIL I & ELENA V SKACHKO
Your social security number: [redacted]

Medical and Dental Expenses		Caution. Do not include expenses reimbursed or paid by others.				
	1	Medical and dental expenses (see instructions)	1	13,234		
	2	Enter amount from Form 1040, line 38 [2] 117,819				
	3	Multiply line 2 by 7.5% (.075)	3	8,836		
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	4,398
Taxes You Paid	5	State and local (check only one box): a [ ] Income taxes, or b [X] General sales taxes	5	1,849		
	6	Real estate taxes (see instructions)	6	6,626		
	7	New motor vehicle taxes from line 11 of the worksheet on back (for certain vehicles purchased in 2009). Skip this line if you checked box 5b	7			
	8	Other taxes. List type and amount ▶	8			
	9	Add lines 5 through 8			9	8,475
Interest You Paid	10	Home mortgage interest and points reported to you on Form 1098	10	17,709		
Note. Your mortgage interest deduction may be limited (see instructions).	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	11			
	12	Points not reported to you on Form 1098. See instructions for special rules	12			
	13	Mortgage insurance premiums (see instructions)	13			
	14	Investment interest. Attach Form 4952 if required. (See instructions.)	14			
	15	Add lines 10 through 14			15	17,709
Gifts to Charity	16	Gifts by cash or check. If you made any gift of $250 or more, see instructions	16	9,410		
If you made a gift and got a benefit for it, see instructions.	17	Other than by cash or check. If any gift of $250 or more, see instructions. You must attach Form 8283 if over $500	17	1,000		
	18	Carryover from prior year	18			
	19	Add lines 16 through 18			19	10,410
Casualty and Theft Losses	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)			20	
Job Expenses and Certain Miscellaneous Deductions	21	Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ▶	21			
	22	Tax preparation fees	22			
	23	Other expenses—investment, safe deposit box, etc. List type and amount ▶	23			
	24	Add lines 21 through 23	24			
	25	Enter amount from Form 1040, line 38 [25]				
	26	Multiply line 25 by 2% (.02)	26			
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27	
Other Miscellaneous Deductions	28	Other—from list in instructions. List type and amount ▶			28	
Total Itemized Deductions	29	Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40			29	40,992
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ [ ]				

For Paperwork Reduction Act Notice, see Form 1040 instructions. **Schedule A (Form 1040) 2010**
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SCHEDULE C
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.
Attach to Form 1040, 1040NR, or 1041. See Instructions for Schedule C (Form 1040).

OMB No 1545-0074
2010
Attachment Sequence No **09**

Name of proprietor: MIKHAIL I SKACHKO
Social security number (SSN) [redacted]

A Principal business or profession, including product or service (see instructions): ENERGY BROKER
B Enter code from pages C-9, 10, & 11: 999999

C Business name. If no separate business name, leave blank: USEC LLC
D Employer ID number (EIN), if any: [redacted]

E Business address (including suite or room no.): 10333 HARWIN DR STE 600
City, town or post office, state, and ZIP code: HOUSTON TX 77036

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify)

G Did you "materially participate" in the operation of this business during 2010? If "No," see instructions for limit on losses: [X] Yes [ ] No

H If you started or acquired this business during 2010, check here [ ]

Part I Income

1	Gross receipts or sales. **Caution.** See instructions and check the box if: • This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses. [ ]	1	845,516
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	845,516
4	Cost of goods sold (from line 42 on page 2)	4	
5	**Gross profit.** Subtract line 4 from line 3	5	845,516
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6	7	845,516

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8	25	18	Office expense	18	6,179
9	Car and truck expenses (see instructions)	9	20,063	19	Pension and profit-sharing plans	19	
10	Commissions and fees	10	578,966	20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	44,660
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	1,399	21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15	570	23	Taxes and licenses	23	133
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	14,520
b	Other	16b		b	Deductible meals and entertainment (see instructions)	24b	4,690
17	Legal and professional services	17	14,440	25	Utilities	25	1,921
				26	Wages (less employment credits)	26	
				27	Other expenses (from line 48 on page 2)	27	23,864

28	**Total expenses** before expenses for business use of home. Add lines 8 through 27	28	711,430
29	Tentative profit or (loss). Subtract line 28 from line 7	29	134,086
30	Expenses for business use of your home. Attach **Form 8829**	30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (if you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31	134,086

32 If you have a loss, check the box that describes your investment in this activity (see instructions).
• If you checked 32a, enter the loss on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3.**
• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32a [ ] All investment is at risk.
32b [ ] Some investment is not at risk.

For Paperwork Reduction Act Notice, see your tax return instructions. **Schedule C (Form 1040) 2010**

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MIKHAIL I SKACHKO [redacted]

Schedule C (Form 1040) 2010 **ENERGY BROKER** Page 2

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☐ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☐ No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	
36 Purchases less cost of items withdrawn for personal use	36	
37 Cost of labor. Do not include any amounts paid to yourself	37	
38 Materials and supplies	38	
39 Other costs	39	
40 Add lines 35 through 39	40	
41 Inventory at end of year	41	
42 **Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on page 1, line 4	42	

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year)

44 Of the total number of miles you drove your vehicle during 2010, enter the number of miles you used your vehicle for:

a Business b Commuting (see instructions) c Other

45 Was your vehicle available for personal use during off-duty hours? ☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

47a Do you have evidence to support your deduction? ☐ Yes ☐ No

b If "Yes," is the evidence written? ☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

TELEPHONE		5,849
PROMOTIONAL		15,944
BUSINESS MEMBERSHIPS		2,071
48 **Total other expenses.** Enter here and on page 1, line 27	48	23,864

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Schedule C (Form 1040) 2010

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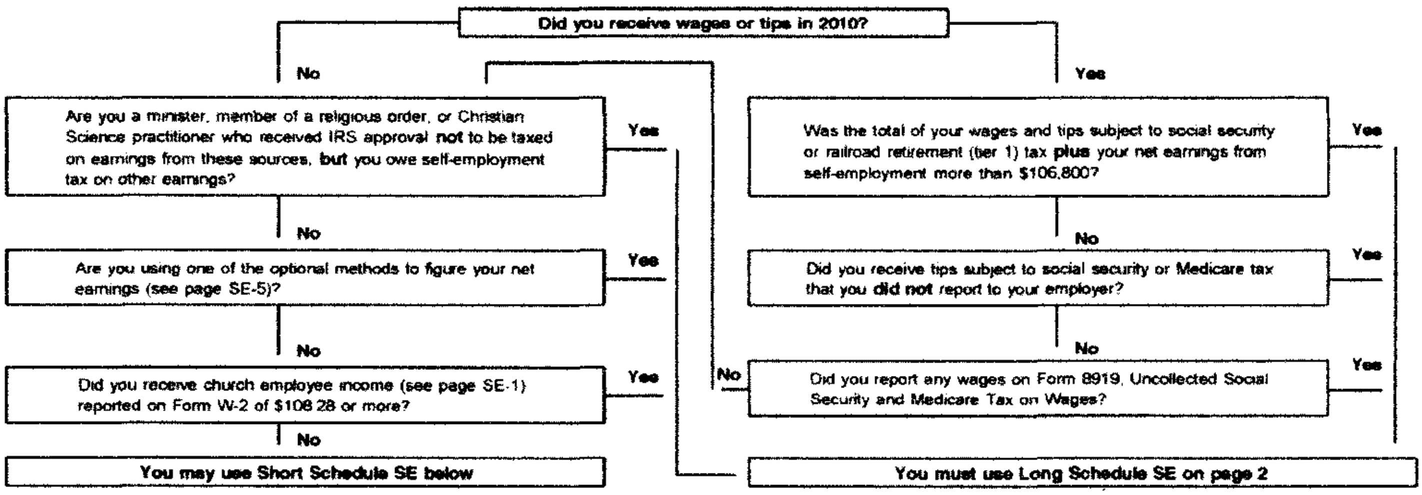
SCHEDULE SE (Form 1040) Department of the Treasury Internal Revenue Service (99)	**Self-Employment Tax** Attach to Form 1040 or Form 1040NR. See Instructions for Schedule SE (Form 1040).	OMB No. 1545-0074 **2010** Attachment Sequence No. 17
Name of person with self-employment income (as shown on Form 1040) MIKHAIL I SKACHKO	Social security number of person with self-employment income	[redacted]

Before you begin: To determine if you must file Schedule SE, see the instructions on page SE-1.

May I Use Short Schedule SE or Must I Use Long Schedule SE?

Note. Use this flowchart **only if** you must file Schedule SE. If unsure, see Who Must File Schedule SE, on page SE-1.



Section A—Short Schedule SE. Caution. Read above to see if you can use Short Schedule SE.

1a	Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	**1a**	
b	If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code Y	**1b**	( )
2	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report	**2**	134,086
3	Combine lines 1a, 1b, and 2. Subtract from that total the amount on Form 1040, line 29, or Form 1040NR, line 29, and enter the result (see page SE-3)	**3**	126,130
4	Multiply line 3 by 92.35% (.9235). If less than $400, you do not owe self-employment tax; **do not** file this schedule unless you have an amount on line 1b. **Note.** If line 4 is less than $400 due to Conservation Reserve Program payments on line 1b, see page SE-3.	**4**	116,481
5	**Self-employment tax.** If the amount on line 4 is: • $106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on **Form 1040, line 56,** or **Form 1040NR, line 54** • More than $106,800, multiply line 4 by 2.9% (.029). Then, add $13,243.20 to the result. Enter the total here and on **Form 1040, line 56,** or **Form 1040NR, line 54**	**5**	16,621
6	**Deduction for one-half of self-employment tax.** Multiply line 5 by 50% (.50). Enter the result here and on **Form 1040, line 27,** or **Form 1040NR, line 27** — **6** 8,311		

For Paperwork Reduction Act Notice, see your tax return instructions. **Schedule SE (Form 1040) 2010**

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Form **4562** Department of the Treasury Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

See separate instructions. Attach to your tax return.

OMB No. 1545-0172 **2010** Attachment Sequence No. 67

Name(s) shown on return: **MIKHAIL I & ELENA V SKACHKO**

Identifying number: [redacted]

Business or activity to which this form relates: **ENERGY BROKER**

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	1,399
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	LAPTOPS	900	900
	PRINTER	499	499

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	1,399
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	1,399
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	135,485
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	1,399
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ☐		

Section B—Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b)	(c)	(d)	(e)	(f)	(g)
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	1,399
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions. Form **4562** (2010)

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MIKHAIL I & ELENA V SKACHKO [redacted]
Form 4562 (2010) Page **2**

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? [X] Yes [ ] No 24b If "Yes," is the evidence written? [X] Yes [ ] No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 25								
26 Property used more than 50% in a qualified business use:								
2004 VW TAURIG	01/01/07	81.97 %						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28								
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29								

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)	40,125											
31 Total commuting miles driven during the year	1,200											
32 Total other personal (noncommuting) miles driven	7,625											
33 Total miles driven during the year. Add lines 30 through 32	48,950											
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?	X											
35 Was the vehicle used primarily by a more than 5% owner or related person?	X											
36 Is another vehicle available for personal use?	X											

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2010 tax year (see instructions):					
43 Amortization of costs that began before your 2010 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

DAA Form **4562** (2010)

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Form **8283** (Rev. December 2006) Department of the Treasury Internal Revenue Service

Noncash Charitable Contributions

Attach to your tax return if you claimed a total deduction of over $500 for all contributed property.

See separate instructions.

OMB No. 1545-0908

Attachment Sequence No. **155**

Name(s) shown on your income tax return: MIKHAIL I & ELENA V SKACHKO

Identifying number: [redacted]

Note. Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of $5,000 or Less and Certain Publicly Traded Securities- List in this section only items (or groups of similar items) for which you claimed a deduction of $5,000 or less. Also, list certain publicly traded securities even if the deduction is more than $5,000 (see instructions).

Part I Information on Donated Property- If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) Description of donated property (For a donated vehicle, enter the year, make, model, condition, and mileage, and attach Form 1098-C if required.)
A	AMVETS NATIONAL SERVICE FOUNDATION 4647 FORBES BLVD LANHAM MD 20706	CLOTHING,APPLIANCES,FURNITURE
B		
C		
D		
E		

Note. If the amount you claimed as a deduction for an item is $500 or less, you do not have to complete columns (d), (e), and (f).

	(c) Date of the contribution	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) Fair market value (see instructions)	(h) Method used to determine the fair market value
A	09/10/10	VARIOUS	PURCHASE	7,500	1,000	THRIFT SHOP VALUE
B						
C						
D						
E						

Part II Partial Interests and Restricted Use Property- Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

2a Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶ ______
If Part II applies to more than one property, attach a separate statement.

b Total amount claimed as a deduction for the property listed in Part I: **(1)** For this tax year ▶ ______
(2) For any prior tax years ▶ ______

c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):

Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

d For tangible property, enter the place where the property is located or kept ______

e Name of any person, other than the donee organization, having actual possession of the property ______

		Yes	No
3a	Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?		
b	Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?		
c	Is there a restriction limiting the donated property for a particular use?		

For Paperwork Reduction Act Notice, see separate instructions. Form **8283** (Rev. 12-2006)
DAA

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SCHEDULE M (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Making Work Pay Credit

Attach to Form 1040A or 1040. See separate instructions.

OMB No. 1545-0074

2010

Attachment Sequence No. **166**

Name(s) shown on return: **MIKHAIL I & ELENA V SKACHKO**

Your social security number: [redacted]

CAUTION To take the making work pay credit, you must include your social security number (if filing a joint return, the number of either you or your spouse) on your tax return. A social security number does not include an identification number issued by the IRS. Only the Social Security Administration issues social security numbers.

CAUTION You cannot take the making work pay credit if you can be claimed as someone else's dependent or if you are a nonresident alien.

Important: Check the "No" box on line 1a and see the instructions if:

- **(a)** You have a net loss from a business,
- **(b)** You received a taxable scholarship or fellowship grant not reported on a Form W-2,
- **(c)** Your wages include pay for work performed while an inmate in a penal institution,
- **(d)** You received a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan, or
- **(e)** You are filing Form 2555 or 2555-EZ.

1a	Do you (and your spouse if filing jointly) have 2010 wages of more than $6,451 ($12,903 if married filing jointly)? ☐ **Yes.** Skip lines 1a through 3. Enter $400 ($800 if married filing jointly) on line 4 and go to line 5. ☒ **No.** Enter your earned income (see instructions)	1a	125,775		
b	Nontaxable combat pay included on line 1a (see instructions) — 1b				
2	Multiply line 1a by 6.2% (.062)	2	7,798		
3	Enter $400 ($800 if married filing jointly)	3	800		
4	Enter the **smaller** of line 2 or line 3 (unless you checked "Yes" on line 1a)			4	800
5	Enter the amount from Form 1040, line 38*, or Form 1040A, line 22	5	117,819		
6	Enter $75,000 ($150,000 if married filing jointly)	6	150,000		
7	Is the amount on line 5 more than the amount on line 6? ☒ **No.** Skip line 8. Enter the amount from line 4 on line 9 below. ☐ **Yes.** Subtract line 6 from line 5	7			
8	Multiply line 7 by 2% (.02)			8	
9	Subtract line 8 from line 4. If zero or less, enter -0-			9	800
10	Did you (or your spouse, if filing jointly) receive an economic recovery payment in **2010?** You may have received this payment in 2010 if you did not receive an economic recovery payment in 2009 but you received social security benefits, supplemental security income, railroad retirement benefits, or veterans disability compensation or pension benefits in November 2008, December 2008, or January 2009 (see instructions). ☒ **No.** Enter -0- on line 10 and go to line 11. ☐ **Yes.** Enter the total of the payments you (and your spouse, if filing jointly) received in **2010.** Do not enter more than $250 ($500 if married filing jointly)			10	0
11	**Making work pay credit.** Subtract line 10 from line 9. If zero or less, enter -0-. Enter the result here and on Form 1040, line 63; or Form 1040A, line 40			11	800

*If you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico, see instructions

For Paperwork Reduction Act Notice, see your tax return instructions. Schedule M (Form 1040A or 1040) 2010

DAA

Exhibit C-4
Financial Arrangements

Exhibit C-4 does not apply to USEC. U.S.E.C. LLC., is a privately owned company that specializes in Deregulated Electricity and Natural Gas Consulting. USEC is applying for the Certification Application for Power Broker not CRES.

Exhibit C-5
Forecasted Financial Statements

Exhibit C-5 does not apply to USEC. U.S.E.C. LLC., is a privately owned company that specializes in Deregulated Electricity and Natural Gas Consulting. USEC is applying for the Certification Application for Power Broker not CRES.

Exhibit C-6
Credit Rating

View My Reports | My Account | Log Out | View Order

Decide with Confidence

Home | Solutions | Credit Reports | Business Resources | About Us | Support

U.S.E.C. LLC
77 SUGAR CREEK CENTER BLVD
SUGAR LAND, TX 774783580

D-U-N-S Number: 82-964-1831

Company Details - Last Updated on:

4/1/2013	4/1/2013	4/1/2013	4/1/2013	4/1/2013
89	80	3	2R2	Lower Risk – Higher Risk
Credit Score Percentile	PAYDEX Score	Financial Stress Score	D&B Rating	Risk of Late Payment

Purchased Reports

Available Until	Report Type	Delete Report
Available until 09/30/2013	Comprehensive Insight Plus Report Purchase D&B's most up-to-date Comprehensive Insight Plus Report on U.S.E.C. LLC.	Delete
Available until 09/23/2013	Credit eValuator Plus Report Purchase D&B's most up-to-date Credit eValuator Plus Report on U.S.E.C. LLC.	Delete

D&B
Decide with Confidence

Comprehensive Insight Plus Report for
U.S.E.C. LLC
Report Printed: April 1, 2013

D-U-N-S #: 82-964-1831

- Print this report
- **To save this report to your PC:** Select File and then Save As from the browser menu bar. Click on the Save in: drop-down menu and select a location for your file. Enter a file name and save the report as a .html or .txt file.

Company Snapshot | Creditworthiness | Payment History & Trends | Public Filings | History & Operations | Banking & Finance

Company Snapshot

Business Summary

Profile
U.S.E.C. LLC
77 Sugar Creek Center Blvd
Moved From: 10333 Harwin Dr Ste 600, Houston, Tx
Sugar Land, TX 77478

Tel: UNKNOWN
D-U-N-S #: 82-964-1831
US ENERGY
D&B Rating: 2R2

Company Stats

Year started	2008
Employees	1
Manager	Mikhail Skachko , Mng Member
S.I.C.	8748 7389

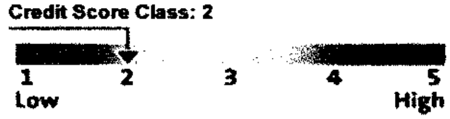
Industry
Energy consultant, broker

This is a **single** location.

The Net worth amount in this section may have been adjusted by D&B to reflect typical deductions, such as certain intangible assets.

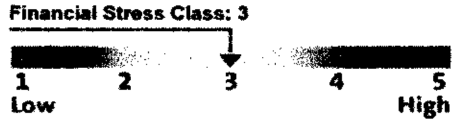
Likelihood this company will not pay on time over the next 12 months LOW

Credit Score Class: 2



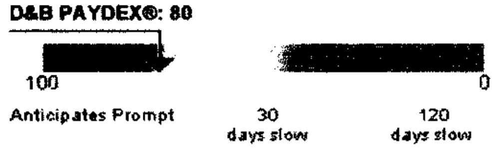
Likelihood this company will experience financial stress in the next 12 months

Financial Stress Class: 3



Timeliness of historical payments for this company** PROMPT

D&B PAYDEX®: 80



Industry benchmark: Same
**Based on 6 trade experiences on file with D&B

Payment performance trend over the past 90 days UNCHANGED

D&B offers guidance on credit limits for this company based on its profile as well as profiles of other companies similar in size, industry, and credit usage Get details

Evidence of bankruptcy, fraud, or criminal proceedings in the history of this business or its management NO

Noteworthy special events in this company's file YES

Total number of suits, liens and judgments in this company's file 0

Value of open suits, liens and judgments for this company $0

Value of open records refers only to 10 most recent filings for each record type.

Creditworthiness

Summary

Likelihood this company will experience financial stress in the next 12 months

Likelihood this company will not pay on time over the next 12 months

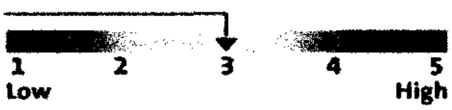
LOW

D&B Rating: 2R2
Number of employees: 2R is 1 to 9 employees
Composite credit appraisal: 2 is good.
The 1R and 2R ratings categories reflect company size based on the total number of employees for the business. They are assigned to business files that do not contain a current financial statement. In 1R and 2R Ratings, the 2, 3, or 4 creditworthiness indicator is based on analysis by D&B of public filings, trade payments, business age and other important factors. 2 is the highest Composite Credit Appraisal a company not supplying D&B with current financial information can receive. For more information, see the D&B Rating Key

Default on Payment: Financial Stress Summary

Likelihood this company will experience financial stress in the next 12 months

Financial Stress Class: 3



Financial stress national percentile: 64 (highest risk: 1%; lowest risk: 100%)
National percentile industry norm: 52 (highest risk: 1%; lowest risk: 100%)

During the prior year, firms in this Financial Stress Class had a failure rate of 0.24%, which is 2 times lower than the national average.

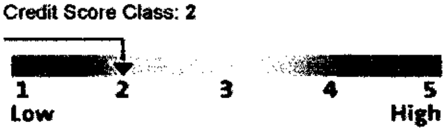
Key Factors
- 6 trade experiences exist for this company.
- Financial Stress Score: 1502 (high risk: 1,001;low risk: 1,875)
- Limited time under present management control.
- Higher risk legal structure.

Payment within Terms: Credit Score Summary

Likelihood this company will not pay on time over the next 12 months

LOW

Credit Score Class: 2



The Credit Score class of 2 for this company shows that 10.6% of firms with this class paid one or more bills severely delinquent, which is lower than the average of businesses in D&B's database.

Credit score percentile: 89 (high risk: 1%; low risk: 100%)
Industry norm percentile: 46 (high risk: 1%; low risk: 100%)

Key Factors
- 6 trade experiences exist for this company.
- Low number of satisfactory payments.
- General area credit conditions.
- Low proportion of satisfactory payment experiences to total payment experiences.

Additional Information

Financial Stress Summary
- The Financial Stress Risk Class indicates that this firm shares some of the same business and financial characteristics of other companies with this classification. It does not mean the firm will necessarily experience financial stress.
- The probability of failure shows percentage of firms in a given

Credit Score Summary
- The Incidence of Delinquent Payment is the percentage of companies with this classification that were reported 90 days past due or more by creditors. The calculation of this value is based on an inquiry weighted sample.
- The Percentile ranks this firm relative to other businesses.

percentile that discontinue operations with loss to creditors. The average probability of failure is based on businesses in D&B's database and is provided for comparative purposes.
- The Financial Stress Score Percentile reflects the relative ranking of a company among all scorable companies in D&B's file.
- The Financial Stress Score offers a more precise measure of the level of risk than the Risk Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

For example, a firm in the 80th percentile has a lower risk of paying in a severely delinquent manner than 79% of all scorable companies in D&B's files.

Payment History

Summary

Average payment performance trend when weighted by dollar amount UNCHANGED

Company's payment performance over the past 12 months compared with its peers

Payment History Overview

Payment experiences on file with D&B:	6	Average highest credit:	$1,070
Payments made within terms:	6 (100%)	Largest high credit:	$5,000
Amount placed for collections:	0 (0%)	Highest now owing:	$5,000
		Highest past due:	$0

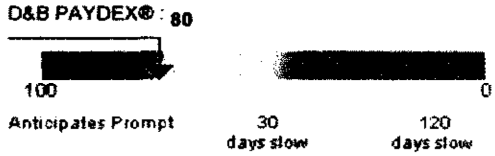
Historical Payment Trends: PAYDEX®

Average payment performance trend when weighted by dollar amount

Last 3 months: Trend is unchanged UNCHANGED

Last 12 months: Generally within terms
Industry benchmark: Same

D&B PAYDEX® : 80

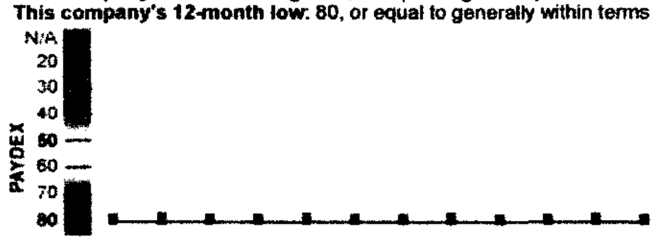


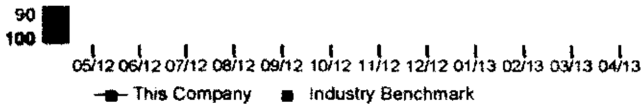
Based on payments collected over last 12 months.
Indications of slowness can be the result of dispute over merchandise, skipped invoices, etc. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed

Historical Payment Trends: PAYDEX® Comparison to Industry

Company's payment performance over the past 12 months compared with its peers

This company's 12-month high: 80, or equal to generally within terms
This company's 12-month low: 80, or equal to generally within terms





Shows PAYDEX scores of this Business compared to the Primary Industry from each of the last four quarters. The Primary Industry is Energy consultant, broker, based on SIC code 8748.

Payment History Details

Date Reported	Paying Record	High Credit ($)	Now Owes ($)	Past Due ($)	Selling Terms	Last Sale Within (months)
02/13	Prompt	5,000	5,000	0		
02/13	Prompt	100				1
11/12	Prompt	50				1
06/12	Prompt	100	0	0		6-12
06/12	(005)	250	250			6-12
	Cash own option.					
11/11	Prompt	100	0	0	Net30	6-12

Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of dispute over merchandise, skipped invoices, etc.
Each experience shown is from a separate supplier. Updated trade experiences replace those previously reported.

Payment Analysis By Industry

Company's dollar-weighted payments listed by the primary industries of its suppliers

	Total Received (#)	Total Dollar Amount ($)	Largest High Credit ($)	Within Terms	Slow 1-30	Slow 31-60	Slow 61-90	Slow 91+
					(% of dollar amount)			
Industry								
Telephone communictns	1	5,000	5,000	100	0	0	0	0
Industrial launderer	1	100	100	100	0	0	0	0
Ret mail-order house	1	100	100	100	0	0	0	0
Lithographic printing	1	100	100	100	0	0	0	0
Public finance	1	50	50	100	0	0	0	0
Other payment categories								
Cash experiences	1	250	250					
Payment record unknown	0	0	0					
Unfavorable comments	0	0	0					
Placed for collection								
With D&B	0	0	0					
Other	0	N/A	0					
Total in D&B's file	**6**	**5,600**	**5,000**					

There are 6 payment experiences in D&B's file for the most recent 12 months, with 2 experiences reported during the last three month period.

Company Snapshot Creditworthiness Payment History & Trends Public Filings History & Operations Banking & Finance

Public Filings

Summary of Court Actions

The following data includes both open and closed filings found in D&B's database on the subject company.

Record Type	Open Records	Open Value	Total Records	Most Recent Filing Date

Suits	0	0	0	-
Liens	0	0	0	-
Judgments	0	0	0	-
UCC Filings	0	N/A	0	-
Bankruptcy Proceedings	0	N/A	0	-

Public filing data is for informational purposes only and is not the official record. Certified copies can only by obtained from the official source.
Number and value of open records refers only to 10 most recent filings for each record type.

Special Events

02/26/2013 Business address has changed from 10333 Harwin Dr Ste 600, Houston, TX, 77036 to 77 Sugar Creek Center Blvd, Sugar Land, TX, 77478.

Government Activity

Activity Summary		Possible Candidate for Socio-Economic Program Consideration	
Borrower (Dir/Guar)	No	Labor Surplus Area	N/A
Administrative Debt	No	Small Business	Yes (2013)
Contractor	No	8(A) Firm	N/A
Grantee	No		
Party Excluded from Federal Program(s)	No		

The details provided in the Government Activity section are as reported to D&B by the federal government and other sources.

Company Snapshot Creditworthiness Payment History & Trends Public Filings History & Operations Banking & Finance

History & Operations

Topic	Description
History	Detailed information on the history of a company, including background information on the management team and key principals, and information on related companies.
Registration & Incorporation	Detailed registration and incorporation information, including the date and state of incorporation and the type of corporation formed.
Company Operations	Detailed information on a company's operations, including the identity of the parent company, the geographic scope of the business, and the key holdings.
Industry Classification	Details on the specific industry within which a company is classified.

History

Management:
MIKHAIL SKACHKO, MNG MEMBER

The Texas Secretary of State's business registrations file showed that U.S.E.C. LLC. was registered as a Limited Liability Company on September 26,2008.

Ownership information provided verbally by Mikhail Skachko, Mng Member, on Feb 23 2009.

Business started 2008.

MIKHAIL SKACHKO. Antecedents unavailable.

Business address has changed from 10333 Harwin Dr Ste 600, Houston, TX, 77036 to 77 Sugar Creek Center Blvd, Sugar Land, TX, 77478.

Registration & Incorporation

Registered Name:	U.s.e.c. llc
Business Type:	Domestic limited liability co
State of incorporation:	Texas
Duration :	Perpetual
Status:	In existence

Filing Date:	September 26, 2008
Registration ID:	0801034062
Where filed:	SECRETARY OF STATE, AUSTIN, TX
Registered Agent:	MIKHAIL SKACHKO, 3600 W. LOOP 250 N, UNIT 1094, MIDLAND, TX, 797070000
Principals:	MIKHAIL SKACHKO, MANAGER, 3600 W. LOOP 250 N, UNIT 1094, MIDLAND, TX, 797070000
	MIKHAIL SKACHKO, DIRECTOR, 3600 W. LOOP 250 N, UNIT 1094, MIDLAND, TX, 797070000

Corporate and business registrations provided by management or other source.

Company Operations

Description:	Operates as an energy consultant, broker.
Employees:	1 which includes partners.
Facilities:	Occupies premises in building.

Industry Classification

SIC		NAICS	
87480000	Business consulting, nec	541618	Other Management Consulting Services
73891700	Brokers' services	541990	All Other Professional, Scientific and Technical Services

Based on information in our file, D&B has assigned this company an extended 8-digit SIC. D&B's use of 8-digit SICs enables us to be more specific to a company's operations than if we use the standard 4-digit code.
The 4-digit SIC numbers link to the description on the Occupational Safety & Health Administration (OSHA) Web site. Links open in a new browser window.

Company Snapshot Creditworthiness Payment History & Trends Public Filings History & Operations Banking & Finance

Banking & Finance

Key Business Ratios

D&B has been unable to obtain sufficient financial information from this company to calculate business ratios. Our check of additional outside sources also found no information available on its financial performance.

To help you in this instance, ratios for other firms in the same industry are provided below to support your analysis of this business.

Industry Norms based on 67 establishments

	This Business	Industry Median	Industry Quartile
Profitability			
Return on Sales	UN	5.1	UN
Return on Net Worth	UN	26.4	UN
Short-Term Solvency			
Current Ratio	UN	2.0	UN
Quick Ratio	UN	1.5	UN
Efficiency			
Assets Sales	UN	42.6	UN
Sales / Net Working Capital	UN	5.0	UN
Utilization			
Total Liabilities / Net Worth	UN	76.9	UN

UN = Unavailable

Finance

02/06/2013

The name and address of this business have been confirmed by D&B using available sources.

Company Snapshot Creditworthiness Payment History & Trends Public Filings History & Operations Banking & Finance

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