27 N Wacker Dr., Ste 560 Chicago, IL 60606

June 6, 2018

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

Renewal Application for Aggregators/Power Brokers - Case No. 14-1114-EL-AGG

Dear Sir or Madam:

Attached please find the renewal application for Aggregators/Power Brokers for Marketing Systems Group, LLC for your review and consideration.

Please note Marketing Systems Group, LLC is submitting under seal financial statements, account information and forecasted financials in Exhibits C-3 and C-5.

Thank you for your time and consideration of our application.

Very truly yours,

<u>s/Alexander Kozenblat</u>

arozenblat@iionenergy.com

Alexander Rozenblat General Counsel, Marketing Systems Group, LLC 27 N Wacker Dr., Ste 560 Chicago, Il 60606 312-600-3763 2018 JUN 11 PM 3: 52

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Technician 1 Date Processed 6 /11/18



Original AGG
Case Number
Version
14- 114-EL-AGG
May 2016

RENEWAL APPLICATION FOR ELECTRIC AGGREGATORS/POWER BROKERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit C-10 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.

Α.	RENEWAL INFORMATION			
A-1	Applicant intends to be certified as: (check all that apply)			
	Power Broker Aggregator			
A-2	Applicant's legal name, address, telephone number, PUCO certificate number, and			
	web site address			
	Legal Name Marketing Systems Group, LLC			
	Address 27 N Wacker Dr. Ste 560, Chicago, IL, 60606			
	PUCO Certificate # and Date Certified 14-1114-EL-AGG; 07/19/14			
	Telephone #_(888) 327-1210 Web site address (if any) www.iionenergy.com			
A-3	List name, address, telephone number and web site address under which Applicant			
	will do business in Ohio			
	The second of the second secon			
	Legal Name Marketing Systems Group, LLC			
	Address 27 N Wacker Dr. Ste 560, Chicago, Illinois, 60606			
	Telephone #_(888) 327-1210 Web site address (if any) www.iionenergy.com			
A-4	List all names under which the applicant does business in North America			
	Marketing Systems Group, LLC IION Power			
A-5	Contact person for regulatory or emergency matters			
	Name_Alexander Rozenblat			
	Title General Counsel			
	Business address 27 N Wacker Dr. Ste 560, Chicago, Illinois, 60606			
	Telephone # (312) 600-3763 Fax # (312) 600-3763			
	E-mail address arozenblat@iionenergy.com			

A-6	Contact person for Commission Staff use in investigating customer complaints				
	Name Shiwanda Starr				
	Title Head of Customer Complaints				
	Business address 27 N Wacker Dr. Ste 560, Chicago, Illinois, 60606				
	Telephone # (312) 229-0087 Fax	(312) 229-0087			
	E-mail address complaints@iionenergy.com				
A-7	A-7 Applicant's address and toll-free number for customer service and complaints				
	Customer Service address 27 N Wacker Dr. Ste 560, Chicago, Illinois, 60606				
		‡ (312) 380-0186			
	E-mail address customerservice@iionenergy.com				
A-8	Applicant's federal employer identification number # 46-3265392				
A-9	Applicant's form of ownership (check one)				
	☐ Sole Proprietorship ☐ ☐	artnership			
		imited Liability Company (LLC)			
		Other			
	PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED				
A-10	Exhibit A -10 "Principal Officers, Direct addresses and telephone numbers of the application of other similar officials.				

B. <u>APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE</u>

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

- B-1 Exhibit B-1 "Jurisdictions of Operation," provide a list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services including aggregation services.
- B-2 <u>Exhibit B-2 "Experience & Plans,"</u> 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 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-5** "**Disclosure of Certification Denial, Curtailment, Suspension, or Revocation**" detailing such action(s) and providing all relevant documents.

C. <u>FINANCIAL CAPABILITY AND EXPERIENCE</u>

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

- C-1 Exhibit C-1 "Annual Reports," provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why. (This is generally only applicable to publicly traded companies who publish annual reports.)
- C-2 <u>Exhibit C-2 "SEC Filings,"</u> provide the most recent 10-K/8-K Filings with the SEC. If the applicant does not have such filings, it may submit those of its parent company. An applicant may submit a current link to the filings or provide them in paper form. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.

- C-3 Exhibit C-3 "Financial Statements," provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns (with social security numbers and account numbers redacted).
- C-4 <u>Exhibit C-4 "Financial Arrangements,"</u> 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.).

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

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

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

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

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- C-5 <u>Exhibit C-5 "Forecasted Financial Statements,"</u> provide two years of forecasted income statements for the applicant's ELECTRIC related business activities in the state of Ohio Only, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year.
- C-6 Exhibit C-6 "Credit Rating," provide a statement disclosing the applicant's credit rating as reported by two of the following organizations: Duff & Phelps, Fitch IBCA, Moody's Investors Service, Standard & Poor's, 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 an affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant. If an applicant or its parent does not have such a credit rating, enter "N/A" in Exhibit C-6.
- C-7 Exhibit C-7 "Credit Report," provide a copy of the applicant's credit report from Experion, Dun and Bradstreet or a similar organization. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter "N/A" for Exhibit C-7.
- C-8 <u>Exhibit C-8 "Bankruptcy Information,"</u> 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 <u>Exhibit C-9 "Merger Information,"</u> provide a statement describing any dissolution or merger or acquisition of the applicant within the two most recent years preceding the application.
- C-10 Exhibit C 10 "Corporate Structure," provide a description of the applicant's corporate structure, not an internal organizational chart, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers in North America. If the applicant is a stand-alone entity, then no graphical depiction is required and applicant may respond by stating that they are a stand-alone entity with no affiliate or subsidiary companies.

Signature of Applicant & Title

Sworn and subscribed before me this __/

day of JUNC

'ear

Signature of official administering oath

Print Name and Title

OFFICIAL SEAL MARIA GOMEZ

NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES:01/05/21

My commission expires on

AFFIDAVIT

State of:	Chiago ss
County of OPK	(Yown)
A. Rozenblat .	ffiant, being duly sworn/affirmed according to law, deposes and says that:
He/She is the GC	(Office of Affiant) of MS6, CC (Name of Applicant);

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

- 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 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 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.
- 8. 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.
- 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.

VERIFICATION

STATE OF ILLINOIS

: SS CHICAGO

COUNTY OF COOK

Alexander Rozenblat, being first duly sworn, deposes and says that he is the General Counsel of Marketing Systems Group, LLC; that he has read the foregoing Motion for Confidential Treatment, and that all of the statements contained in said Motion are true, correct and complete to the best of his knowledge, information and belief.

Alexander Rozenblat

General Counsel

Marketing Systems Group, LLC

Subscribed and sworn to before me this 7 day of Jun 2018

Notary Public

OFFICIAL SEAL
MARIA GOMEZ
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/05/21

Exhibit A-10 "Principal Officers, Directors & Partners"

NAME	POSITION	ADDRESS/PHONE
Alexander Goldstein	Secretary and	27 N Wacker Dr
	Treasurer	Ste 560
		Chicago, IL 60606
		(312) 267-1921
Mark Friedgan	CEO and President	27 N Wacker Dr
	1	Ste 560
Ì		Chicago, IL 60606
		(312) 267-1921
Alexander Rozenblat	General Counsel	27 N Wacker Dr
	1	Ste 560
		Chicago, IL 60606
		(312) 600-3763

Exhibit B-1 "Jurisdictions of Operation"

Marketing Systems Group, LLC ("MSG" or "Applicant") provides a list where either it or its affiliates, at the date of filing the renewal application, are certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services including aggregation services.

Presently Active Electricity and/or Gas Supplier and/or Broker

- Marketing Systems Group, LLC IL, MI, OH, PA,
- Eligo Energy OH, LLC (OH)
- Eligo Energy IL, LLC (IL)
- Eligo Energy MD, LLC (MD)
- Eligo Energy DC, LLC (Washington DC)
- Eligo Energy NY, LLC (NY)
- Eligo Energy PA, LLC (PA)
- Eligo Energy CT, LLC (CT)
- Eligo Energy NJ, LLC (NJ)
- Eligo Energy MI, LLC (MI)
- Eligo Energy MA, LLC (MA)
- Eligo Energy TX, LLC (TX)

Affiliates Seeking Licensing

- Eligo Energy ME, LLC (ME)
- Eligo Energy NH, LLC (NH)

Exhibit B-2 "Experience & Plans"

Marketing Systems Group, LLC has a highly organized front end to handle all end user-facing functions. MSG invested in up to date technology such as process automation to ensure expedient and seamless enrollments, and transfer processes. MSG provides fixed, variable, and hybrid plans for both residential and non-residential end users by contracting with approved licensed electricity suppliers. MSG has incorporated a highly efficient and ethical marketing platform in its business plan that follows regulatory code, stifles end user complaint, and brings high growth percentage to our company. This platform includes incoming enrollments through effective internet marketing tactics as well as outbound broker and telemarketing channels. MSG expects to have a skilled customer service staff for all incoming inquiries from end users. Our staff is trained in enrolling new customer via telephone, coordinating new and existing customer accounts, as well as handling and resolving all complaints from the customer in a timely fashion. Our main goal is to keep our customer base happy with their service. MSG customer service team will operate hours appropriate to the Ohio market. Our customer service staff will be up to date on all regulatory proceedings, changes, and amendments to maintain compliance at all times.

A. Marketing Systems Group, LLC Staff:

Alexander Goldstein, Secretary and Treasurer

Alexander Goldstein is the founder and CEO of Eligo Energy, LLC an alternative energy retailer based in Chicago. Before starting Eligo Energy, Alexander co-founded Pangea Properties, a private real estate investment trust, where he focused on applications of technology to operational efficiency, business decision-making, and tenant services. Before joining Pangea Ventures, Mr. Goldstein co-founded CashNetUSA (http://www.cashnetusa.com). CashNetUSA quickly grew to become one of the largest online leaders in payday loan services. In 2006, Cash America International, Inc. (NYSE:CSH), one of the brick & mortar leaders in short-term lending, acquired CashNetUSA. Today, CashNetUSA, now Enova Financial, offers financial services in over 30 U.S. states and four foreign countries, employing over 500 people. Alexander Goldstein holds a Bachelor's Degree in Computer Engineering from University of Illinois at Chicago.

Mark Friedgan, CEO and President

Mark Friedgan is a co-founder of Eligo Energy. He is a hands-on Technology Leader and Entrepreneur with a proven track record of successfully leveraging cutting edge technology to implement the best business processes, products and solutions in a start-up environment. As the former CIO of Enova Financial, Mark built and led a robust technology and analytics organization of 150 from 2005 to 2011. He was responsible for building the technology platform supporting the business including a CRM, Loan Management System, Predictive Dialer, Lead Management System and others. The same software platform now powers the business in four countries under almost 10 different brands. The platform heavily leveraged open source technologies, including Ruby on Rails, Asterisk, Linux, Postgres and others. In 2005, Mark joined what was then known as CashnetUSA and helped grow it from issuing 30 loans a day to over 10,000 in 2011. Cash America (NYSE:CSH) acquired CashnetUSA in late 2006.

In 2010 Mark was named Top 25 CTO by Infoworld Magazine and was awarded the prestigious CIO Magazine Top 100 award. He was recognized for innovation in productivity improvements and cost reduction by creating a new technology platform.

Anthony Gareri, Director of Inside Sales

Anthony Gareri will be serving as Director of Inside Sales for MSG. Anthony has multiple years of experience in the energy business and has had many different roles, including sales, management of channel partners, and creation of internal sales departments for suppliers and energy brokers.

Drew Hoppe, Director of Outside Sales

Drew Hoppe is the Outside Sales Director for MSG. Drew leads a team of agents from across the country to provide energy rate quotes to businesses. He has served in sales management roles previously with JPMorgan Chase as well as previous a company he founded in 2011.

B. ESCO/POWWR Advisors - Strategic Partner: ESCO Advisors is a Connecticut-based professional Energy Services consulting firm with over 50 years of Energy Industry experience. ESCO will provide MSG with consulting services that include energy operations, energy forecasting, scheduling and settlements, price stability and risk management. ESCO will also provide an extensive suite of systems to both control and increase the efficiency of day-to-day operations.

Exhibit B-3 "Disclosure of Liabilities and Investigations"

Marketing Systems Group, LLC ("Company) has no existing, pending or past rulings, judgments, contingent liabilities, revocations 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.

Exhibits C-1 and C-2 "Annual Reports" and "SEC Filings"

Marketing Systems Group, LLC is not a public company and is not required to have annual reports or to make SEC Filings.

Exhibit C-4 "Financial Arrangements"

Marketing Systems Group, LLC is a subsidiary of I2R Holdings, LLC, the financial statements of which are provided in Exhibit C-3. MSG does not have other financial arrangements. The financials of MSG, as a wholly owned subsidiary of I2R Holdings, LLC, are guaranteed by I2R Holdings, LLC.

Exhibits C-6 and C-7 "Credit Rating" and "Credit Report"

Please see attached Exhibit C-6 and C-7 Credit Rating and Credit Report.

Marketing Systems Group, Llc DUNS: 07-911-4410

Credit Information

Risk Summary

Risk of Late Payment



Risk of late payment is based on the following prioritized factors in addition to other information in D&B's files:

· No factors available

Indications of slowness can be the result of disputes over merchandise, skipped invoices, etc.

Payment Performance Trend

The payment performance trend for this company is Unavailable . Payment Trend currently is Unavailable compared to payments three months ago. The most recent payment information in D&B's files is:

· Industry average: GENERALLY WITHIN terms

*Note: Payments to suppliers are averaged weighted by dollar amounts.

Credit Limit Recommendation

We currently do have any information to be displayed for this business

Company Profile

Chief Executive: NA

Line of Business: Electric services

Type of Business:

LIMITED LIABILITY COMPANY

...

Years in Business:

NA

Annual Sales:

NA

Employees Total:

1

Legal Filings and Other Important Information

Bankruptcies:

None

Negative Payment Experience:

None

Judgements:

0

Negative Payment Experience

None

Liens:

0

Amount:

Suits:

None

Payments Placed for Collection:

None

Suits/Judgments/Liens Amounts:

None

The public record items reported may have been paid, terminated, vacated or released prior to the date this data is transmitted. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

Special Events

04/15/2018

Source(s) indicate the address shown above may no longer be used by this business.

09/29/2017

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

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Payment Trends

Summary

Address: 205 W Randolph St Suite 1040 Chicago, IL 60606		Primary Industry SIC: 4911
D-U-N-S Number: 07-911-4410		Description: Electric services
This is a single subsidiary location.		
Payment Activity		
Total payment Experiences in D&Bs File:	NA	
Payments Within Terms: (not dollar weighted)	NA	
Total Placed For Collection:	NA	
Average Highest Credit:	NA	
Largest High Credit:	NA	
Highest Now Owing:	NA	

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.

NA

PAYDEX® ®

Highest Past Due:

PAYDEX ® Trends - This Company, 12 Months

No data is available on this company to build a paydex trend graph.

This Company (0)

Based on payments collected over the last 12 months.

• Current PAYDEX® for this Business is 0

PAYDEX ® Score Comparison - This Company to Primary Industry Comparison, 4 Quarters

No data is available on this company to build a paydex score companson graph

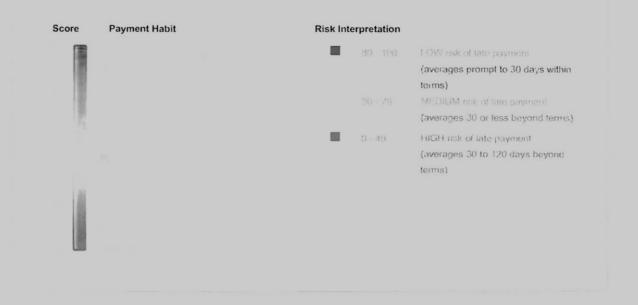
- My Company (0)
 Industry Median (80)
 Industry Median (73)
 - Industry Median (73)

Based on payments collected over the last 4 quarters.

- Current PAYDEX® for this Business is 80, or equal to GENERALLY WITHIN terms
- Industry upper quartile represents the performance of the payers in the 75th percentile
- · Industry lower quartile represents the performance of the payers in the 25th percentile

Business Payment Habit by Amount of Credit Extended, 24 Months 10

We currently do not have enough details of this company to display in this section.



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Exhibit C-8 "Bankruptcy Information"

Marketing Systems Group, LLC hereby states that neither it nor its affiliates (including parent) have been through 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.

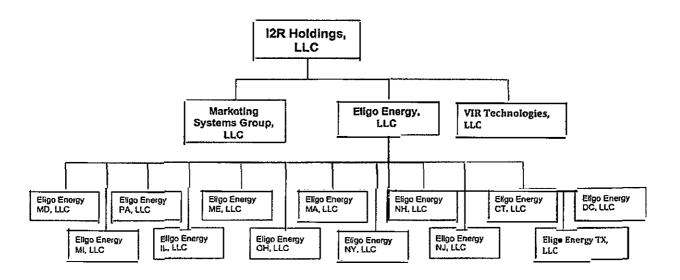
58 20

Exhibit C-9 "Merger Information"

Marketing Systems Group, LLC hereby states that it has no instances of dissolution or mergers or acquisitions within the five most recent years preceding the application.

Exhibit C-10 "Corporate Structure"

Corporate Structure



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