

GONZALEZ
SAGGIO
HARLAN

October 24, 2014

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PUCO

Via Federal Express

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

Re: *CenStar Energy Corp., Case Number 12-2682-EL-CRS*
(Amended) Renewal Application for Retail Power Marketer Certification

Dear Commission Staff:

Enclosed are three (3) *amended* copies of CenStar Energy Corp.'s ("CenStar") CRNGS Renewal Application, including all exhibits, affidavits, and other attachments. These amended copies differ from the confidential Renewal Application submitted by CenStar on October 23, 2014, only in that they include, in Exhibit C-4, the first page of the \$250,000 Surety Bond (Bond No. 017-156-617) given by CenStar as Principal and Ohio Casualty Insurance Company as Surety, executed December 2, 2013. The original confidential Renewal Application had inadvertently omitted this page of Exhibit C-4, and included only the accompanying Power of Attorney. This complete Surety Bond document, included with Exhibit C-4 of the amended Renewal Application is marked as confidential and proprietary financial information intended to be covered by the scope of CenStar's Motion for Protective Order pursuant to Ohio Administrative Code 4901-1-24, also filed with the original Renewal Application submitted October 23, 2014. This amended filing does not affect any other aspect of CenStar's Renewal Application.

If there are questions or concerns, please do not hesitate to contact the undersigned. Your cooperation is appreciated.



Vincent T. Norwillo, Esq.
Gonzalez Saggio & Harlan LLP
526 Superior Avenue, Suite 620
Cleveland, Ohio 44114
Phone: (216) 771-9300 / Fax: (216) 771-9307
Vincent_Norwillo@gshllp.com
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CenStar Energy Corporation

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FILE



The Public Utilities Commission of Ohio

Original CRS Case Number	Version
12-267-041-CRS	April 2004

RENEWAL APPLICATION FOR RETAIL GENERATION PROVIDERS AND POWER MARKETERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-11 Corporate Structure). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division; 180 East Broad Street, Columbus, Ohio 43215-3793.

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

A. RENEWAL INFORMATION

A-1 Applicant intends to be renewed as: (check all that apply)

- | | |
|---|---------------------------------------|
| <input type="checkbox"/> Retail Generation Provider | <input type="checkbox"/> Power Broker |
| <input checked="" type="checkbox"/> Power Marketer | <input type="checkbox"/> Aggregator |

A-2 Applicant's legal name, address, telephone number, PUCO certificate number, and web site address

Legal Name CenStar Energy Corp
Address 56 Harrison Street, Suite 306, New Rochelle, NY 10801
PUCO Certificate # and Date Certified 12-585E(1); November 5, 2012
Telephone # 914-365-1682 Web site address (if any) www.censtarenergy.com

A-3 List name, address, telephone number and web site address under which Applicant does business in Ohio

Legal Name CenStar Energy Corp
Address 56 Harrison Street, Suite 306, New Rochelle, NY 10801
Telephone # 914-365-1682 Web site address (if any) www.censtarenergy.com

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

CenStar Energy Corp.

A-5 Contact person for regulatory or emergency matters

Name Yoni Garber

Title Chief Operating Officer

Business address 56 Harrison Street, Suite 306, New Rochelle, NY 10801

Telephone # 914-365-1682 Fax # 914-235-6706

E-mail address (if any) ygarber@censtarenergy.com

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

Name Dominitian J. Paul

Title Customer Service Director

Business address 56 Harrison St., Suite 306, New Rochelle, NY 10801

Telephone # 914-365-1682 Fax # 914-235-6706

E-mail address (if any) Dnjpaul@censtarenergy.com

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

Customer Service address 56 Harrison St., Suite 306, New Rochelle, NY 10801

Toll-free Telephone # 877-529-6701 Fax # 914-235-6706

E-mail address (if any) Dnjpaul@censtarenergy.com

A-8 Applicant's federal employer identification number # 26-3127097

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

☐ Sole Proprietorship

☐ Partnership

☐ Limited Liability Partnership (LLP)

☐ Limited Liability Company (LLC)

☒ Corporation

☐ Other _____

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

A-10 Exhibit A-10 "Principal Officers, Directors & Partners" provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.

A-11 Exhibit A-11 "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 in North America.

B. 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.
- B-2** Exhibit B-2 "Experience & Plans," provide a description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4928.10 of the Revised Code.
- B-3** Exhibit B-3 "Disclosure of Liabilities and Investigations," provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- B-4** 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-4 "Disclosure of Consumer Protection Violations" detailing such violation(s) and providing all relevant documents.

- B-5** Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service denied, curtailed, suspended, revoked, or cancelled within the past two years.

☒ No ☐ Yes

If yes, provide a separate attachment labeled as Exhibit B-5 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation" detailing such action(s) and providing all relevant documents.

C. FINANCIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

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

- C-2 **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.
- C-3 **Exhibit C-3 "Financial Statements,"** provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business.
- C-4 **Exhibit C-4 "Financial Arrangements,"** provide copies of the applicant's financial arrangements to conduct CRES as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.).
- C-5 **Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant's CRES operation, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer.
- C-6 **Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody's Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant.
- C-7 **Exhibit C-7 "Credit Report,"** provide a copy of the applicant's credit report from Experian, Dun and Bradstreet or a similar organization.
- C-8 **Exhibit C-8 "Bankruptcy Information,"** provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.
- C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the five most recent years preceding the application.

D. TECHNICAL CAPABILITY

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

- D-1 **Exhibit D-1 "Operations"** provide a written description of the operational nature of the applicant's business. Please include whether the applicant's operations include the generation of power for retail sales, the scheduling of retail power for transmission and delivery, the provision of retail ancillary services as well as other services used to arrange for the purchase and delivery of electricity to retail customers.
- D-2 **Exhibit D-2 "Operations Expertise"** given the operational nature of the applicant's business, provide evidence of the applicant's experience and technical expertise in performing such operations.
- D-3 **Exhibit D-3 "Key Technical Personnel"** provide the names, titles, e-mail addresses, telephone numbers, and the background of key personnel involved in the operational aspects of the applicant's business.
- D-4 **Exhibit D-4 "FERC Power Marketer License Number"** provide a statement disclosing the applicant's FERC Power Marketer License number. (Power Marketers only)


Signature of Applicant and Title

Sworn and subscribed before me this 15th day of October, 2014
Month Year


Signature of official administering oath

Yoni Garber, COQ
Print Name and Title

KRISHNAWATTE YOUSUF
Notary Public, State of NY
Bronx County
No. 01Y06188667
Commission Expires:

My commission expires on 06-09-16

AFFIDAVIT

State of NY

New Rochelle ss.
(Town)

County of Westchester

Yoni Garber, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the COO (Office of Affiant) of GenStar Energy Corp (Name of Applicant);

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

1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification renewal 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 comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
7. 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.
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 renewal application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.

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

[Signature]
Signature of Affiant & Title

Sworn and subscribed before me this 15th day of October, 2014
Month Year

Krishnawatte Yousuf
Signature of official administering oath

Yoni Garber, COO
Print Name and Title

My commission expires on 06-09-16

KRISHNAWATTE YOUSUF
Notary Public, State of NY
Bronx County
No. 01Y06188667
Commission Expires:

Exhibit A:
Renewal Information

Exhibit A-10: Principal Officers, Directors & Partners

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

Perry Garber, CEO and President

56 Harrison St., Ste 306
New Rochelle, NY 10801
T: 914-365-1682

Yoni Garber, COO

56 Harrison St., Ste 306
New Rochelle, NY 10801
T: 914-365-1682

Steven Oppenhiemer, VP Sales and Marketing

56 Harrison St., Ste 306
New Rochelle, NY 10801
T: 914-365-1682

Dominitian J. Paul, Customer Service Director

56 Harrison St., Ste 306
New Rochelle, NY 10801
T: 914-365-1682

Exhibit A-11: Corporate Structure

CenStar has no affiliate or subsidiary companies that supply retail or wholesale electricity or natural gas to customers in North America.

Section B:

Applicant Managerial Capability and Experience

Exhibit B-1: Jurisdictions of Operation

CenStar Energy Corp. is licensed and certified to provide retail electricity services within New York, New Jersey, and Ohio.

Exhibit B-2: Experience & Plans

CenStar utilizes two main ways to contract with customers, phone enrollment and online enrollment. For both methods, customers are mailed our Terms of Service and are given a right of rescission, where applicable, if they do not wish to abide by these terms.

When customers enroll with CenStar, they continue to have their electricity delivered to them via their local delivery company, who also services their lines and responds to any emergencies.

Consolidated billing statements are provided to the customer through the utility company. CenStar establishes how much the customer owes for that month based on their rate and usage. They then send that amount to the utility company who includes CenStar's charges on their consolidated bill, which is in turn provided to the customer.

For customer inquiries, CenStar has a toll-free customer service number (877-529-6701) that customers can call Monday-Friday, 9am-5pm EST to have questions regarding their service answered. Additionally, CenStar has a fully staffed Customer Service department that specializes in responding to complaints and will fully comply with any and all Commission rules adopted pursuant to Section 4928.10 of the Ohio Revised Code.

CenStar seeks to continue to provide retail electricity supply services to consumers and businesses throughout the State of Ohio.

Exhibit B-3: Disclosure of Liabilities and Investigations

CenStar has no existing, pending or past rulings that could adversely impact Applicant's ability to provide services as a Power Marketer.

Section C:

Applicant Financial Capability & Experience

Exhibit C-1: Annual Reports

Applicant, CenStar Energy Corp. is a privately held corporation and does not have shareholders. An Annual Report to Shareholders and/or the public is not applicable.

Exhibit C-2: SEC Filings

As a privately held company, Applicant is not required to file with the Securities and Exchange Commission. CenStar is not an SEC registrant, had no public issuances of debt or equity and, therefore, has no SEC reporting obligations. Quarterly and annual reports, such as 10-Ks, 8-Ks and 10-Qs are not applicable.

CONFIDENTIAL

Exhibit C-3: Financial Statements

Applicant, CenStar Energy Corp., includes herein its officer certified financial statements for the period of July 1, 2012 – June 30, 2013 and for the period of July 1, 2013 – June 30, 2014. These statements were independently prepared under the “review” standard by Deodat S. Singh, CPA PC.

Please note that this application is accompanied by a motion for protection of Applicant’s proprietary, sensitive financial information, including statements provided in response to the Exhibit C-3.

CENSTAR ENERGY CORP.

FINANCIAL STATEMENTS

JUNE 30, 2013

**CENSTAR ENERGY CORP.
FINANCIAL STATEMENT
JUNE 30, 2013**

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DEODAT S SINGH, CPA PC

INDEPENDENT REVIEW REPORT

The Stockholder and
Board of Directors of
CenStar Energy Corp.

We have reviewed the accompanying balance sheet of CenStar Energy Corp. as of June 30, 2013, and the related statements of income, retained earnings and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Deodat S. Singh, CPA PC
White Plains, NY 10605
January 3rd, 2014

CENSTAR ENERGY CORP.
BALANCE SHEET
JUNE 30, 2013

ASSETS

Current Assets

Cash and cash equivalents	\$ 1,351,149
Collateral Assets	125,500
Accounts Receivable	521,610
Prepaid Expenses	10,000
Other Receivables-	
Sterling National Bank	104,705
Century Star Fuel, related company	67,253
Total Current Assets	<u>2,180,217</u>

Other Assets

Restricted Cash	750,000
Security deposits	3,710
Total Other Assets	<u>753,710</u>
Total Assets	<u><u>\$ 2,933,927</u></u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities

Accounts Payable	\$ 416,906
Accrued Expenses	1,937,407
Pension Payable	4,358
Shareholder Loan	456,574
Total current liabilities	<u>2,815,245</u>

Shareholder's Equity

Capital	5,000
Retained earnings	113,682
Total stockholder's equity	<u>118,682</u>
Total Liabilities and Stockholder's Equity	<u><u>\$ 2,933,927</u></u>

The accompanying notes are an integral part of these financial statements.

CENSTAR ENERGY CORP.
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2013

Income	
Sales	20,187,402
Less: Cost of Goods Sold	<u>(17,669,100)</u>
Gross Profit	2,518,302
Operating Expenses	
Bank Service Charges	18,734
Advertising/Promotion	7,193
Marketing	108,146
Auto Expense	6,712
Finance Charges	4,575
Licenses/Fees	415
Outside Services	573,100
Billing Services	118,477
Sales Commissions	128,081
Computer Expenses	724
Depreciation Expense	43,516
Dues & Subscriptions	5,665
Meals & Entertainment	966
Gifts	4,372
Insurance Expense	62,676
Interest Expense	41,969
Office Expenses	23,800
Payroll Expenses	629,082
Postage	4,178
Professional Fees	139,346
Rebates	42,636
Equipment Leases	2,567
Rent	24,117
Repairs and Maintenance	1,512
Taxes	448,258
Telephone/Internet	1,705
Travel	4,706
Utilities	21,932
Other Expenses	7,710
Contributions	<u>6,367</u>
Total Operating Expenses	2,483,238
Net Operating Income	35,064
Other Income	
Interest Income	5,721
Net Income	<u><u>40,785</u></u>

The accompanying notes are an integral part of these financial statements.

CENSTAR ENERGY CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

Operating activities

Net Income		\$ 40,785
Depreciation	43,516	
		<u>84,301</u>

**Adjustments to reconcile net income to net cash
used for operating activities**

(Increase) in Collateral Assets	125,500
(Decrease) in Prepaid Expenses	(10,000)
(Decrease) in Accounts receivable	(197,959)
(Decrease) in Other receivable	(318,107)
(Decrease) in Accounts Payable	(179,300)
(Decrease) in Shareholder's Loan	(343,525)
(Increase) in Accrued Expenses	1,745,958
(Increase) in Pension	4,555
	<u>660,423</u>

Net cash provided by operating activities

Investing activities

Increase in fixed assets	(43,516)
--------------------------	----------

Net cash utilized in investing activities

	<u>616,907</u>
--	----------------

Cash at the beginning of period	734,242
Cash at the end of the period	<u><u>1,351,149</u></u>

The accompanying notes are an integral part of these financial statements.

CENSTAR ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of CenStar Energy Corp (hereafter "CenStar" or the "Company") is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

CenStar Energy is a leading natural gas and electricity supplier servicing New York and Ohio within the Con Edison, National Grid, Orange and Rockland, NYSEG, Rochester Gas and Electric, Dominion East Ohio and Duke energy utility territories. CenStar clients include leading commercial office building owners and managers, industrial companies, retail businesses and residential homeowners. CenStar was incorporated on July 18, 2009, in New York State as a corporation.

Basis of Accounting

The financial statements of the Company have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Revenue is recorded as earned and expenses are recorded when incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requirements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The balances are insured by the FDIC up to \$250,000. The Company has not experienced any losses in such accounts.

Depreciation

The company has elected to fully depreciate its fixed assets in the year of purchase utilizing Sec 179 of the IRC. The depreciation expense for the year ended June 30, 2013 was \$43,516.

CENSTAR ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2013

Collateral

For the period ended June 30, 2013, contract requirements with NYISO, Duke Energy and PJM require collateral deposits of \$1,221,995, \$75,500 and \$50,000 respectively.

Restricted Cash

The Company currently has restricted cash in the form of Letters of Credit for Gas and Electric issued by Signature Bank in the amounts of \$450,000 and \$300,000 respectively. These letters of credit are irrevocable and non-transferable.

Transactions with Related Party

The Other Receivable, related company is a receivable due from Century Star Fuel. The major shareholder of the Company owns the majority of the outstanding common stock of this related company, whose principal activity is supplying fuel to commercial and residential building owners.

Accounts Receivable Assignment

As of June 30, 2013, the Company factored its accounts receivable and received advances totalling \$1,035,000 from Sterling National Bank (hereafter "Sterling"). The transfer was made with recourse. Under the agreement, the Company assigned its receivables to Sterling, and Sterling immediately remitted to the Company cash equal to 80% of the factored amount. Sterling National Bank retains the remaining 20% as a reserve. Sterling charges a base management fee of .35% of the gross invoices amount. The minimum base management commission payable annually is 18,000. After Sterling has collected cash equal to the amount advanced to Genstar plus the factoring fee, Sterling will remit the excess to the Company. As part of the Company's agreement with Sterling, the majority shareholder of the Company agreed to subordinate debt of at least \$800,000 to the debt owed to Sterling. As of June 30, 2013, the shareholder's loan was \$456,574.

Income Taxes

For financial reporting purposes, the company has elected to use the taxes payable method. Under that method, income tax expense represents the amount of income tax the Company expects to pay based on the Company's current taxable income.

Subsequent Events

As of the report date, the company had a balance with Sterling National Bank of \$3,532,348 of which the company received \$3,310,000 in advances.

CENSTAR ENERGY CORP.
FINANCIAL STATEMENTS
JUNE 30, 2014

**CENSTAR ENERGY CORP.
FINANCIAL STATEMENT
JUNE 30, 2014**

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DEODAT S SINGH, CPA PC

Deodatt S. Singh CPA PC

INDEPENDENT REVIEW REPORT

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Board of Directors of
CenStar Energy Corp.

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Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



Deodatt S. Singh, CPA PC
White Plains, NY 10605
September 29, 2014

222 Bloomingdale Road
Suite 400
White Plains, NY 10605
Tel: 914.228.7500
Fax: 914.228.7539
email: Deo@dsinghpc.com

CENSTAR ENERGY CORP.
BALANCE SHEET
JUNE 30, 2014

ASSETS

Current Assets

Cash and cash equivalents	\$	2,365,074
Collateral Assets		743,185
Accounts Receivable		2,653,659
Prepaid Expenses		7,984
Other Receivables-		
Century Star Fuel, related company		73,984
Total Current Assets		<u>5,843,886</u>

Fixed Assets

Computer software	20,000	
Equipment and furniture fixtures	63,488	
Less: Accumulated depreciation	<u>(73,516)</u>	
Net Fixed Assets		<u>9,972</u>

Other Assets

Letters of Credit	1,900,000	
Security deposits	<u>3,710</u>	
Total Other Assets		<u>1,903,710</u>
Total Assets		<u><u>\$ 7,757,568</u></u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities

Accounts Payable	\$	1,654,997
Accrued Expenses		4,566,340
Pension Payable		8,887
Shareholder Loan		1,359,707
Total current liabilities		<u>7,589,931</u>

Shareholder's Equity

Capital	5,000	
Retained earnings	<u>162,637</u>	
Total stockholder's equity		<u>167,637</u>
Total Liabilities and Stockholder's Equity		<u><u>\$ 7,757,568</u></u>

The accompanying notes are an integral part of these financial statements.

CENSTAR ENERGY CORP.
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

Income	
Sales	\$ 41,415,645
Less: Cost of Goods Sold	<u>(37,272,152)</u>
Gross Profit	4,143,493
Operating Expenses	
Bank Service Charges	162,305
Advertising/Marketing	401,955
Auto Expense	6,041
Interest/ Finance Charges	160,520
Sales Commissions	1,250,416
Billing Services	960,133
Office Expenses	97,318
Depreciation Expense	30,000
Dues & Subscriptions	5,692
Meals & Entertainment	10,690
Gifts	2,728
Insurance Expense	81,202
Payroll Expenses	579,549
Professional Fees	89,179
Rebates	148,877
Rent	22,261
Rental Equipment	29,869
Repairs and Maintenance	4,973
Travel	11,777
Utilities	3,850
Contributions	<u>2,830</u>
Total Operating Expenses	4,062,165
Net Operating Income Before Other Income and Taxes	81,328
Other Income	
Interest Income	1,283
Income Taxes	
Income Taxes	(33,656)
Net Income	<u><u>\$ 48,955</u></u>

The accompanying notes are an integral part of these financial statements.

CENSTAR ENERGY CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

Operating activities

Net Income		\$ 48,955
Depreciation	30,000	
		<u>78,955</u>

**Adjustments to reconcile net income to net cash
provided by operating activities**

(Increase) in Collateral Assets	(617,685)
Decrease in Prepaid Expenses	2,016
(Increase) in Accounts receivable	(2,132,049)
Decrease in Other receivable	97,974
Increase in Accounts Payable	1,238,091
Increase in Shareholder's Loan	903,133
Increase in Accrued Expenses	2,628,933
Increase in Pension Payable	4,529
Net cash provided by operating activities	<u>2,203,897</u>

Investing activities

Increase in Other Assets- letters of credit	(1,150,000)
Increase in Fixed Assets	(39,972)
Net cash utilized in investing activities	<u>(1,189,972)</u>

Net increase in cash and cash equivalents	<u>1,013,925</u>
--	------------------

Cash at the beginning of period	1,351,149
Cash at the end of the period	<u>\$ 2,365,074</u>

The accompanying notes are an integral part of these financial statements.

CENSTAR ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of CenStar Energy Corp (hereafter "CenStar" or the "Company") is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

CenStar Energy is a leading natural gas and electricity supplier servicing New York and Ohio within the Con Edison, National Grid, Orange and Rockland, NYSEG, Rochester Gas and Electric, Dominion East Ohio and Duke energy utility territories. CenStar clients include leading commercial office building owners and managers, industrial companies, retail businesses and residential homeowners. CenStar was incorporated on July 18, 2009, in New York State as a corporation.

Basis of Accounting

The financial statements of the Company have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Revenue is recorded as earned and expenses are recorded when incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requirements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The balances are insured by the FDIC up to \$250,000. The Company has not experienced any losses in such accounts.

Depreciation

The company has elected to fully depreciate its fixed assets in the year of purchase utilizing Sec 179 of the IRC. The depreciation expense for the year ended June 30, 2014 was \$30,000.

CENSTAR ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2014

Collateral

For the period ended June 30, 2014, contract requirements with Energy Providers required collateral deposits as follows:

Pipe Line	\$ 321,873
NYISO	200,000
NJ	50,000
Duke	61,000
PJM	110,312
	<hr/>
	\$ 743,185

Restricted Cash

The Company currently has restricted cash in the form of Letters of Credit for Gas and Electric issued by Signature Bank in the amounts of \$450,000 and \$300,000 respectively. These letters of credit are irrevocable and non-transferable. In addition, the company has obtained a letter of credit from Sterling National Bank in the amount of \$1,150,000.

Transactions with Related Party

The Other Receivable, related company is a receivable due from Century Star Fuel. The major shareholder of the Company owns the majority of the outstanding common stock of this related company, whose principal activity is supplying fuel to commercial and residential building owners.

Accounts Receivable Assignment

As of June 30, 2014, the Company factored its accounts receivable and received advances totaling \$3,780,000 from Sterling National Bank (hereafter "Sterling"). The transfer was made with recourse. Under the agreement, the Company assigned its receivables to Sterling, and Sterling immediately remitted to the Company cash equal to 80% of the factored amount. Sterling National Bank retains the remaining 20% as a reserve. Sterling charges a base management fee of .35% of the gross invoices amount. The minimum base management commission payable annually is \$18,000. After Sterling has collected cash equal to the amount advanced to Censtar plus the factoring fee, Sterling will remit the excess to the Company. As part of the Company's agreement with Sterling, the majority shareholder of the Company agreed to subordinate debt of at least \$800,000 of the debt owed to Sterling. As of June 30, 2014, the shareholder's loan was \$1,359,707.

CENSTAR ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2014

Income Taxes

For financial reporting purposes, the company has elected to use the taxes payable method. Under that method, income tax expense represents the amount of income tax the Company expects to pay based on the Company's current taxable income.

Subsequent Events

As of the last statement date, August 31, 2014, the company had a balance with Sterling National Bank of \$6,354,327 of which the company received \$4,060,000 in advances.

OFFICER'S CERTIFICATE

I, the undersigned, Yoni Garber, Chief Operating Officer of CenStar Energy Corp. ("CenStar"), hereby certify that the accompanying financial statements of CenStar as of June 30, 2013 (for the period July 1, 2012 – June 30, 2013) and June 30, 2014 (for the period July 1, 2013 – June 30, 2014) fairly present the financial position of CenStar as of June 30, 2013 and June 30, 2014 and the results of operations and cash flows of CenStar for the periods presented, all in conformity with generally accepted accounting principles consistently applied during the periods. These statements were independently prepared under the "review" standard by Deodaf S. Singh, CPA PC.


Yoni Garber

Chief Operating Officer

October 15, 2014

CONFIDENTIAL

Exhibit C-4: Financial Arrangements

Applicant, CenStar Energy Corp., is self-funded. Initial capitalization came from its Members. CenStar is providing a \$50,000 bond with Liberty Mutual Insurance Company. Additionally, CenStar is providing its credit arrangement with Sterling National Bank, whereby CenStar's receivables are collateral for its credit line. Further, CenStar is providing an additional bond with the Ohio Casualty Insurance Company.

Please note that this application is accompanied by a motion for protection of Applicant's proprietary, sensitive financial information, including statements provided in response to the Exhibit C-4.



10045 Red Run Boulevard
Suite 370
Owing Mills, MD 21117

CONTINUATION CERTIFICATE

To be attached to and form a part of surety bond number 017029404 (the "Bond"), cross reference bond number _____, for Bond of Retail Power Marketer _____, dated the 22nd day of October, 2012, in the penal sum of \$ 50,000.00 issued by Liberty Mutual Insurance Company as surety (the "Surety"), on behalf of Censtar Energy Corp as principal (the "Principal"), in favor of Electric Utility, Public Utilities Commission of Ohio, as obligee (the "Obligee").

The Surety hereby certifies that this Bond is continued in full force and effect until the 22nd day of October, 2015, subject to all covenants and conditions of said Bond.

Said Bond has been continued in force upon the express condition that the full extent of the Surety's liability under said Bond, and this and all continuations thereof, for any loss or series of losses occurring during the entire time the Surety remains on said Bond, shall in no event, either individually or in the aggregate, exceed the penal sum of the Bond.

IN WITNESS WHEREOF, the Surety has set its hand and seal this 1st day of October, 2014

Liberty Mutual Insurance Company

By: Laura E. Scholze
(Surety)
Attorney in Fact



STERLING NATIONAL BANK
Factoring & Trade Finance Division
580 Seventh Avenue
New York, New York 10018
Financing Agreement

December 12, 2012

Censtar Energy Corp
56 Harrison Street
Suite 306
New Rochelle, NY 10801

Gentlemen:

We are pleased to confirm the terms on which we are to act as your receivable manager/ financier for your sales and/or rendition of services and which are to be invoiced in your name, and assigned to us.

1. During the term of this agreement you hereby sell and assign to us as absolute owner thereof each and every accounts receivable, contract rights and all other proceeds resulting from or which may result from the sale of all merchandise owned by you or the sale of which you may control or the rendition of services by you, net of any returns, claims, allowances, and discounts granted to customers on the shortest selling terms indicated on each invoice. Such discounts, credits or allowances may be claimed only by the customer.

2. Accounts receivable resulting from such shipments and/or services are referred to in this Agreement as Accounts. We will purchase Accounts in accordance with the terms of this Agreement and remit to you as herein provided.

3. All Accounts and other evidences of indebtedness and the proceeds thereof (including but without limitation, notes, trade acceptances, etc.) resulting from your shipments or rendition of services made during the duration of this Agreement, and all contract rights relating thereto and all of your rights as vendor as well as all of your rights and remedies as an unpaid seller (including without limitation, the right of replevin, stoppage in transit and reclamation under Section 2-702 of the Uniform Commercial Code or otherwise) and any merchandise reclaimed or returned or any merchandise represented by invoices assigned to us regardless of whether or not it has been shipped, shall be and hereby are assigned to us as absolute owner thereof, and we shall have the right to bring suit to enforce our rights with respect to the same in your name or ours.

As security for any and all Obligations (as hereinafter defined), we shall be entitled to hold and you hereby grant to us a continuing general lien upon, security interest in and to, and right of set-off on or against any of the following, whether now or hereafter existing or acquired, and wherever located (collectively the "Collateral"):

ALL PERSONAL PROPERTY OF THE DEBTOR, OF EVERY KIND AND DESCRIPTION TANGIBLE AND INTANGIBLE, WHETHER NOW OR HEREAFTER EXISTING OR NOW OWNED OR HEREAFTER ACQUIRED AND WHEREVER LOCATED, INCLUDING BUT NOT LIMITED TO INSTRUMENTS, DOCUMENTS, GOODS, INVENTORY, EQUIPMENT, CHATTEL PAPER, CONTRACT RIGHTS, SUPPORTING OBLIGATIONS, ACCOUNTS, GENERAL INTANGIBLES, TRADEMARKS, TRADESTYLE, AND COMPUTER PROGRAMS, ALL AS DEFINED BY THE UNIFORM COMMERCIAL CODE AND CREDITS, CLAIMS, DEMANDS AND ANY OTHER PROPERTY RIGHTS AND INTERESTS OF THE DEBTOR, TOGETHER WITH THE PROCEEDS, PRODUCTS AND ACCESSIONS OF AND TO ANY THEREOF, ALL TERMS HEREIN SHALL HAVE THE MEANINGS ASCRIBED THERETO BY ARTICLE 9 OF THE NEW YORK U.C.C..

"Obligations" shall mean and include all loans, advances, indebtedness, liabilities, debit balances, letters of credit, acceptances, airway and steamship guaranties, covenants, duties and obligations of whatever kind and nature at any time owing by you to us or any of our Affiliates, whether fixed or contingent, due or to become due, matured or unmatured, no matter how or when arising and whether under this Agreement or otherwise and including all obligations for purchases made by you from any other concern factored or financed by us or any of our Affiliates. For the purpose hereof, "Affiliate" shall mean any person, firm or corporation directly or indirectly controlling, controlled by or in common control with us or any corporation the stock of which is owned or controlled directly or indirectly by Sterling Bancorp.

4. Remittances received by you shall be held in trust for us segregated from your other assets and shall be turned over to us forthwith in the identical form in which received and you hereby grant to us full power and authority to execute and deliver to ourselves such evidences of title as we may deem desirable and to endorse your name upon all checks, notes and other instruments for the payment of money representing Accounts, contract rights or the proceeds thereof, such power being hereby declared to be coupled with an interest and irrevocable.

5. By execution of this Agreement and also by each execution by you of a confirmatory assignment and listing of invoices representing Accounts, and contract rights to us, you represent and warrant that each such item is and shall be based on an actual bona fide sale and delivery of merchandise or rendition of service in the ordinary course of business, unencumbered title to which was in you at the time of sale or rendition of services, that the customer is and shall be unconditionally liable for the payment of the amounts stated in the invoice according to its terms, whether or not sold, without offset, defense or counterclaim; that none of your merchandise is or shall be subject to any pledge or security interest except as we may have approved in writing; that no such Accounts, and contract rights have been or will be assigned, sold, pledged, or hypothecated or otherwise encumbered, except to us; that no other person has or shall have any claim thereto as proceeds of merchandise or otherwise; and that you are not in default to the United States or any state or local subdivision thereof in the payment or deposit of any taxes; that the original invoices bear notice of assignment to us, reading substantially as follows:

MAKE CHECKS PAYABLE ONLY TO STERLING NATIONAL BANK, 500 Seventh Avenue, P.O. Box 742 Midtown Station, New York, New York 10018.

WIRING & ACH PAYMENTS:
STERLING NATIONAL BANK
ABA #: 026-007-773
A/C #: 0316066702

For Further Credit to: Constar Energy Corp

As used in this Agreement, the term "invoice" includes any and all lists or compilations of merchandise or descriptions of services rendered and price information delivered or sent to customers in any form or format and by any means, including, without limitation, electronic data transfer.

You agree to execute and deliver to us such other and further instruments of assignment, financing statements and other instruments of further assurance as we may reasonably require, but even though you may fail to execute and deliver the same, this Agreement shall nevertheless operate as a complete assignment to us of all Accounts during the life of this Agreement. You will also furnish us a detailed listing of all invoices on assignment forms acceptable to us, and a copy of each original invoice. You represent and warrant to us that any electronic data transfer we receive from you or from anyone acting on your behalf will correctly and completely represent the transactions and information set forth therein. You authorize us unilaterally to execute and file financing statements in accordance with this and any other agreement between you and us in any state permitting such filing.

You represent and warrant to us that you are solvent and will continue to remain so, that you are an entity organized under the laws of New York and that your records concerning Accounts, are and will be kept at the address shown at the head of this letter until you notify us otherwise in writing. You shall not change your state of organization without giving us at least 30 days prior written notice of such change.

If applicable, you represent and warrant to us that all inventory has been and will at all times hereafter be manufactured and produced in accordance with the Fair Labor Standards Act of 1938 and all rules, regulations, and orders promulgated there under.

6. We will, on your request and at our sole discretion, advance to you up to 80% of the net amount of undisputed Accounts after goods are shipped or services rendered and the invoices and shipping documents are delivered to us, and after the merchandise or services have been finally accepted by the customer. The balance, as we may determine, is to be retained by us as a reserve. If in our judgment it should be necessary, we may retain an additional amount for customers' returns, allowances, deductions and/or disputes. We shall be entitled to hold all sums to your credit as security for outstanding claims and any and all obligations owing to us or our Affiliates by you, however arising. In our discretion we may at any time remit to you amounts standing to your credit, and subject to the provisions of this Agreement shall remit any amounts withheld after collection thereof by us. From time to time, at your request, we at our sole discretion may make advances in excess of this contractual advance rate, which advances are deemed "Overadvances." Any Overadvances which we, in our sole discretion, make to you, shall bear interest at a rate equal to (2%) percent above the contractual rate of interest set forth in this Agreement. A calculation of the charges for such overadvances will appear in your monthly statement.

7. You shall notify us immediately in the event that any of your customers returns or desires to return merchandise purchased from you or in any other way makes any alleged claim, defense or offset against merchandise, the services rendered, terms, prices, delivery, etc. even if you believe that the customer's allegations are without merit. The occurrence of any of the foregoing or any account that remains unpaid 90 days from invoice date, or of any dispute at any time or of any breach of warranty on your part in relation to such Accounts will render such Accounts and on any other Accounts owed by the same customer as ineligible. The entire responsibility for collecting such Account or Accounts shall be assumed and borne by you and you shall account to us therefore. All disputes are to be adjusted promptly by you at your expense and you are to advise us of adjustments. You shall indemnify and protect us against liability, loss or expense caused by or arising out of the

rejection of goods or alleged claims, defenses or offsets of every kind and nature of customers. If you fail to do so we shall have the right at any time, if we so elect, to settle, compromise, adjust or litigate all such disputes or claims directly with your customer or any complainant on such terms and conditions as we deem advisable.

You shall hold returned merchandise subject to our order and at our request deliver possession of returned merchandise to us, and pay to us any proceeds from the subsequent resale thereof. No return will be accepted by you and no discount, credit or allowance will be issued or granted by you to a customer without prior written notice to us, in each case.

8. You agree to pay to us all unpaid Accounts on demand, but we shall have the right at any time to charge back to your account the face amount thereof if any amount has been credited to your account with respect thereto. The charge-back of such items shall not be deemed a reassignment thereof and title thereto shall remain in us, and our rights in the security represented thereby shall continue.

9. For our services hereunder, we shall charge a base management fee equal to .35 % of the gross invoice amount of each of your accounts receivable, which commission shall be due and payable by you and chargeable to your account with us, as at the day of the assignment to us. The minimum base management commission payable hereunder for each Contract Year (each twelve month period commencing from the date this Agreement is accepted by you) shall be \$18,000, which to the extent of any deficiency shall be chargeable to your account with us at the end of such Contract Year. At our sole discretion, we may elect to charge the difference between the actual commission earned by us and the minimum commission to your account on a monthly basis and if so, the monthly minimum charge shall not be less than \$1,500. Said base management fee shall be increased by .25% for each additional 30 days or portion thereof of extended terms, beyond 60 days maximum selling terms. The minimum base management fee on each invoice shall be \$5.00.

10. If at any time you have obligations owing to us, such obligations shall be payable to us on demand and we shall not be required to have any recourse to any security or any other party liable thereon, and we may, in our discretion, charge your account with the amount thereof with the same force and effect as though it were a payment made to you hereunder. If we become liable to the United States on your account by virtue of the Internal Revenue Code (and or the Federal Tax Lien Act of 1966), we may charge the amount thereof to your account whether or not we have made payment, and you shall pay us the amount thereof on demand or present satisfactory proof that you have paid the amount involved to the United States.

11. We shall debit to your account our charges set forth in Paragraph 9 and the interest as provided in this Paragraph 11 hereof and all other items properly chargeable to you and any monies remitted or paid to you or otherwise advanced by us for your account. On or about the 15th day of each month we shall mail to you by ordinary mail an abstract of your account as of the last day of the preceding month. Such abstract shall be an account stated and shall be deemed correct unless written objection thereto is made within 30 days after our mailing thereof. Only that portion of the abstract specifically objected to by you in writing shall not be binding. Any charges pursuant to this Paragraph legally constituting interest shall not exceed the maximum contract rate permitted by law for an incorporated or for an unincorporated client, whichever is applicable. Interest as provided herein will be charged on the daily balances resulting from advances or other charges made pursuant hereto, less collections and other monies received hereunder, at the rate specified in this Paragraph. For purposes of calculating interest, collections shall be deemed credited to your account 5 banking days after receipt thereof by us.

All debits in your account shall bear interest daily at a rate equal to +1.5 above the prime commercial interest rate from time to time as published in the *Wall Street Journal* as its prime rate, which is not intended to be the lowest rate available to borrowers. Any change in the interest rate shall take effect on the first business day of the month following the month in which the Prime Rate changes. In no event shall the interest rate charged be less than the interest rate in effect on the date hereof.

12. You will keep records of all transactions which may be pertinent to this Agreement and all such records shall be available to us and our representatives for examination at any time. The expense of such examination shall be borne by you together with all reasonable out-of-pocket expenses and shall in no event be less than \$750.00 per examination day. If at any time we shall be required to pay any State, City, Local or Federal sales, use, or excise tax on the purchase of any Accounts or contract rights hereunder, you will repay to us the amount of tax so paid.

13. You agree to furnish us with balance sheets, statements of profit and loss, financial statements and such other information regarding your business affairs and financial conditions as we may from time to time require, and in any event, a statement of your financial position for each fiscal year prepared and reviewed by your regularly engaged certified public accountant.

14. This Agreement expresses the entire understanding between the parties. Failure by us to insist upon strict performance shall not be deemed to be a waiver of our right to require strict performance, and any waiver by us must be in writing and shall then be for the particular instance only. A waiver by us of any right or remedy on any one occasion shall not be construed as a waiver of any such right or remedy which we would otherwise have on any future occasion, whether similar in kind or otherwise. The terms of this Agreement shall not be waived, modified or altered unless in writing by both parties hereto. Our remedies hereunder shall be deemed to be cumulative and not exclusive. If any of the terms of this Agreement shall differ with the terms of any other agreement between you and us that which gives us greater rights shall prevail.

15. All notices given under this Agreement shall be sent by certified mail to the business address of the party to whom notice shall be given.

16. This Agreement together with all assignments of Accounts and Contract Rights hereunder shall be deemed made in New York and subject to the laws of the State of New York. At our option, should any controversy arise out of this Agreement or in relation to or in connection with it or any actual or alleged breach thereof, said controversy may be submitted to the Supreme Court of the State of New York, County of New York for determination pursuant to "New York Simplified Procedure for Court Determination of Disputes" as provided for by the New York Civil Practice Law and Rules. You agree that any claim or cause of action by you against us or any of our directors, officers or employees arising out of or relating in any way to this Agreement shall be barred unless asserted by you by the commencement of an action or proceeding by you within one year after the first act, occurrence or omission upon which such claim or cause of action is based. YOU HEREBY AGREE TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK ON ALL DISPUTES OR CONTROVERSIES ARISING UNDER OR RELATING TO THIS AGREEMENT AND DESIGNATE THE SECRETARY OF STATE OF NEW YORK STATE AS YOUR AGENT FOR SERVICE OF PROCESS. YOU FURTHER AGREE TO WAIVE TRIAL BY JURY IN ANY SUIT OR PROCEEDING ARISING UNDER OR RELATING TO THIS AGREEMENT.

17. This Agreement shall commence as of the _____ day of _____ and shall continue in effect until one year from the date hereof, and from year to year thereafter, unless either party hereto gives the other party not less than sixty (60) days written notice of termination prior to the anniversary of this Agreement in any year. If terminated prior to the initial or any renewal term hereof, or if there is a default by you under the terms of this Agreement as set forth below, then and in such event all sums due from you, including but not limited to, the minimum base management commission for any Contract year, shall be immediately due and payable as set forth hereinafter in this Paragraph 17. Notice of termination by you or by us, as the case may be, shall be effected by hand delivery, courier service or the mailing of a certified letter by the terminating party.

Notwithstanding the foregoing, should any of the following "Events of Default" occur: failure by you to pay or perform under the terms or conditions of this Agreement; you submit any information relating to Accounts, your operations or financial condition that is false in any material respect, or you omit to provide material information relating to Accounts, your operations or financial condition; you become insolvent or are unable to meet your debts as they mature, fail, suspend business as a going-concern, make an assignment for the benefit of creditors, apply for an extension from your creditors, or a receiver or trustee is appointed for you or your property or a petition in bankruptcy or for reorganization under the Bankruptcy Code filed by or against you, or should you seek relief under any federal or state insolvency statute, then, we shall have the right to terminate this Agreement forthwith without prior notice. Notwithstanding any termination hereof, this Agreement shall nevertheless be in full force and effect and binding upon you until you have fully paid and performed all of the Obligations. This Agreement binds and benefits each of us and our respective successors and assigns; provided, however, that you may not assign this Agreement or your rights hereunder without our prior written consent. You agree that we may, without notifying you, sell, assign or transfer our rights and obligations under this Agreement, including, without limitation, our rights and obligations with respect to the Accounts and Collateral.

18. Upon the occurrence of any Event of Default, we shall have all of the rights and remedies of a secured party under the Uniform Commercial Code and other applicable law with respect to all Collateral, such rights and remedies provided for herein. All proceeds of Collateral shall be first applied to all costs and expenses of liquidating the Collateral, including attorney's fees and disbursements and then to payment (in such order as we may elect) of all Obligations.

Very truly yours,

Sterling National Bank
Factoring & Trade Finance Division

By: _____

By: _____

ACCEPTED AND AGREED TO:

Constar Energy Corp

By: _____

Ferry Garber, President

FORM OF SURETY BOND

WITNESSETH: This Surety Bond given by Censtar Energy Corp. as Principal, and OHIO CASUALTY INSURANCE COMPANY as Surety, are jointly and severally bound unto FirstEnergy Corp. As agent for the FirstEnergy Operating Companies of Ohio (Ohio Edison Company, Cleveland Electric Illuminating Company, The Toledo Edison Company), as Oblige, in the amount of \$250,000.00 (U.S.), for the payment of which the Principal and Surety bind themselves, their heirs, executors, administrators, successors, assigns or other legal representatives.

WHEREAS, the Principal and Oblige have entered into certain "Agreements," pursuant to which the Principal may from time to time use the services of the Oblige for the purchase and sale of electric power, transmission, and/or other services (hereinafter referred to as "Transactions"); and,

WHEREAS, the Principal has promised to pay the Oblige any indebtedness arising from such Transactions as bills are rendered, and shall be in Default unless payment is made within the time required under the agreement; and,

WHEREAS, the Surety promises to pay to the Oblige any amounts in Default on any Transactions where the Transactions occur during the term of this Bond; and

WHEREAS, upon Default, as defined in the applicable Agreements, or failure to remit payment pursuant to a demand within the required time frame under the applicable Agreements, the Oblige shall provide notice to the Surety and to Principal, and the Surety shall render payment to the Oblige within thirty (30) days of receipt of such notice.

NOW, THEREFORE, the Principal shall pay or cause to be paid to the Oblige, within the time required under the Agreements, all amounts arising from such Transactions or demands that may at any time hereafter be due and owing to the Oblige by the Principal, and shall have no other obligation under this Bond. This Bond shall remain in full force and effect for the term set forth below unless terminated as provided below.

This bond is subject to the following terms, limitations and conditions:

1. The term of this bond shall be for one year commencing on December 2, 2013, and shall continue from year to year thereafter unless terminated in accordance with paragraph 2 below.
2. The Surety shall have the right to terminate its liability hereunder at any time by giving notice in writing to the Oblige and the Principal and stating therein the effective date of such termination which date shall not be less than ninety (90) days after receipt of said termination notice by the Oblige and with notice to Principal. Such notice shall not limit or terminate any obligation of Surety arising under the Agreements in respect to any obligations arising from any Transactions entered into prior to the date of such termination by Surety.
3. That no proceeding in law or in equity may be brought under this Bond unless the same shall be commenced and process served prior to the expiration of one (1) year from the date of cancellation of this Bond.

IN WITNESS THEREOF, said Principal and said Surety have caused these presents to be duly signed and sealed this 2 day of December, 2013.

Censtar Energy Corp
Principal

(Seal)

Ohio Casualty Insurance Company
Surety

Laura E. Scholze (Seal)
Laura E. Scholze, Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 8604523

American Fire and Casualty Company
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Brian S. McCoo; Courtney W. Judge; Douglas J. Dixon; Laura E. Scholze; Thomas A. Whipple

all of the city of Timonium state of MD each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 9th day of June, 2014



American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: David M. Carey
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA
COUNTY OF MONTGOMERY

On this 9th day of June, 2014, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires March 28, 2017
Member, Pennsylvania Association of Notaries

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS - Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts - SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 1 day of October, 2014



By: Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

CONFIDENTIAL

Exhibit C-5: Forecasted Financial Statements

Prepared by

Yoni Garber, COO
56 Harrison Street, Ste 306
New Rochelle, NY 10801
(e) ygarber@censtarenergy.com
(P) 914-365-1682

Please note that this application is accompanied by a motion for protection of Applicant's proprietary, sensitive financial information, including statements provided in response to the Exhibit C-5.

CENSTAR Energy Corp
Balance Sheet

3rd Qtr 2016

ASSETS

Current Assets

Checking/Savings

Cash

345,407

Total Checking/Savings

345,407

Other Current Assets

Collateral - Pipeline

207,583

Collateral - Duke

188,750

Collateral - PJM

433,281

Accounts Receivable

1,240,448

Total Other Current Assets

2,070,062

Total Current Assets

2,415,469

TOTAL ASSETS

2,415,469

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

***Accounts Payable**

1,145,504

Total Accounts Payable

1,145,504

Other Current Liabilities

Accrued Expenses

611,074

Total Other Current Liabilities

611,074

Total Current Liabilities

1,756,578

Total Liabilities

1,756,578

Equity

Retained Earnings

658,891

Total Equity

658,891

TOTAL LIABILITIES & EQUITY

2,415,469

CENSTAR Energy Corp

Statement of Cash Flows

Through 3rd Qtr 2016

OPERATING ACTIVITIES	
Net Income	619,858
Adjustments to reconcile Net Income to net cash provided by operations:	
Collateral - Pipeline	(125,483)
Collateral - Duke	(113,250)
Collateral - PJM	(290,669)
Accounts Receivable	(537,194)
*Accounts Payable	668,819
Accrued Expenses	411,074
Line of Credit Payable	(307,442)
Net cash provided by Operating Activities	<u>325,713</u>
 Net cash increase for period	 325,713
 Cash at beginning of period	 <u>19,694</u>
Cash at end of period	<u><u>345,407</u></u>

Censtar Energy Corp.

Assumptions used in projecting results in Ohio through Q3 2016

Projected Income Statement

- kWh and Therms were projected based on anticipated growth in meters. This analysis was performed for both Censtar as a whole, and for the Ohio portion, and is based on both past and projected future growth.
- The sales portion of the projections was based on average utility rates in effect at this point in time.
- Gross income, margin, and cost of goods sold are based on a historical model of Censtar's sales and purchases as a percentage of gas and electricity sold.
- Operating expenses are based on an analysis done for Censtar's operations overall. We used the historical and projected amount of business done in Ohio, as well as any expenses unique to the state to complete this section.

Projected Balance Sheet

- The collateral assets on the balance sheet are based on anticipated growth in Ohio markets, and relative to the collateral pledged at this date.
- Accounts receivable is based on three quarters of 1 month's projected sales as of the end of the projection period.
- Accounts payable and accrued expenses are made up of roughly one month's projected utility purchases, plus an accrual for any true-ups that may be outstanding at this point.

Exhibit C-6: Credit Rating

Applicant does not subscribe to the organizations mentioned under Exhibit C-6.

Exhibit C-7: Credit Report

Applicant does not subscribe to the aforementioned organizations.

Exhibit C-8: Bankruptcy Information

CenStar Energy Corp. has not had any bankruptcy filings and/or reorganizations within the most recent two preceding years.

Exhibit C-9: Merger Information

CenStar Energy Corp. has not had any dissolution or merger or acquisition within the five most recent years preceding the application.

SECTION D:
APPLICANT TECHNICAL CAPABILITY

Exhibit D-1: Operations

CenStar Energy Corp. ("CenStar") has established business processes and systems to manage all aspects of supplying retail power in Ohio. CenStar operations will not include the generation of power from owned assets. Instead, CenStar will purchase power in the PJM day ahead and real time markets, or via bilateral arrangements with wholesale suppliers.

In terms of customer related operations, CenStar manages established business processes and systems to ensure accurate, timely, and complaint customer enrollments and interactions. We operate a customer relationship management system, which is integrated with outside vendor systems (EDI, CIS).

Exhibit D-2: Operations Expertise

Perry Garber, CEO and President

Perry is a 30-year veteran of all operational functions of an energy delivery system. Having worked in commercial and retail heating oil operations, serving as regional management, Customer Service Director, CFO, and VP of Operations, Perry is the founder of CenStar Energy Corp. serving as CEO and President since 2008.

Yoni Garber, Chief Operating Officer

Yoni has 6 years experience in the electric and natural gas industry serving as COO of a licensed ESCO overseeing the operational activities of CenStar Energy Corp. He was recruited in 2008 to become the COO and General Operations Director of CenStar Energy Corp. after a career as Project Management Coordinator in the construction industry. Yoni is responsible for market expansion, implementation, and corporate IT.

Exhibit D-3: Key Technical Personnel

Perry Garber, CEO and President

56 Harrison St., Ste 306
New Rochelle, NY 10801
T: 914-365-1682
E: pgarber@censtarenergy.com

Perry is a 30-year veteran of all operational functions of an energy delivery system. Having worked in commercial and retail heating oil operations, serving as regional management, Customer Service Director, CFO, and VP of Operations, Perry is the founder of CenStar Energy Corp. serving as CEO and President since 2008. Perry, along with his management team, is responsible for the day-to-day operations of CenStar delivering electricity and natural gas to tens of thousands of end-users.

Yoni Garber, COO

56 Harrison St., Ste 306
New Rochelle, NY 10801
T: 914-365-1682
E: pgarber@censtarenergy.com

Yoni has 6 years experience in the electric and natural gas industry serving as COO of a licensed ESCO overseeing the operational activities of CenStar Energy Corp. He was recruited in 2008 to become the COO and General Operations Director of CenStar Energy Corp. after a career as Project Management Coordinator in the construction industry. Yoni is responsible for market expansion, implementation, and corporate IT. Yoni's experience in the energy supply markets has been invaluable in the expansion plans and business model development of CenStar Energy.

Exhibit D-4: FERC Power Marketer License Number

CenStar Energy Corp. received authority to sell energy, capacity, and ancillary services at market-based rates from the Federal Energy Regulatory Commission on April 1, 2011 under Docket No. ER11-2735.