

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for approval of transfer of  
Certificate No. 117-W from Crestridge Utility  
Corporation to Crestridge Utilities, LLC  
In Pasco County

Docket No. 140174-WU

RECEIVED-FPSC  
15 JUN 29 PM 2:29  
COMMISSION  
CLERK

In re: Application for approval of transfer of  
Certificate No. 116-W from Holiday Gardens  
Utilities, Inc. to Holiday Gardens Utilities, LLC  
In Pasco County

Docket No. 140176-WU

**REDACTED**

**REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Michael Smallridge ("Smallridge"), Crestridge Utilities, LLC, and Holiday Gardens Utility, LLC (jointly "Utilities") by and through their undersigned counsel, files this Request for Confidential Classification in relation to certain Responses to Staff's 5<sup>th</sup> Data Request.

1. Pursuant to 367.156, Florida Statutes, this Commission has the authority to classify certain material as proprietary confidential business information. This classification exempts the material from public disclosure under Section 119.07(1), Florida Statutes.

2. Smallridge and Utilities requests that certain responses to Staff's 5<sup>th</sup> Data Request be classified as proprietary confidential business information under Section 367.156, Florida Statutes, and Rule 25-22.006, Florida Administrative Code (the "Confidential Information"). If this request is granted, then the subject portions of said document will be exempt from Section 119.07(1), Florida Statutes. Attached hereto as Exhibit "A" is a Justification Matrix providing a justification for Smallridge and Utilities' request. The information is attached hereto both in highlighted and redacted format.

3. The information produced is intended to be and is treated by Smallridge and Utilities as private and confidential and has not been disclosed externally and has been strictly controlled internally.

4. Most of the information consists of the personal financial information of the owner of Utilities. This information should be classified as proprietary confidential business information because it is the personal financial information of the owner unrelated to his compensation from the Utility, and disclosure would impair the owner's competitive interests as he moves to acquire other systems in the future.

5. A portion of the information consists of employee's name and salary. This information should be classified as proprietary confidential business information because its disclosure would impair the Utility's competitive interests, provide other utility companies information to lure employees away (thereby driving up salaries and rates), and create circumstances under which infighting and employee morale could be negatively affected. See, *Florida Power & Light Company et al. v. Public Service Commission*, 31 So. 3d 860 (Fla. 1st DCA 2010).

6. Requiring the disclosure of each employee's compensation information violates each employee's right to privacy under Article I, Section 23 of the Florida Constitution.

WHEREFORE, Michael Smallridge requests confidential treatment of the referenced documents and the entry of the protective order that is consistent with this Motion.

Respectfully submitted this 26th day of June,  
2015, by:

Friedman & Friedman, P.A.  
766 North Sun Drive, Suite 4030  
Lake Mary, FL 32746  
Phone: (407) 830-6331  
Fax: (407) 878-2178  
[mfriedman@ff-attorneys.com](mailto:mfriedman@ff-attorneys.com)

/s/ Martin S. Friedman  
MARTIN S. FRIEDMAN  
Florida Bar No.: 0199060  
For the Firm

**CERTIFICATE OF SERVICE**  
**DOCKET NO. 140176-WS**

I HEREBY CERTIFY that a true and correct copy of the foregoing Request for Confidential Classification is being e-filed with the PSC Clerk and copies furnished by E-Mail to the following parties this 26<sup>th</sup> day of June, 2015:

Suzanne Brownless, Esquire  
Office of General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
[sbrownle@psc.state.fl.us](mailto:sbrownle@psc.state.fl.us)

/s/ Martin S. Friedman  
MARTIN S. FRIEDMAN  
For the Firm

## JUSTIFICATION MATRIX

Location (Document name and location of information)	Justification
<p><b><u>Schedule 11 – Personal Property</u></b> All</p> <p><b><u>Schedule 18 - Personal Financial Statement</u></b> Section 3 – The specific identification of “other assets” and all dollar amounts. Section 4 – The specific identification of “other expenses” and all dollar amounts. Section 5 – Dollar amounts Schedules A, B, D, E, G and H – All information Schedule C – The Source of value and Net Value columns Schedule F – The loan balance, monthly payment and market value. The other information is a matter of public record. Personal Information Social Security Number</p> <p><b><u>Schedule 19 – Personal 1099</u></b> The bank account number and taxpayer numbers, and amount of compensation.</p> <p><b><u>Schedule 20 – Salary Information</u></b></p>	<p>This is personal property owned by Mr. Smallridge and has no effect on his compensation from the Utilities. Further, if disclosed publicly it could lead to burglary or worse.</p> <p>The requested financial information of the owner is not related to any ratemaking function with regard to the Utility.</p> <p>The financial information relates to the owner in his ownership capacity, and is not information of the Utility.</p> <p>Article I, Section 23 of the Florida Constitution. Disclosure of the information would invade the privacy rights of the owner.</p> <p>Same as above</p> <p>§367.156(3)(d) Disclosure of compensation data, tax data, benefits data, overtime data and salary increase data would impair the ability of the Utility to contract for employees on favorable terms.</p> <p>§367.156(3)(e) Disclosure of the compensation data would impair the Utility’s competitive interests as described in <i>Florida Power &amp; Light Company et al. v. Public Service Commission</i>, 31 So. 3d 860 (Fla. 1st DCA 2010). The Utility keeps this information strictly confidential to prevent other utilities from stealing their employees and to prevent lowered morale and infighting among employees who have the same position but varying wages.</p>



June 26, 2015

VIA FEDERAL EXPRESS

Carlotta S. Stauffer, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

**REDACTED**

Docket No. 140174-WU - Application for approval of transfer of Certificate No. 117-W from Crestridge Utility Corporation to Crestridge Utilities, LLC, in Pasco County.

Our File No.: 47136.03

Docket No. 140176-WU - Application for approval of transfer of Certificate No. 116-W from Holiday Garden Utilities, Inc. to Holiday Gardens Utilities, LLC, in Pasco County.

Our File No.: 47136.02

Dear Ms. Stauffer:

The following are the responses of Crestridge Utility, LLC ("Crestridge"), and Holiday Gardens Utilities, LLC ("Holiday Gardens") to the Staff's Fifth Data Request dated May 29, 2015:

For the following questions, please refer to the Florida Utility Services 1, LLC balance sheet, dated December 31, 2014:

1. Is this a stand-alone balance sheet for Florida Utility Services 1, LLC? If not, what other entities are included in this balance sheet?

**Response:** Yes.

2. Does the amount reflected in "Accounts Receivable," reflect receivables solely for Florida Utility Services 1, LLC? If not, please identify the amount of accounts receivable associated with other entities.

**Response:** Yes.

3. Please explain the nature of the following accounts (and balances) which appear under "Other Current Assets."

Undeposited Funds	(\$6,875.75)
Due To/Due From	(\$15,313.87)

**Response:** Funds are debited to this account via the recording of an invoice being paid in the cash receipts module of Quickbooks. Funds are credited to this account when the payments are deposited in the bank via Quickbooks cash receipt module. If funds are received on the last day of the month and the funds are not deposited until the first day of the next month, a residual balance will remain on the balance sheet.

4. Under "Fixed Assets," please provide a list of equipment and the approximate values (for equipment over \$1,000) included in the value in Florida Utility Services 1, LLC balance sheet.

**Response:** 1992 lawnmower tractor \$ 4,000.00  
2008 Mitsubishi raider truck \$14,442.90  
2001 GMC pick up truck

5. For equipment provided in the previous response, please explain how the value was determined.

**Response:** At cost.

6. Please explain the lack of payroll/expense liabilities.

**Response:** Payroll is paid bi-weekly on Friday. Payroll taxes are deposited the following business day, Monday. At the year end, payroll taxes were deposited on Monday December 29<sup>th</sup>. There were three working days remaining in 2014 for which payroll expense should have been accrued.

7. Please provide the most recent balance sheet and income statement for Florida Utility Services 1, LLC.

**Response:** See attached Schedule 7.

For the following question, please refer to Mr. Smallridge's personal financial statements, dated March 1, 2015 and December 31, 2014.

8. Please explain the differences in the following asset balances between March 1, 2015 and December 31, 2014:

- a. Cash Surrender Life Insurance
- b. Personal Property
- c. Retirement Accounts
- d. Real Estate – Personal Residence
- e. Real Estate – Investments

**Response:** When the second financial statement was prepared on March 1, 2015, Mr. Smallridge had access to personal records that he did not have access to on December 31, 2014 and hence, the March 1, 2015 financial statement has more updated information.

9. For each personal financial statement, identify what property makes up the bulk of the "Personal Property" and explain how the values were determined.

**Response:** For both the 2014 and 2015 financial statements, the bulk of the personal property was comprised of tools, antiques, guns, jewelry and art. The values were based on the cost of acquisition and replacement cost.

10. For each personal financial statement, explain how the real estate values for the personal residence and investments were determined.

**Response:** The value of the personal residence was based on comparable sales. The 2015 value of the other properties was provided by a realtor.

For the following questions, please refer to Mr. Smallridge's personal financial statement, dated March 1, 2015.

11. Under "Personal Property" in Section 3, please provide a list of property, the approximate values (for property over \$1,000), and explain how the value was determined.

**Response:** See attached Schedule 11 which is subject to Request for Confidential Classification.

12. The March 1, 2015 personal financial statement appears to have been prepared for a loan application with CenterState Bank. Was a loan originated as a result of this application?

**Response:** The assumption was incorrect. This is merely a financial statement form chosen.

13. If the answer to the previous question is "yes," please provide the loan documentation. As part of the response, explain what the loan will be or has been used for and whether any property or assets were encumbered as a result of the new loan.

**Response:** N/A

14. The annual loan payments expense provided in Section 4 does not appear to match the loan payments contained in Schedules G and H when calculated as a yearly expense. Please reconcile the difference.

**Response:** The 2014 statement reflected a monthly payment. The 2015 statement does not include a property that was sold. The exact loan payment for the Royal Oaks property is \$ 535.95 per month or \$ 6,431.40 annually. The exact loan payment for the moonrise property is \$410.00 per month or \$4,920 annually. Under section 4- annual expenses- loan payments should be \$ 11, 351.40 annually

15. In Schedule G of the personal financial statement, please verify the maturity dates referenced for the mortgages on Royal Oaks and Moonrise.

**Response:** The maturity dates are correct.

16. In addition to the personal financial statement, please refer to the 2013 tax return. Explain why four rental properties appear in Schedule E of the 2013 tax return, but only two of these properties are identified in the personal financial statement dated March 1, 2015. For each of the two additional properties, please provide the following: name of mortgage holder, maturity date, percentage of ownership, name on title, purchase date, cost, present loan balance, market value, total annual rental income, monthly loan payment, and other expenses.

**Response:** This tax return is a joint tax return for Mr. Smallridge and his wife. The property located at 15827 Cedar Elm Terrace, Land O' Lakes, Florida belongs to Mr. Smallridge's wife. The property located at 4359 E. Nugget Pass, Dunnellon, Florida was sold.

17. On May 11, 2015, the Utility filed a supplemental response to staff's outstanding data requests that included documentation of Mr. Smallridge's Revolving Credit Mortgage. Please explain how the balance of this loan, \$24,069, and its monthly payment, approximately \$314, are reflected on Mr. Smallridge's personal financial statement.

**Response:** Since this is a home equity line of credit and it is secured by Mr. Smallridge's house, the loan balance is reflected on the financial statement of March 1, 2015 and Schedule F and the monthly payment is under Section 4, annual expenses- home mortgage.

18. Please provide an updated financial statement for Mr. Smallridge that reflects the financial information for all entities that he owns, both directly or indirectly.

**Response:** See attached Schedule 18, which is subject to Request for Confidential Classification.

Other:

19. Corresponding W-2s and 1099s were omitted from the tax returns previously filed. Please provide this support documentation.

**Response:** Under the entity type form which Mr. Smallridge does business the IRS defaults him to filing as a sole proprietor. As a sole proprietor the IRS rules state that he is not an employee of the business and that he is not supposed to file a W-2 or 1099-MISC on himself as the proprietor of that business. See attached Schedule 19 for the one 1099 he did receive in 2014, which is subject to Request for Confidential Classification.

20. For each employee of Florida Utility Services 1, LLC please provide the following information:

- Job title
- Number of hours worked per week
- Hourly rate or salary

**Response:** See attached Schedule 20 which is subject to Request for Confidential Classification.

21. For each system owned or operated by Mr. Smallridge or Florida Utility Services 1, LLC, provide a three-year estimate of capital expenditures and an explanation of how these expenditures will be funded.

**Response:** See attached Schedule 21.

22. In its May 8, 2015 response to staff's outstanding data requests, the Utility provided a schedule of personal loans Mr. Smallridge has made to Florida Utility Services 1, LLC and other utilities he owns or manages. The following items relate to this schedule:

a. Please provide support documentation for the origination of the personal loans listed on the schedule including any additional terms such as interest payable.

**Response:** See attached Schedule 22a.

b. Please reconcile these loan amounts with Mr. Smallridge's personal financial statement.

**Response:** These loans are reflected on attached Schedule 18.

c. Please explain why the debt to Mr. Smallridge listed on the balance sheet for Florida Utility Services 1, LLC, dated December 31, 2014, in the amount of \$6,004.03 is greater than the total of the two loans from 2014 on Mr. Smallridge's personal loan schedule.

**Response:** The sale of the tractor was posted incorrectly to the loan account.

d. For each loan, please provide an explanation of the circumstances that necessitated the additional funding.

**Response:** See attached Schedule 22a.

23. For the following question, refer to staff's Third Data Request (No. 1), dated March 4, 2015, and the Utility's April 6, 2015 response. Given information available through the Florida Department of State, Division of Corporations, the Utility's April 6, 2015 response appears to be incomplete. Staff would note that at least four additional systems (Bimini Bay Utilities Corporation; Charlie Creek Utilities, LLC; Four Points Utility Corporation; and Lake Forest Utility, LLC) should be added to the list.

**Response:** Mr. Smallridge has no ownership interest in Bimini Bay Utilities Corporation, Four Points Utility Corporation, or Lake Forest Utility, LLC. He is the Registered Agent for all three, the Receiver for the first two, and handles the billing for the latter.

Please update the following chart listing all water and wastewater utilities for which Florida Utility Services 1, LLC, or any other business entity in which Michael Smallridge has an interest of more than 5 percent, is currently providing utility accounting, billing, consulting, or operational services.

UTILITY NAME	COUNTY	# OF CUSTOMERS	OWNER OF RECORD	PSC CERTIFICATE	SERVICES
WEST LAKELAND WASTEWATER, LLC	POLK	315	MICHAEL SMALLRIDGE- SOLE MANAGING MEMBER	515-S	ACCOUNTING, BILLING, OPERATIONS
HOLIDAY GARDENS UTILITIES, LLC	PASCO	456	MICHAEL SMALLRIDGE- SOLE MANAGING MEMBER	116-W	ACCOUNTING, BILLING, OPERATIONS
CRESTRIDGE UTILITIES, LLC	PASCO	615	MICHAEL SMALLRIDGE- SOLE MANAGING MEMBER	117-W	ACCOUNTING, BILLING, OPERATIONS
PINECREST UTILITIES, LLC	POLK	141	MICHAEL SMALLRIDGE- SOLE MANAGING MEMBER	588-W	ACCOUNTING, BILLING, OPERATIONS
EAST MARION UTILITIES, LLC	MARION	100	MICHAEL SMALLRIDGE- SOLE MANAGING MEMBER	490-W & 425-S	ACCOUNTING BILLING, OPERATIONS
CHARLIE CREEK UTILITIES, LLC	HARDEE	138	FLORIDA UTILITY SERVICES 1, LLC		ACCOUNTING, BILLING OPERATIONS

24. Based on the completion of the above chart, please provide an organization chart showing the relationship between Mr. Smallridge, the utilities that he owns, and Florida Utility Services 1, LLC.  
**Response:** See attached Schedule 24.

25. Please provide the financial statements (the balance sheet, income statement, and statement of cash flows for each entity) for the three most recent fiscal years for Florida Utility Services 1, LLC.  
**Response:** See attached Schedule 25.

Should you have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Martin S. Friedman".

MARTIN S. FRIEDMAN  
For the Firm

MSF/  
Enclosures

cc: Mike Smallridge (via email)  
Suzanne Brownless, Esquire (redacted - via email)

# SCHEDULE 7

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## PROFIT & LOSS

	<u>Jan - May 15</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
47000 · Revenue	
47100 · Revenue - Billing Services	29,338.45
47200 · Revenue - Utility Svcs - Field	27,049.57
47300 · Revenue - Non-Utility	54,638.47
47500 · Revenue - Accounting Svcs	29,686.97
47000 · Revenue - Other	<u>-2,306.46</u>
<b>Total 47000 · Revenue</b>	<b>138,407.00</b>
49900 · Uncategorized Income	<u>3,898.58</u>
<b>Total Income</b>	<b>142,305.58</b>
<b>Cost of Goods Sold</b>	
50000 · Cost of Goods Sold	
51100 · C/S UtilitySvc - Office	<u>747.44</u>
<b>Total 50000 · Cost of Goods Sold</b>	<u>747.44</u>
<b>Total COGS</b>	<u>747.44</u>
<b>Gross Profit</b>	<b>141,558.14</b>
<b>Expense</b>	
Loan from Old Fla Nat.	1,458.40
60100 · Accounting	529.21
60200 · Automobile Expense	7,126.59
60400 · Bank Service Charges	170.68
60501 · Bookkeeping	493.00
61000 · Business Licenses and Permits	93.70
62500 · Dues and Subscriptions	1,123.57
62600 · Equipment Rental	540.61
63400 · Interest Expense	347.56

63600 · - Contractual Labor	1,206.16
64300 · Meals and Entertainment	471.49
64700 · Miscellaneous Expense	500.00
64900 · Office Supplies	9,110.62
66000 · Payroll Expenses	58,142.08
66200 · Employee Benefits	11,551.16
66500 · Postage and Delivery	-1,237.99
66501 · Rent & Utilities	7,000.00
66600 · Printing and Reproduction	37.15
67200 · Repairs and Maintenance	4,927.89
67300 · Supplies	733.85
68100 · Telephone & Internet Expense	2,856.17
68300 · Legal Fees	11.39
68400 · Travel Expense	853.53
68500 · Business Licenses & Fees	-678.56
68600 · Utilities	427.74
<b>Total Expense</b>	<b><u>107,796.00</u></b>
<b>Net Ordinary Income</b>	<b><u>33,762.14</u></b>
<b>Net Income</b>	<b><u><u>33,762.14</u></u></b>

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## BALANCE SHEET

May 31, 2015

### ASSETS

#### Current Assets

##### Checking/Savings

##### 13000 · Cash

13200 · Checking - Iberia Bank 4,472.37

13300 · Iberia Bank - Savings 23,941.25

Total 13000 · Cash 28,413.62

##### Total Checking/Savings

28,413.62

##### Accounts Receivable

##### 14000 · Accounts Receivable

69,399.44

##### Total Accounts Receivable

69,399.44

##### Other Current Assets

##### 13500 · Due To/ Due From

13501 · Crestridge Due To / Due From -8,604.18

13505 · Pinecrest Due To / Due From -666.09

13506 · Holiday Gardens Due To/Due From 4,643.85

13507 · Lake Forest Due To / Due From -792.50

13508 · WLWW Due To / Due From -3,178.53

13509 · Charlie Creek Due To/ Due From -6,598.21

13510 · East Marion Due To / Due Fro 2,550.00

Total 13500 · Due To/ Due From -12,645.66

##### Total Other Current Assets

-12,645.66

##### Total Current Assets

85,167.40

#### Fixed Assets

##### 15100 · Equipment

22,911.44

##### 17000 · Accumulated Depreciation

-4,233.52

##### Total Fixed Assets

18,677.92

<b>Other Assets</b>	
18000 · Rent Security Deposit	1,585.00
<b>Total Other Assets</b>	<u>1,585.00</u>
<b>TOTAL ASSETS</b>	<u><u>105,430.32</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
21000 · Accounts Payable	2,154.60
<b>Total Accounts Payable</b>	2,154.60
<b>Other Current Liabilities</b>	
21100 · Michael Smallrge Loan	3,527.61
23000 · Truck Loan - ALLY	10,361.99
24000 · Payroll Liabilities	1,820.16
<b>Total Other Current Liabilities</b>	<u>15,709.76</u>
<b>Total Current Liabilities</b>	<u>17,864.36</u>
<b>Total Liabilities</b>	17,864.36
<b>Equity</b>	
32000 · Members Equity	53,803.82
Net Income	33,762.14
<b>Total Equity</b>	<u>87,565.96</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>105,430.32</u></u>

# FLORIDA UTILITY SERVICES 1, LLC

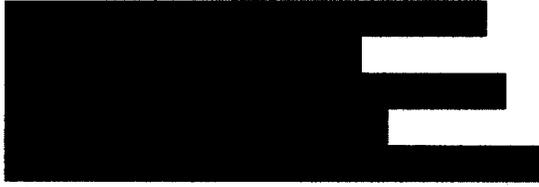
3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## CASH FLOW STATEMENT

	<u>Jan - May 15</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	33,762.14
Adjustments to reconcile Net Income to net cash provided by operations:	
14000 · Accounts Receivable	-21,443.19
13501 · Due To/ From: Crestridge	604.18
13505 · Due To/ From: Pinecrest	1,458.40
13506 · Due To/ From: Holiday Gardens	-9,143.85
13609 · Due To/ From: Charlie Creek	6,963.06
13510 · Due To/ From: East Marion	-2,550.00
2110 · Employee Receivable	581.32
21000 · Accounts Payable	1,416.50
21100 · Michael Smallridge Loan	451.64
23000 · Truck Loan - ALLY	-1,573.23
24000 · Payroll Liabilities	<u>1,783.60</u>
Net cash provided by Operating Activities	<u>12,310.57</u>
Net cash increase for period	12,310.57
Cash at beginning of period	<u>16,103.05</u>
Cash at end of period	<u><u>28,413.62</u></u>

SCHEDULE 11



SCHEDULE 18

REDACTED

# CenterState Bank

## Personal Financial Statement

To: CenterState Bank of Florida (the Bank)

Please read the following directions before completing this Personal Financial Statement.

1. Complete all sections, except Section 2, if you are applying for individual credit in your own name and are relying solely on your own income or assets for repayment or if this personal financial statement relates to your guaranty of the indebtedness of other person(s), firm(s), or corporation(s).
2. Also, complete Section 2 if any of the following apply:
  - If you are applying for joint credit with another person, provide information about the joint applicant.
  - If you are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person as a basis for repayment of the credit requested, provide information about the person on whose alimony, support or maintenance payments or income or assets you are relying.
  - If this is a joint guaranty of the indebtedness of other person(s), firm(s), corporation(s), provide information about the joint guarantor.

Section 1 – Individual/Applicant Information (please print)			Section 2 – Other Party/Co-Applicant Information		
Name Michael Andrew Smallridge			Name		
Residence Address 9539 E. Southgate Dr			Residence Address		
City Inverness	State FL	Zip Code 34450	City	State	Zip Code
Position or Occupation Utility Owner-Self employed.			Position or Occupation		
Business Name Florida Utility Services 1, LLC			Business Name		
Business Address 3336 Grand Blvd Suite 102			Business Address		
City Holiday	State FL	Zip Code 34690	City	State	Zip Code
Years with Business 25			Years with Business		
Res. Phone (██████-7406)	Bus. Phone (863-904-5574)		Res. Phone (       )	Bus. Phone (       )	

**CONFIDENTIAL**

Statement of Financial Condition as of June 20, 2015

Section 3 – Balance Sheet (attach additional schedules as needed)					
Assets	Dollars	Jt*	Liabilities	Dollars	Jt*
Cash and Short-term Investments (Sch A)			Outstanding Credit Card Balances		0
Stocks and Bonds (readily marketable) (Sch B)			Taxes Payable		0
Unlisted Securities (Sch C)			Policy Loan (life insurance) (Sch D)		0
Notes Receivable & Accounts Receivable			Mortgages & Obligations Due (Schs F & G)		0
Cash Surrender Value-Life Insurance (Sch D)			Notes & Accounts Payable (Sch H)		0
General/Ltd Partnership Interests (Sch E)			Other Liabilities (list):		0
Retirement Accounts					
Personal Property					
Automobiles					
Real Estate – Personal Residences (Sch F)					
Real Estate – Investments (Sch G)					
Real Estate Investments (Direct & Partnership Interests)					
Other Assets (list):					
Loans to utilities					
<b>TOTAL ASSETS</b>			<b>TOTAL LIABILITIES</b>		
			<b>NET WORTH (total assets minus total liabilities)</b>		

Section 4 – Income Statement					
Annual Income	Applicant	Co-Applicant	Annual Expenses	Applicant	Co-Applicant
Salary		0	Home Mortgage (Principal & Interest)		0
Bonus and Commissions		0	Loan Payments (including other R/E)		0
Interest and Dividends		0	Income Tax (State & Federal)		0
Alimony, Separate Maintenance, Child Support**		0	Planned or Required Investments/ Partnership Contributions		0
Capital Gains		0	General Living Expenses		0
Real Estate Income		0	Other Expenses (list):		0
Other Income (list):		0	Royal Oaks HOA		
			Moorrise HOA		
<b>GROSS INCOME</b>			<b>TOTAL EXPENSES</b>		

Section 5 – Contingent Liabilities (include brief description)		
	Applicant	Co-Applicant
As endorser or guarantor on notes/leases/contracts: 0		
On letters of credit:		
Current or pending suits or other litigation:		
Other (Partnership, etc.) explain: 0		
<b>TOTAL</b>		5

\* Please check if jointly owned with spouse or other party listed in Section 2.  
 \*\* Alimony, separate maintenance, and/or child support income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.

**Schedule A: Cash & Short-term Investments (certificates of deposit, commercial paper, money market funds, etc.)**

Name of Institution	Savings Accts. (\$ amount)	Checking Accts. (\$ amount)	Other Short-term Investments (\$ amount)	Total	Pledged? (Y/N)	Owner(s) Code*

**Schedule B: Listed Stocks & Bonds (include U.S. Government and Marketable Securities traded on stock exchange)**

Number of Shares or Face Value (Bonds)	Description	Market Value	Margin? (Y/N)	Restricted? (Y/N)	Pledged? (Y/N)	Owner(s) Code*

**Schedule C: Unlisted Securities (closely held corporation NOT listed on stock exchange)**

Number of Shares	Description	Source of Value	Value	% of Company Owned	Pledged? (Y/N)	Owner(s) Code*
0	See attached.					

**Schedule D: Life Insurance Carried (include individual and group insurance)**

Name of Insurance Company	Owner of Policy	Beneficiary	Face Value	Policy Loans	Cash Surrender Value	Assigned? (Y/N)

**Schedule E: General and/or Limited Partnership Interests (please attach K-1 from Partnership tax return)**

Name of Partnership	Type of Investment	(L)imited (G)eneral	Amount Invested	Fair Market Value of Interest	Annual Contribution Required	Pledged? (Y/N)	Owner(s) Code*

\* Owner(s) Code: A=Applicant AC=Joint Account of Applicant and Co-Applicant JC=Joint Account of Co-Applicant and another party  
 O=Co-Applicant JA=Joint Account of Applicant and another party

**Schedule F: Real Estate (personal residences)**

Description/Address of Property	Mortgage Holder	Maturity Date	Title in Name of	Purchase Date	Cost	Present Loan Balance	Monthly Pymt.	Market Value

**Schedule G: Real Estate Investments**

Description/Address of Property	Mortgage Holder	Maturity Date	% Owned	Title in Name of	Purchase Date	Cost	Present Loan Balance	Market Value	Total Annual Rental Income	Monthly Loan Payment	Other Expenses
Royal Oaks	CSB	03/20	100	mine	2005						
Moonrise	CSB	03/16	100	mine	2006						0

**Schedule H: Notes & Accounts Payable (also include credit lines and other commitments even if unused)**

Name of Creditor	Orig. Amt. Of Loan	Payment/ Repayment Terms	Maturity Date	Interest Rate	Description of Collateral (if any)	Balance Owning	Debtor(s) Code*

\* Debtor(s) Code: A=Applicant AC=Joint Account of Applicant and Co-Applicant JC=Joint Account of Co-Applicant and another party  
 C=Co-Applicant JA=Joint Account of Applicant and another party

**Were your gross revenues \$1,000,000 or less in the previous fiscal year?**  Yes  No

If you answered "yes" and the Bank denies your application for credit, you have the right to a written statement of the specific reasons for the denial. To obtain the statement, please contact: *Chief Compliance Officer, CenterState Bank of Florida, N.A., 300 W Central Avenue, Lake Wales, FL 33853* Within 60 days from the date you are notified of the Banks decision. The Bank will send you a written statement of reason(s) for the denial within 30 days of receiving your written request for the statement. The notice below describes additional protections extended to you. **NOTICE:** The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, natural origin, sex, marital status, age (providing the applicant has the capacity to enter into a binding contract), because all or a part of the applicants income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Protection Act, the federal agency that administers compliance with this law concerning this creditor is: *Customer Assistance Group, Comptroller of the Currency, 1301 McKinney Street, Houston, TX 77010-9050*

**Personal Information**

The information contained in this statement is provided for the purpose of obtaining, or maintaining credit with the Bank on behalf of the undersigned or person, firms or corporations in whose behalf the undersigned may either severally or jointly with others, execute a guaranty in the Bank's favor. Each undersigned understands that the Bank is relying on the information provided herein (including the designation made as to ownership of property) in deciding to grant or continue credit. Each undersigned represents and warrants that the information provided is true and complete and that the Bank may consider this statement as continuing to be true and correct until a written notice of a change is given to the Bank by the undersigned. The Bank is authorized to make all inquiries it deems necessary to verify the accuracy of the statements made herein, and to determine the credit worthiness of the undersigned. The Bank is authorized to answer questions about its credit experience with the undersigned.  Notice - Joint Credit We intend to apply for joint credit. (Initials)

Date Signed <i>6-22-05</i>	Signature (individual) <i>Michael Amaze</i>	Social Security # [REDACTED]	Date of Birth 04/30/1969
Date Signed	Signature (other party)	Social Security #	Date of Birth

**SCHEDULE C- UNLISTED SECURITIES.**

# OF SHARES	DESCRIPTION	SOURCE OF VALUE	Net Value	% OF COMPANY	Pledged
1	FLORIDA UTILITY SERVICES 1, LLC			100	YES
1	WEST LAKELAND WASTEWATER, INC			100	NO
1	HOLIDAY GARDENS UTILITIES, LLC			100	YES
1	CRESTRIDGE UTILITIES, LLC			100	YES
1	PINECREST UTILITIES, LLC			100	YES
1	EAST MARION UTILITIES, LLC			100	YES
1	CHARLIE CREEK UTILITIES, LLC			100	YES
			Total=		

SCHEDULE 19

REDACTED

SARASOTA DOCTORS HOSPITAL, INC.  
 DBA: DOCTORS HOSPITAL OF SARASOTA  
 5731 BEE RIDGE ROAD  
 SARASOTA, FL 34233  
 PAYER TEL# (866) 884-8083

029225 MIKE SMALLRIDGE CONSULTING  
 9539 E SOUTHGATE DR  
 ATTN: MICHAEL A SMALLRID  
 INVERNESS FL 34450

029240L  CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. <b>SARASOTA DOCTORS HOSPITAL, INC</b> <b>DBA: DOCTORS HOSPITAL OF SARASOTA</b> <b>5731 BEE RIDGE ROAD</b> <b>SARASOTA, FL 34233</b> <b>PAYER TEL# (866) 884-8083</b>		OMB No. 1545-0115 <b>2014</b> Form 1099-MISC		<b>Miscellaneous Income</b>  <b>COPY 2</b>  To be filed with recipient's state income tax return, when required
PAYER'S Federal Identification Number [REDACTED]		RECIPIENT'S identification number [REDACTED]		
RECIPIENT'S name, street address (including apt. no.), city or town, state or province, country, and ZIP or foreign postal code <b>MIKE SMALLRIDGE CONSULTING</b> <b>9539 E SOUTHGATE DR</b> <b>ATTN: MICHAEL A SMALLRID</b> <b>INVERNESS FL 34450</b>		1 Rents \$ 2 Royalties \$ 3 Other income \$ 4 Federal income tax withheld \$ 5 Fishing boat proceeds \$ 6 Medical and health care payments \$ 7 Nonemployee compensation \$ 8 Substitute payments in lieu of dividends or interest \$ 9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		10 Crop insurance proceeds \$ 11 <input type="checkbox"/> 12 <input type="checkbox"/> 13 Excess golden parachute payments \$ 14 Gross proceeds paid to an attorney \$
Account number (see instructions) [REDACTED]		15a Section 409A deferrals \$ 15b Section 409A income \$ 16 State tax withheld \$ 17 State/Payer's state no. 18 State income \$		
Form 1099-MISC		Department of the Treasury-Internal Revenue Service		

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. <b>SARASOTA DOCTORS HOSPITAL, INC</b> <b>DBA: DOCTORS HOSPITAL OF SARASOTA</b> <b>5731 BEE RIDGE ROAD</b> <b>SARASOTA, FL 34233</b> <b>PAYER TEL# (866) 884-8083</b>		OMB No. 1545-0115 <b>2014</b> Form 1099-MISC		<b>Miscellaneous Income</b>  <b>COPY B For Recipient</b>  This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, or negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
PAYER'S Federal Identification Number [REDACTED]		RECIPIENT'S identification number [REDACTED]		
RECIPIENT'S name, street address (including apt. no.), city or town, state or province, country, and ZIP or foreign postal code <b>MIKE SMALLRIDGE CONSULTING</b> <b>9539 E SOUTHGATE DR</b> <b>ATTN: MICHAEL A SMALLRID</b> <b>INVERNESS FL 34450</b>		1 Rents \$ 2 Royalties \$ 3 Other income \$ 4 Federal income tax withheld \$ 5 Fishing boat proceeds \$ 6 Medical and health care payments \$ 7 Nonemployee compensation \$ 8 Substitute payments in lieu of dividends or interest \$ 9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		10 Crop insurance proceeds \$ 11 <input type="checkbox"/> 12 <input type="checkbox"/> 13 Excess golden parachute payments \$ 14 Gross proceeds paid to an attorney \$
Account number (see instructions) [REDACTED]		15a Section 409A deferrals \$ 15b Section 409A income \$ 16 State tax withheld \$ 17 State/Payer's state no. 18 State income \$		

SCHEDULE 20

REDACTED

## JOB DESCRIPTIONS.

1. Daniel Walsh- Chief Financial Officer.- maintains all entries into QuickBooks for billing, accounts payable, cash receipts and cash disbursements, handles all correspondence with banks, insurance companies, vendors and governmental agencies. Other duties are but are not limited to, maintain daily and monthly cash reconciliations to banks, reconcile water solutions cash receipts sub ledger to QuickBooks, prepare all intercompany allocation and billing of expenses, provide information to Insurance companies and other vendors as needed, prepare FPSC annual reports, prepare annual FPSC index adjustments, assist with rate cases, prepare payroll, maintains employee records and benefits, pay federal, state and county taxes, prepare financial statements, budgets and cash flow, prepare W-2's 1099, and schedule C at year end.

**SALARY** [REDACTED]

**HOURS WORKED-40+**

2. Michael Smallridge- Over all company management, all aspects of preparing and follow through of rate cases before the PSC, all customer complaints, any issues that come up with any other governmental agency such as DEP, County, water management district.

**SALARY \$ 60,000 PER YEAR**

**HOURS WORKED -60**

3. Judy Rivette- For Holiday Gardens and Crestridge- Same as #6

**SALARY** [REDACTED]

**HOURS WORKED- 40+**

4. New Tech position- (for Holiday Gardens and Crestridge). Responsible for maintenance and repairs, replacing customer meters, lawn and grounds maintenance, monthly disconnections and reconnections for non paying customers, maintaining equipment, maintenance on chlorine injection points and pumps, coordinating chlorine delivery, cross control connection prevention, leak detection, fire hydrant maintenance, system and tank flushing.

- NOT YET HIRED.

5. Jackie Love- Field Tech (for West Lakeland, Pinecrest, Charlie Creek, East Marion). Responsible for maintenance and repairs, replacing customer meters, lawn and grounds maintenance, meter reading at Pinecrest only, monthly disconnections and reconnections for non paying customers, maintaining equipment, weekly cleaning of lift stations and bar screens, maintenance on chlorine injection points and other chemical pumps, coordinating chlorine delivery, cross control connection prevention, leak detection, leak repair as needed, general sewer plant maintenance and service of sewer plant equipment. Bucket tests at customer request. Systems and tank flushing.

**SALARY** [REDACTED]

**HOURS – 40+**

6. Evelyn Alicea- Customer Service (for West Lakeland, Pinecrest, Charlie Creek, East Marion). Prepares Customer monthly bills( print, fold, stuff and stamp), process customer checks, processes customer credit card payments, process customer payments to the bank, maintains customer accounts, calculates customer refunds, prepares cut off lists, maintains customer database, prepares monthly meter reading sheets for meter readers, enters meter readings, responds to customer emails, prepares customer complaints, coordinates customer cutoff and reconnect with field tech, answer phones, call or write monthly customer with high usage, my “Dialing for Dollars” program (placing a reminder call to customers who have not paid before disconnections) and other general duties as required.

**SALARY** [REDACTED]

**HOURS 40+**

# SCHEDULE 21

**3 Year capital estimate & funding source.**

Name of Utility	How funded	Project.
West Lakeland	cash flow. next rate case	replace 2 check valves at effluent pump station, replace difussers in air basin 3 & 4. Replace difusser in digester #2. Replace lift station #1 panel
Holiday Gardens	cash flow and loan  next rate case	Replace customer meter, redue piping at well #1 & 2 re-roof well #1 & #2 paint well buildings test and replace or repair iso valves repair and or replace customer shut off valves replace pump in well #1
Crestridge utilities	cash flow & loans  next rate case	replace tank at well # 4 replace pump at well # 2 repair or replace isolation valves replace customer meters bring well #3 back on line.
Charile Creek	cash flow & loans  proforma item	redue piping to common chlorine injection point. replace piping at well site. tank inspections for all 3 tanks replace customer meters redue chain link fencing around plant. repair or replace isolation valves repair or repalce customer shut off valves replace lawn mower
Pinecrest Utilities	cash flow.  next rate case	repalce 4" gate valve at plant. replace chain link fence tank inspection
East Marion Utilities	loan & cash flow  next rate case	replace tank cut down trees bar screen at sewer plant new panel at sewer plant clean digester and re-pipe from clarifier to digester to include new chlorine line. clean pond #1 & #3 meter replacement program change out customer shut off valves. New panel at liftstation #2, including new starters.
florida utility services	loan	replace jacky's truck

## PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll 4A / 401	Account	Officer ***	Initials
\$12,000.00	05-14-2015	05-14-2017	[REDACTED] 3020			***	[Signature]
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD. SUITE 102  
HOLIDAY, FL 34690

**Lender:** IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

**Principal Amount:** \$12,000.00

**Date of Note:** May 14, 2015

**PROMISE TO PAY.** FLORIDA UTILITY SERVICES 1, LLC ("Borrower") promises to pay to IBERIABANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Twelve Thousand & 00/100 Dollars (\$12,000.00), together with interest on the unpaid principal balance from May 14, 2015, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 6.500% per annum based on a year of 360 days, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 24 payments of \$535.19 each payment. Borrower's first payment is due June 14, 2015, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on May 14, 2017, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any late charges; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: IBERIABANK, INVERNESS BRANCH, 1777 W. MAIN STREET, INVERNESS, FL 34450.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$25.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to 18.000% per annum based on a year of 360 days. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender the amount of these costs and expenses, which includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Florida without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Florida.

**DISHONORED ITEM FEE.** Borrower will pay a fee to Lender of \$15.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

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

**COLLATERAL.** Borrower acknowledges this Note is secured by UCC Collateral.

**ARBITRATION.** Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any collateral securing this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes,

without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing this Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing this Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

**CERTIFICATION STATEMENT.** The undersigned certifies that all statements, documents and information furnished to the Bank are correct and shall be until this Note is paid in full.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

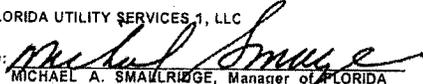
**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Florida (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral, or impair, fail to realize upon or perfect Lender's security interest in the collateral, and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

FLORIDA UTILITY SERVICES 1, LLC

By: 

MICHAEL A. SMALLRIDGE, Manager of FLORIDA  
UTILITY SERVICES 1, LLC

**Florida Documentary Stamp Tax**

Florida documentary stamp tax required by law in the amount of \$42.00 has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 78-8015378726-2.

## FL AGREEMENT TO WAIVE GARNISHMENT PROTECTION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$12,000.00	05-14-2015	05-14-2017	██████████3020	4A / 401		***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*\*" has been omitted due to text length limitations.

**Guarantor:** MICHAEL A. SMALLRIDGE  
 3336 GRAND BLVD, SUITE 102  
 HOLIDAY, FL 34690

**Lender:** IBERIABANK  
 INVERNESS BRANCH  
 1777 W. MAIN STREET  
 INVERNESS, FL 34450

**IF YOU PROVIDE MORE THAN ONE-HALF OF THE SUPPORT FOR A CHILD OR OTHER DEPENDENT, ALL OR PART OF YOUR INCOME IS EXEMPT FROM GARNISHMENT UNDER FLORIDA LAW. YOU CAN WAIVE THIS PROTECTION ONLY BY SIGNING THIS DOCUMENT. BY SIGNING BELOW, YOU AGREE TO WAIVE THE PROTECTION FROM GARNISHMENT.**

**GUARANTOR:**

x *Michael Smallridge*      5/14/15  
 MICHAEL A. SMALLRIDGE      Date

**I have fully explained this document to the consumer.**

**LENDER:**

**IBERIABANK**

By: *[Signature]*      5/14/15  
 Authorized Signer      Date

## PROMISSORY NOTE

<b>Principal</b> \$13,200.00	<b>Loan Date</b> 05-14-2015	<b>Maturity</b> 05-14-2016	<b>Loan No</b> [REDACTED] 3012	<b>Call / Coll</b> 4A / 401	<b>Account</b>	<b>Officer</b> ***	<b>Initials</b> JLW
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD. SUITE 102  
HOLIDAY, FL 34690

**Lender:** IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

**Principal Amount: \$13,200.00**

**Date of Note: May 14, 2015**

**PROMISE TO PAY.** FLORIDA UTILITY SERVICES 1, LLC ("Borrower") promises to pay to IBERIABANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Thirteen Thousand Two Hundred & 00/100 Dollars (\$13,200.00), together with interest on the unpaid principal balance from May 14, 2015, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 6.500% per annum based on a year of 360 days, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 12 payments of \$1,139.89 each payment. Borrower's first payment is due June 14, 2015, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on May 14, 2016, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any late charges; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: IBERIABANK, INVERNESS BRANCH, 1777 W. MAIN STREET, INVERNESS, FL 34450.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$25.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to 18.000% per annum based on a year of 360 days. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender the amount of these costs and expenses, which includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Florida without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Florida.

**DISHONORED ITEM FEE.** Borrower will pay a fee to Lender of \$15.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

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

**COLLATERAL.** Borrower acknowledges this Note is secured by UCC Collateral.

**ARBITRATION.** Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any collateral securing this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes,

PROMISSORY NOTE  
(Continued)

without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing this Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing this Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

**CERTIFICATION STATEMENT.** The undersigned certifies that all statements, documents and information furnished to the Bank are correct and shall be until this Note is paid in full.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Florida (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral, or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

FLORIDA UTILITY SERVICES 1, LLC

By:   
MICHAEL A. SMALLRIDGE, Manager of FLORIDA  
UTILITY SERVICES 1, LLC

Florida Documentary Stamp Tax

Florida documentary stamp tax required by law in the amount of \$46.20 has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 78-8015378726-2.

## FL AGREEMENT TO WAIVE GARNISHMENT PROTECTION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$13,200.00	05-14-2015	05-14-2016	[REDACTED] 3012	4A / 401		***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*\*" has been omitted due to text length limitations.

Guarantor: MICHAEL A. SMALLRIDGE  
 3336 GRAND BLVD. SUITE 102  
 HOLIDAY, FL 34690

Lender: IBERIABANK  
 INVERNESS BRANCH  
 1777 W. MAIN STREET  
 INVERNESS, FL 34450

IF YOU PROVIDE MORE THAN ONE-HALF OF THE SUPPORT FOR A CHILD OR OTHER DEPENDENT, ALL OR PART OF YOUR INCOME IS EXEMPT FROM GARNISHMENT UNDER FLORIDA LAW. YOU CAN WAIVE THIS PROTECTION ONLY BY SIGNING THIS DOCUMENT. BY SIGNING BELOW, YOU AGREE TO WAIVE THE PROTECTION FROM GARNISHMENT.

GUARANTOR:

X       5-14-15  
 MICHAEL A. SMALLRIDGE      Date

I have fully explained this document to the consumer.

LENDER:

IBERIABANK

By:       5/14/15  
 Authorized Signer      Date



1777 West Main Street  
Inverness, FL 34450

[www.iberiabank.com](http://www.iberiabank.com)

Michael A Smallridge, Managing Member  
Crestridge Utilities, LLC  
3336 Grand Boulevard, Suite 102  
Holiday, FL 34690

Dear Mr. Smallridge,

This letter is to inform you that loan# [REDACTED] 3012 in the amount of \$13,200 was for water meter replacement and a lawn mower purchase at Crestridge Utilities, LLC.

If you should have any further questions, please contact me at 352-344-8513.

Sincerely,

Michael P Reed  
Business Banking Relationship Mgr  
IBERIABANK  
352-344-8513

# BUSINESS LINE OF CREDIT AGREEMENT AND DISCLOSURE

Principal	Loan Date	Maturity	Loan No.	Call / Coll	Account	Officer	Initials
\$10,000.00	06-19-2015	06-19-2018	[REDACTED]	4A / 380	FBE0263	***	***

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*" has been omitted due to text length limitations.

**Borrower:** FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD., SUITE 102  
HOLIDAY, FL 34690

**Lender:** IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

COPY

**CREDIT LIMIT: \$10,000.00**

**DATE OF AGREEMENT: June 19, 2015**

**Introduction.** This Business Line of Credit Agreement and Disclosure ("Agreement") governs Borrower's line of credit (the "Credit Line" or the "Credit Line Account") issued through IBERIABANK. Borrower agrees to the following terms and conditions:

**Promise to Pay.** Borrower promises to pay IBERIABANK, or order, the total of all credit advances and FINANCE CHARGES, together with all costs and expenses for which Borrower is responsible under this Agreement. Borrower will pay Borrower's Credit Line according to the payment terms set forth below. If there is more than one Borrower, each is jointly and severally liable on this Agreement. This means Lender can require any Borrower to pay all amounts due under this Agreement, including credit advances made to any Borrower. Each Borrower authorizes any other Borrower, on his or her signature alone, to cancel the Credit Line, to request and receive credit advances, and to do all other things necessary to carry out the terms of this Agreement. Lender can release any Borrower from responsibility under this Agreement, and the others will remain responsible.

**Term.** The term of Borrower's Credit Line will begin as of the date of this Agreement ("Opening Date") and will continue until June 19, 2018 ("Maturity Date"). All indebtedness under this Agreement, if not already paid pursuant to the payment provisions below, will be due and payable upon maturity. The draw period of Borrower's Credit Line will begin on the Opening Date. Borrower may obtain credit advances during this period ("Draw Period"). Borrower agrees that Lender may renew or extend the period during which Borrower may obtain credit advances or make payments. Borrower further agrees that Lender may renew or extend Borrower's Credit Line Account.

**Minimum Payment.** Borrower's "Regular Payment" will be based on a percentage of Borrower's outstanding balance as shown below or \$250.00, whichever is greater. Borrower's payment will be rounded up to the nearest one dollar. Borrower's payments will be due monthly.

Range of Balances	Number of Payments	Regular Payment Calculation
All Balances	36	3.000% of Borrower's outstanding balance

Borrower's "Minimum Payment" will be the Regular Payment, plus any amount past due and all other charges.

A change in the ANNUAL PERCENTAGE RATE can cause the balance to be repaid more quickly or more slowly. When rates decrease, less interest is due, so more of the payment repays the principal balance. When rates increase, more interest is due, so less of the payment repays the principal balance. If this happens, Lender may adjust Borrower's payment as follows: Borrower's final payment may be increased.

In any event, if Borrower's Credit Line balance falls below \$250.00, Borrower agrees to pay Borrower's balance in full. Borrower agrees to pay not less than the Minimum Payment on or before the due date indicated on Borrower's periodic billing statement.

**How Borrower's Payments Are Applied.** Unless otherwise agreed or required by applicable law, payments and other credits will be applied first to Finance Charges; then to unpaid principal; then to late charges and other charges; then to any amounts that exceed Borrower's Credit Limit; and then to any voluntary credit life and disability insurance premiums.

**Receipt of Payments.** All payments must be made in U.S. dollars and must be received by Lender consistent with any payment instructions provided on or with Borrower's periodic billing statement.

**Credit Limit.** This Agreement covers a revolving line of credit for the principal amount of Ten Thousand & 00/100 Dollars (\$10,000.00), which will be Borrower's "Credit Limit" under this Agreement. Borrower may borrow against the Credit Line, repay any portion of the amount borrowed, and re-borrow up to the amount of the Credit Limit. Borrower's Credit Limit is the maximum amount Borrower may have outstanding at any one time. Borrower agrees not to attempt, request, or obtain a credit advance that will make Borrower's Credit Line Account balance exceed Borrower's Credit Limit. Borrower's Credit Limit will not be increased should Borrower overdraw Borrower's Credit Line Account. If Borrower exceeds Borrower's Credit Limit, Borrower agrees to repay immediately the amount by which Borrower's Credit Line Account exceeds Borrower's Credit Limit, even if Lender has not yet billed Borrower.

**Charges to Borrower's Credit Line.** Lender may charge Borrower's Credit Line to pay other fees and costs that Borrower is obligated to pay under this Agreement, the security agreement or any other document related to Borrower's Credit Line. Any amount so charged to Borrower's Credit Line will be a credit advance and will decrease the funds available, if any, under the Credit Line. However, Lender has no obligation to provide any of the credit advances referred to in this paragraph.

**Credit Advances.** Beginning on the Opening Date of this Agreement, Borrower may obtain credit advances under Borrower's Credit Line as follows:

**Credit Line Checks.** Writing a preprinted "Business Line Check" that Lender will supply to Borrower.

**Telephone Request.** Requesting a credit advance from Borrower's Credit Line to be applied to Borrower's designated account by telephone. Except for transactions covered by the federal Electronic Fund Transfers Act and unless otherwise agreed in your deposit account agreement, Borrower acknowledges and Borrower agrees that Lender does not accept responsibility for the authenticity of telephone instructions and that Lender will not be liable for any loss, expense, or cost arising out of any telephone request, including any fraudulent or unauthorized telephone request, when acting upon such instructions believed to be genuine.

**Overdrafts.** Writing a check on Borrower's designated checking account with Lender in excess of the available collected balance in the account.

**Requests in Person.** Requesting a credit advance in person at any of Lender's authorized locations.

If there is more than one person authorized to use this Credit Line Account, Borrower agrees not to give Lender conflicting instructions, such as one Borrower telling Lender not to give advances to the other.

**Limitations on the Use of Checks.** Lender reserves the right not to honor Business Line Checks in the following circumstances:

**Credit Limit Violation.** Borrower's Credit Limit has been or would be exceeded by paying the Business Line Check.

**Post-dated Checks.** Borrower's Business Line Check is post-dated. If a post-dated Business Line Check is paid and as a result any other check is returned or not paid, Lender is not responsible.

**Stolen Checks.** Borrower's Business Line Checks have been reported lost or stolen.

**Unauthorized Signatures.** Borrower's Business Line Check is not signed by an "Authorized Signer" as defined below.

**Termination or Suspension.** Borrower is in default or otherwise is in violation of this Agreement or would be so if Lender paid the Business Line Check.

**Transaction Violation.** Borrower's Business Line Check is less than the minimum amount required by this Agreement or Borrower is in violation of any other transaction requirement or would be if Lender paid the Business Line Check.

If Lender pays any Business Line Check under these conditions, Borrower must repay Lender, subject to applicable laws, for the amount of the Business Line Check. The Business Line Check itself will be evidence of Borrower's debt to Lender together with this Agreement. Lender's liability, if any, for wrongful dishonor of a check is limited to Borrower's actual damages. Dishonor for any reason as provided in this Agreement is not wrongful dishonor. Lender may choose not to return Business Line Checks along with Borrower's periodic billing statements; however, Borrower's use of each Business Line Check will be reflected on Borrower's periodic statement as a credit advance. Lender does not "certify" Business Line Checks drawn on Borrower's Credit Line.

**Transaction Requirements.** The following transaction limitations will apply to the use of Borrower's Credit Line:

**Credit Line Business Line Check, Telephone Request, Overdraft and In Person Request Limitations.** The following transaction limitations will apply to Borrower's Credit Line and the writing of Business Line Checks, requesting an advance by telephone, writing a check in excess of Borrower's checking account balance and requesting an advance in person.

**Minimum Advance Amount.** The minimum amount of any credit advance that can be made on Borrower's Credit Line is \$100.00. This means any Business Line Check must be written for at least the minimum advance amount.

**BUSINESS LINE OF CREDIT AGREEMENT AND DISCLOSURE**

Loan No: ██████████ 5556

(Continued)

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**Other Transaction Requirements.** Overdraft transfer will be funded in \$100.00 increments.

**Limitation on All Access Devices.** You may not use any access device, whether described above or added in the future, for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, we may collect on any debt arising out of any illegal or unlawful transaction.

**Authorized Signers.** The words "Authorized Signer" on Business Line Checks as used in this Agreement mean and include each person who (a) signs the application for this Credit Line, (b) signs this Agreement, or (c) has executed a separate signature authorization card for the Credit Line Account.

**Lost Business Line Checks.** If Borrower loses Borrower's Business Line Checks or if someone is using them without Borrower's permission, Borrower agrees to let Lender know immediately. The fastest way to notify Lender is by calling Lender at (800) 264-7814. Borrower also can notify Lender at LOAN OPERATIONS PO BOX 12440, NEW IBERIA, LA 70562-2440.

**Future Credit Line Services.** Borrower's application for this Credit Line also serves as a request to receive any new services (such as access devices) which may be available at some future time as one of Lender's services in connection with this Credit Line. Borrower understands that this request is voluntary and that Borrower may refuse any of these new services at the time they are offered. Borrower further understands that the terms and conditions of this Agreement, together with any specific terms covering the new service, will govern any transactions made pursuant to any of these new services.

**Collateral.** This Credit Line Account is unsecured.

**Right of Setoff.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account), including without limitation, all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on this Agreement against any and all such accounts.

**Periodic Statements.** If you have a balance owing on your Credit Line Account or have any account activity, we will send you a periodic statement, unless prohibited by applicable law. It will show, among other things, credit advances, FINANCE CHARGES, other charges, payments made, other credits, your "Previous Balance," and your "New Balance." Your statement also will identify the Minimum Payment you must make for that billing period and the date it is due.

**When FINANCE CHARGES Begin to Accrue.** Periodic FINANCE CHARGES for credit advances under Borrower's Credit Line will begin to accrue on the date credit advances are posted to Borrower's Credit Line. There is no "free ride period" which would allow Borrower to avoid a FINANCE CHARGE on Borrower's Credit Line credit advances.

**Method Used to Determine the Balance on Which the FINANCE CHARGE Will Be Computed.** A monthly FINANCE CHARGE will be imposed on all credit advances made under Borrower's Credit Line imposed from the date of each credit advance based on the "average daily balance" method. To get the average daily balance, Lender takes the beginning balance of Borrower's Credit Line Account each day, add any new advances and subtract any payments or credits and any unpaid FINANCE CHARGES. This gives Lender a daily balance. Then, Lender adds up all the daily balances for the billing cycle and divides the total by the number of days in the billing cycle. This gives Lender the "average daily balance."

**Method of Determining the Amount of FINANCE CHARGE.** Any FINANCE CHARGE is determined by applying the monthly "Periodic Rate" to the balance described herein. This is Borrower's FINANCE CHARGE calculated by applying a Periodic Rate.

Borrower also agrees to pay FINANCE CHARGES, not calculated by applying a Periodic Rate, as set forth below.

**Additional Finance Charges.** The following additional FINANCE CHARGES will be charged to Borrower's Credit Line or paid in cash:

Loan Fee :	In Cash	\$100.00
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**Periodic Rate and Corresponding ANNUAL PERCENTAGE RATE.** The Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE on Borrower's Credit Line are subject to change from time to time based on changes in an independent index which is the PRIME RATE OF INTEREST AS PUBLISHED IN THE MONEY RATE SECTION OF THE WALL STREET JOURNAL (the "Index"). The Index is not necessarily the lowest rate charged by Lender on Lender's loans. If the Index becomes unavailable during the term of this Credit Line Account, Lender may designate a substitute index after notice to Borrower. The ANNUAL PERCENTAGE RATE on Borrower's Credit Line is based upon the Index and the margin described below ("Margin").

The Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE on Borrower's Credit Line will increase or decrease as the Index increases or decreases from time to time. Lender will determine the Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE as follows: Lender starts with the current Index and then adds a certain Margin as disclosed below. To determine the Periodic Rate that will apply to Borrower's account, Lender adds a margin to the value of the Index, divide the rounded value by 360, multiply by 365, then divides the value by 12 (monthly). To obtain the ANNUAL PERCENTAGE RATE Lender multiplies the Periodic Rate by 12 (monthly). This result is the ANNUAL PERCENTAGE RATE. In no event will the Periodic Rate or corresponding ANNUAL PERCENTAGE RATE exceed the maximum rate allowed by law. Adjustments to the Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE resulting from changes in the Index will take effect Monthly. Today the index is 3.250% per annum, and therefore the initial ANNUAL PERCENTAGE RATE and the corresponding Periodic Rate on Borrower's Credit Line are as stated below:

**Current Rates for the First Payment Stream**

<u>Range of Balance or Conditions</u>	<u>Margin Added to Index</u>	<u>ANNUAL PERCENTAGE RATE</u>	<u>Monthly Periodic Rate</u>
All Balances	3.750%	7.097%	0.59142%

Notwithstanding any other provision of this Agreement, Lender will not charge interest on any undisbursed loan proceeds. Notwithstanding any other provision of this Agreement or any provision of any Related Document, Borrower does not agree or intend to pay, and Lender does not agree or intend to charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for the Business Line of Credit Agreement and Disclosure which would in any way or event (including demand, prepayment, or acceleration) cause Lender to contract for, charge or collect more for the Credit Line Account than the maximum Lender would be permitted to charge or collect by any applicable federal or Florida state law. Any such excess interest or unauthorized fee will, instead of anything stated to the contrary, be applied first to reduce the unpaid principal balance of the Credit Line Account, and when the principal has been paid in full, be refunded to Borrower.

**Conditions Under Which Other Charges May Be Imposed.** Borrower agrees to pay all the other fees and charges related to Borrower's Credit Line as set forth below:

**Annual Fee.** A nonrefundable Annual Fee of \$50.00 will be charged to Borrower's Credit Line at the following time: Annually.

**Returned Items.** You may be charged \$15.00 if you pay your Credit Line obligations with a check, draft, or other item that is dishonored for any reason, unless applicable law requires a lower charge or prohibits any charge.

**Fee to Stop Payment.** Borrower's Credit Line Account may be charged \$25.00 when Borrower requests a stop payment on Borrower's account.

**Charge for Advance Less than Minimum.** Borrower's Credit Line Account may be charged \$5.00 if Borrower requests a credit advance for less than the minimum advance amount disclosed above, whether Lender decides to honor it or whether Lender refuses to honor it, unless applicable law requires a lower charge or prohibits any charge.

**Late Charge.** In addition to Lender's rights upon default, Borrower's payment will be late if it is not received by Lender within 10 days after the "Payment Due Date" shown on Borrower's periodic statement. If Borrower's payment is late Lender may charge Borrower 5.000% of the unpaid amount of the payment or \$25.00, whichever is greater.

**Special Taxes.** Borrower agrees to pay all taxes related to Borrower's Credit Line as set forth below:

FL Documentary Stamp Tax	\$35.00
<b>Total</b>	<b>\$35.00</b>

**Right to Credit Advances.** Beginning on the Opening Date, Lender will honor Borrower's requests for credit advances up to Borrower's Credit Limit so long as: (A) Borrower is not in default under the terms of this Agreement; (B) this Agreement has not been terminated or suspended.

**Default.** Lender may declare Borrower to be in default if any one or more of the following events occur: (A) Borrower fails to pay a Minimum Payment when due; (B) Borrower dies; (C) Borrower makes any false or misleading statements on Borrower's Credit Line application; (D) Borrower violates any provision of this Agreement or any other agreement with Lender; (E) any garnishment, attachment, or execution is

**BUSINESS LINE OF CREDIT AGREEMENT AND DISCLOSURE**

Loan No: ██████████ 556

(Continued)

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issued against any material asset owned by Borrower; (F) Borrower exceeds Borrower's Credit Limit; (G) Borrower files for bankruptcy or other insolvency relief, or an involuntary petition under the provisions of the Bankruptcy Code is filed against Borrower; (H) Lender in good faith believes itself insecure.

**Lender's Rights.** If Borrower is in default, Lender may terminate or suspend Borrower's Credit Line Account without prior notice. However, Lender will notify Borrower in writing of Lender's action as soon as practicable.

**Suspension.** If Lender suspends Borrower's Credit Line, Borrower will lose the right to obtain further credit advances. However, all other terms of this Agreement will remain in effect and be binding upon Borrower, including Borrower's liability for any further unauthorized use of any Credit Line access devices.

**Termination.** If Lender terminates Borrower's Credit Line, Borrower's Credit Line will be suspended and the entire unpaid balance of Borrower's Credit Line Account will be immediately due and payable, without prior notice except as may be required by law, and Borrower agrees to pay that amount plus all FINANCE CHARGES and other amounts due under this Agreement.

**Collection Costs.** Lender may hire or pay someone else to help collect this Agreement if Borrower does not pay. Borrower will pay Lender the amount of these costs and expenses, which includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**Rate Increase.** In addition to Lender's other rights on default, Lender may increase the variable interest rate under this Agreement to 18.000 percent per annum based on a year of 360 days. The interest rate will not exceed the maximum rate permitted by applicable law. If Lender does not increase the interest rate on default, it will continue at the variable rate in effect as of the date Lender declares a default.

**Access Devices.** If Borrower's Credit Line is suspended or terminated, Borrower must immediately return to Lender all Business Line Checks and any other access devices. Any use of Business Line Checks or other access devices following suspension or termination may be considered fraudulent. Borrower will also remain liable for any further use of Business Line Checks or other Credit Line access devices not returned to Lender.

**Delay in Enforcement.** Lender may delay or waive the enforcement of any of Lender's rights under this Agreement without losing that right or any other right. If Lender delays or waives any of Lender's rights, Lender may enforce that right at any time in the future without advance notice. For example, not terminating Borrower's account for non-payment will not be a waiver of Lender's right to terminate Borrower's account in the future if Borrower has not paid.

**Termination by Borrower.** If Borrower terminates this Agreement, Borrower must notify Lender in writing at the address shown on Borrower's periodic billing statement or other designated address and return all Business Line Checks and any other access devices to Lender. Despite termination, Borrower's obligations under this Agreement will remain in full force and effect until Borrower has paid Lender all amounts due under this Agreement.

**Prepayment.** Borrower may prepay all or any amount owing under this Credit Line at any time without penalty, except Lender will be entitled to receive all accrued FINANCE CHARGES, and other charges, if any. Payments in excess of Borrower's Minimum Payment will not relieve Borrower of Borrower's obligation to continue to make Borrower's Minimum Payments. Instead, they will reduce the principal balance owed on the Credit Line. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: IBERIABANK, INVERNESS BRANCH, 1777 W. MAIN STREET, INVERNESS, FL 34450.

**Notices.** All notices will be sent to Borrower's address as shown in Borrower's Credit Line application. Notices will be mailed to Borrower at a different address if Borrower gives Lender written notice of a different address. Borrower agrees to advise Lender promptly if Borrower changes Borrower's mailing address.

**Credit Information and Related Matters.** Borrower authorizes Lender to release information about Borrower to third parties as described in Lender's privacy policy and Lender's Fair Credit Reporting Act notice, provided Borrower did not opt out of the applicable policy, or as permitted by law. Borrower agrees that, upon Lender's request, Borrower will provide Lender with a current financial statement, a new credit application, or both, on forms provided by Lender. Borrower also agrees Lender may obtain credit reports on Borrower at any time, at Lender's sole option and expense, for any reason, including but not limited to determining whether there has been an adverse change in Borrower's financial condition. Based upon a material adverse change in Borrower's financial condition (such as termination of employment or loss of income), Lender may suspend Borrower's Credit Line.

**Transfer or Assignment.** Without prior notice or approval from Borrower, Lender reserves the right to sell or transfer Borrower's Credit Line Account and Lender's rights and obligations under this Agreement to another lender, entity, or person. Borrower's rights under this Agreement belong to Borrower only and may not be transferred or assigned. Borrower's obligations, however, are binding on Borrower's heirs and legal representatives. Upon any such sale or transfer, Lender will have no further obligation to provide Borrower with credit advances or to perform any other obligation under this Agreement.

**Jury Waiver.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

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

**Choice of Venue.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of PASCO County, State of Florida.

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

**Interpretation.** Borrower agrees that this Agreement is the most reliable evidence of Borrower's agreements with Lender. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable. If Lender goes to court for any reason, Lender can use a copy, filmed or electronic, of any periodic statement, this Agreement, or any other document to prove what Borrower owes Lender or that a transaction has taken place. The copy, microfilm, microfiche, or optical image will have the same validity as the original. Borrower agrees that, except to the extent Borrower can show there is a billing error, Borrower's most current periodic statement is the most reliable evidence of Borrower's obligation to pay.

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

**Arbitration.** Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Agreement or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any Collateral shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Collateral, including any claim to rescind, reform, or otherwise modify any agreement relating to the Collateral, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Agreement shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

**Acknowledgment and Amendments.** Borrower understands and agrees to the terms and conditions in this Agreement. Borrower acknowledges that, subject to applicable laws, Lender has the right to change the terms and conditions of the Credit Line program, including without limitation, the Margin. Borrower also understands and agrees that Borrower may be subject to other agreements with Lender regarding transfer

**BUSINESS LINE OF CREDIT AGREEMENT AND DISCLOSURE**

Loan No: ██████████ 5556

(Continued)

Page 4

instruments or access devices which may access Borrower's Credit Line. Any person signing below may request a modification to this Agreement, and, if granted, the modification will be binding upon all signers. By signing this Agreement, Borrower acknowledges that Borrower has read this Agreement. Borrower also acknowledges receipt of a completed copy of this Agreement.

BORROWER:

FLORIDA UTILITY SERVICES 1, LLC

By: 

MICHAEL A. SMALLRIDGE, Manager of FLORIDA  
UTILITY SERVICES 1, LLC

ACCEPTED: IBERIABANK

By: \_\_\_\_\_

Authorized Signer

**Florida Documentary Stamp Tax**

Florida documentary stamp tax required by law in the amount of \$35.00 has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 78-8015378726-2.

## COMMERCIAL GUARANTY

Principal	Loan Date	Maturity	Loan No.	Call / Call 4A / 300	Account	Officer	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD., SUITE 102  
HOLIDAY, FL 34690

**Lender:** IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

**Guarantor:** MICHAEL A. SMALLRIDGE  
9539 E. SOUTHGATE DRIVE  
INVERNESS, FL 34450

**CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE.** For good and valuable consideration, Guarantor absolutely and unconditionally guarantees full and punctual payment and satisfaction of the Indebtedness of Borrower to Lender, and the performance and discharge of all Borrower's obligations under the Credit Agreement and the Related Documents. This is a guaranty of payment and performance and not of collection, so Lender can enforce this Guaranty against Guarantor even when Lender has not exhausted Lender's remedies against anyone else obligated to pay the Indebtedness or against any collateral securing the Indebtedness, this Guaranty or any other guaranty of the Indebtedness. Guarantor will make any payments to Lender or its order, on demand, in legal tender of the United States of America, in same-day funds, without set-off or deduction or counterclaim, and will otherwise perform Borrower's obligations under the Credit Agreement and Related Documents. Under this Guaranty, Guarantor's liability is unlimited and Guarantor's obligations are continuing.

**INDEBTEDNESS.** The word "Indebtedness" as used in this Guaranty means all of the principal amount outstanding from time to time and at any one or more times, accrued unpaid interest thereon and all collection costs and legal expenses related thereto permitted by law, reasonable attorneys' fees, arising from any and all debts, liabilities and obligations of every nature or form, now existing or hereafter arising or acquired, that Borrower individually or collectively or interchangeably with others, owes or will owe Lender. "Indebtedness" includes, without limitation, loans, advances, debts, overdraft indebtedness, credit card indebtedness, lease obligations, liabilities and obligations under any interest rate protection agreements or foreign currency exchange agreements or commodity price protection agreements, other obligations, and liabilities of Borrower, and any present or future judgments against Borrower, future advances, loans or transactions that renew, extend, modify, refinance, consolidate or substitute these debts, liabilities and obligations whether: voluntarily or involuntarily incurred; due or to become due by their terms or acceleration; absolute or contingent; liquidated or unliquidated; determined or undetermined; direct or indirect; primary or secondary in nature or arising from a guaranty or surety; secured or unsecured; joint or several or joint and several; evidenced by a negotiable or non-negotiable instrument or writing; originated by Lender or another or others; barred or unenforceable against Borrower for any reason whatsoever; for any transactions that may be voidable for any reason (such as infancy, insanity, ultra vires or otherwise); and originated then reduced or extinguished and then afterwards increased or reinstated.

If Lender presently holds one or more guaranties, or hereafter receives additional guaranties from Guarantor, Lender's rights under all guaranties shall be cumulative. This Guaranty shall not (unless specifically provided below to the contrary) affect or invalidate any such other guaranties. Guarantor's liability will be Guarantor's aggregate liability under the terms of this Guaranty and any such other unterminted guaranties.

**CONTINUING GUARANTY.** THIS IS A "CONTINUING GUARANTY" UNDER WHICH GUARANTOR AGREES TO GUARANTEE THE FULL AND PUNCTUAL PAYMENT, PERFORMANCE AND SATISFACTION OF THE INDEBTEDNESS OF BORROWER TO LENDER, NOW EXISTING OR HEREAFTER ARISING OR ACQUIRED, ON AN OPEN AND CONTINUING BASIS. ACCORDINGLY, ANY PAYMENTS MADE ON THE INDEBTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY REMAINING AND SUCCEEDING INDEBTEDNESS EVEN WHEN ALL OR PART OF THE OUTSTANDING INDEBTEDNESS MAY BE A ZERO BALANCE FROM TIME TO TIME.

**DURATION OF GUARANTY.** This Guaranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guarantor or to Borrower, and will continue in full force until all the Indebtedness incurred or contracted before receipt by Lender of any notice of revocation shall have been fully and finally paid and satisfied and all of Guarantor's other obligations under this Guaranty shall have been performed in full. If Guarantor elects to revoke this Guaranty, Guarantor may only do so in writing. Guarantor's written notice of revocation must be mailed to Lender, by certified mail, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Guaranty will apply only to new Indebtedness created after actual receipt by Lender of Guarantor's written revocation. For this purpose and without limitation, the term "new Indebtedness" does not include the Indebtedness which at the time of notice of revocation is contingent, unliquidated, undetermined or not due and which later becomes absolute, liquidated, determined or due. For this purpose and without limitation, "new Indebtedness" does not include all or part of the Indebtedness that is: incurred by Borrower prior to revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of the Indebtedness. This Guaranty shall bind Guarantor's estate as to the Indebtedness created both before and after Guarantor's death or incapacity, regardless of Lender's actual notice of Guarantor's death. Subject to the foregoing, Guarantor's executor or administrator or other legal representative may terminate this Guaranty in the same manner in which Guarantor might have terminated it and with the same effect. Release of any other guarantor or termination of any other guaranty of the Indebtedness shall not affect the liability of Guarantor under this Guaranty. A revocation Lender receives from any one or more Guarantors shall not affect the liability of any remaining Guarantors under this Guaranty. It is anticipated that fluctuations may occur in the aggregate amount of the Indebtedness covered by this Guaranty, and Guarantor specifically acknowledges and agrees that reductions in the amount of the Indebtedness, even to zero dollars (\$0.00), shall not constitute a termination of this Guaranty. This Guaranty is binding upon Guarantor and Guarantor's heirs, successors and assigns so long as any of the Indebtedness remains unpaid and even though the Indebtedness may from time to time be zero dollars (\$0.00).

**GUARANTOR'S AUTHORIZATION TO LENDER.** Guarantor authorizes Lender, either before or after any revocation hereof, without notice or demand and without lessening Guarantor's liability under this Guaranty, from time to time: (A) prior to revocation as set forth above, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend additional credit to Borrower; (B) to alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of the Indebtedness or any part of the Indebtedness, including increases and decreases of the rate of interest on the Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the Indebtedness, and exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any such security, with or without the substitution of new collateral; (D) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credits shall be made on the Indebtedness; (F) to apply such security and direct the order or manner of sale thereof, including without limitation, any nonjudicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the Indebtedness; and (H) to assign or transfer this Guaranty in whole or in part.

**GUARANTOR'S REPRESENTATIONS AND WARRANTIES.** Guarantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guarantor which would limit or qualify in any way the terms of this Guaranty; (B) this Guaranty is executed at Borrower's request and not at the request of Lender; (C) Guarantor has full power, right and authority to enter into this Guaranty; (D) the provisions of this Guaranty do not conflict with or result in a default under any agreement or other instrument binding upon Guarantor and do not result in a violation of any law, regulation, court decree or order applicable to Guarantor; (E) Guarantor has not and will not, without the prior written consent of Lender, sell, lease, assign, encumber, hypothecate, transfer, or otherwise dispose of all or substantially all of Guarantor's assets, or any interest therein; (F) upon Lender's request, Guarantor will provide to Lender financial and credit information in form acceptable to Lender, and all such financial information which currently has been, and all future financial information which will be provided to Lender is and will be true and correct in all material respects and fairly present Guarantor's financial condition as of the dates the financial information is provided; (G) no material adverse change has occurred in Guarantor's financial condition since the date of the most recent financial statements provided to Lender and no event has occurred which may materially adversely affect Guarantor's financial condition; (H) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Guarantor is pending or threatened; (I) Lender has made no representation to Guarantor as to the creditworthiness of Borrower; and (J) Guarantor has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Guarantor agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Guarantor's risks under this Guaranty, and Guarantor further agrees that, absent a request for information, Lender shall have no obligation to disclose to Guarantor any information or documents acquired by Lender in the course of its relationship with Borrower.

**GUARANTOR'S WAIVERS.** Except as prohibited by applicable law, Guarantor waives any right to require Lender (A) to continue lending money or to extend other credit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of the Indebtedness or of any nonpayment related to any collateral, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Indebtedness or in connection with the creation of new or additional loans or obligations; (C) to resort for payment or to proceed directly or at once against any person, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to pursue

any other remedy within Lender's power; or (F) to commit any act or omission of any kind, or at any time, with respect to any matter whatsoever.

Guarantor also waives any and all rights or defenses based on suretyship or impairment of collateral including, but not limited to, any rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action, including a claim for deficiency, against Guarantor, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (B) any election of remedies by Lender which destroys or otherwise adversely affects Guarantor's subrogation rights or Guarantor's rights to proceed against Borrower for reimbursement, including without limitation, any loss of rights Guarantor may suffer by reason of any law limiting, qualifying, or discharging the Indebtedness; (C) any disability or other defense of Borrower, of any other guarantor, or of any other person, or by reason of the cessation of Borrower's liability from any cause whatsoever, other than payment in full in legal tender, of the Indebtedness; (D) any right to claim discharge of the Indebtedness on the basis of unjustified impairment of any collateral for the Indebtedness; (E) any statute of limitations, if at any time any action or suit brought by Lender against Guarantor is commenced, there is outstanding Indebtedness which is not barred by any applicable statute of limitations; or (F) any defenses given to guarantors at law or in equity other than actual payment and performance of the Indebtedness. If payment is made by Borrower, whether voluntarily or otherwise, or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment to Borrower's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, the Indebtedness shall be considered unpaid for the purpose of the enforcement of this Guaranty.

Guarantor further waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guaranty for any claim of setoff, counterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guarantor, or both.

**GUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS.** Guarantor warrants and agrees that each of the waivers set forth above is made with Guarantor's full knowledge of its significance and consequences and that, under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any such waiver is determined to be contrary to any applicable law or public policy, such waiver shall be effective only to the extent permitted by law or public policy.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Guarantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Guarantor holds jointly with someone else and all accounts Guarantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Guarantor authorizes Lender, to the extent permitted by applicable law, to hold these funds if there is a default, and Lender may apply the funds in these accounts to pay what Guarantor owes under the terms of this Guaranty.

**SUBORDINATION OF BORROWER'S DEBTS TO GUARANTOR.** Guarantor agrees that the Indebtedness, whether now existing or hereafter created, shall be superior to any claim that Guarantor may now have or hereafter acquire against Borrower, whether or not Borrower becomes insolvent. Guarantor hereby expressly subordinates any claim Guarantor may have against Borrower, upon any account whatsoever, to any claim that Lender may now or hereafter have against Borrower. In the event of insolvency and consequent liquidation of the assets of Borrower, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Borrower applicable to the payment of the claims of both Lender and Guarantor shall be paid to Lender and shall be first applied by Lender to the Indebtedness. Guarantor does hereby assign to Lender all claims which it may have or acquire against Borrower or against any assignee or trustee in bankruptcy of Borrower; provided however, that such assignment shall be effective only for the purpose of assuring to Lender full payment in legal tender of the Indebtedness. If Lender so requests, any notes or credit agreements now or hereafter evidencing any debts or obligations of Borrower to Guarantor shall be marked with a legend that the same are subject to this Guaranty and shall be delivered to Lender. Guarantor agrees, and Lender is hereby authorized, in the name of Guarantor, from time to time to file financing statements and continuation statements and to execute documents and to take such other actions as Lender deems necessary or appropriate to perfect, preserve and enforce its rights under this Guaranty.

**GARNISHMENT.** Guarantor consents to the issuance of a continuing writ of garnishment or attachment against Guarantor's disposable earnings, in accordance with Section 222.11, Florida Statutes, in order to satisfy, in whole or in part, any money judgment entered in favor of Lender.

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

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

**Attorneys' Fees; Expenses.** Guarantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Guaranty. Lender may hire or pay someone else to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Guarantor also shall pay all court costs and such additional fees as may be directed by the court.

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

**Governing Law.** This Guaranty will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Florida without regard to its conflicts of law provisions.

**Choice of Venue.** If there is a lawsuit, Guarantor agrees upon Lender's request to submit to the jurisdiction of the courts of PASCO County, State of Florida.

**Integration.** Guarantor further agrees that Guarantor has read and fully understands the terms of this Guaranty; Guarantor has had the opportunity to be advised by Guarantor's attorney with respect to this Guaranty; the Guaranty fully reflects Guarantor's intentions and parol evidence is not required to interpret the terms of this Guaranty. Guarantor hereby indemnifies and holds Lender harmless from all losses, claims, damages, and costs (including Lender's attorneys' fees) suffered or incurred by Lender as a result of any breach by Guarantor of the warranties, representations and agreements of this paragraph.

**Interpretation.** In all cases where there is more than one Borrower or Guarantor, then all words used in this Guaranty in the singular shall be deemed to have been used in the plural where the context and construction so require; and where there is more than one Borrower named in this Guaranty or when this Guaranty is executed by more than one Guarantor, the words "Borrower" and "Guarantor" respectively shall mean all and any one or more of them. The words "Guarantor," "Borrower," and "Lender" include the heirs, successors, assigns, and transferees of each of them. If a court finds that any provision of this Guaranty is not valid or should not be enforced, that fact by itself will not mean that the rest of this Guaranty will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Guaranty even if a provision of this Guaranty may be found to be invalid or unenforceable. If any one or more of Borrower or Guarantor are corporations, partnerships, limited liability companies, or similar entities, it is not necessary for Lender to inquire into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Guaranty.

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

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guarantor, shall constitute a waiver of any of Lender's rights or of any of Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Successors and Assigns.** Subject to any limitations stated in this Guaranty on transfer of Guarantor's interest, this Guaranty shall be binding upon and inure to the benefit of the parties, their successors and assigns.

**Waive Jury.** Lender and Guarantor hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Guarantor against the other.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Guaranty. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Guaranty shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Borrower.** The word "Borrower" means FLORIDA UTILITY SERVICES 1, LLC and includes all co-signers and co-makers signing the Credit Agreement and all their successors and assigns.

**Credit Agreement.** The words "Credit Agreement" mean and includes without limitation all of Borrower's promissory notes and/or credit agreements evidencing Borrower's loan obligations in favor of Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for promissory notes or credit agreements.

**Guarantor.** The word "Guarantor" means everyone signing this Guaranty, including without limitation MICHAEL A. SMALLRIDGE, and in each case, any signer's successors and assigns.

**Guaranty.** The word "Guaranty" means this guaranty from Guarantor to Lender.

**Indebtedness.** The word "Indebtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

**Lender.** The word "Lender" means IBERIABANK, its successors and assigns.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS DATED JUNE 19, 2015.**

GUARANTOR:

x   
MICHAEL A. SMALLRIDGE

INDIVIDUAL ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 ) SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
by MICHAEL A. SMALLRIDGE, who is personally known to me or who has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
(Signature of Person Taking Acknowledgment)

\_\_\_\_\_  
(Name of Acknowledger Typed, Printed or Stamped)

\_\_\_\_\_  
(Title or Rank)

\_\_\_\_\_  
(Serial Number, if any)



## PROMISSORY NOTE

<b>Principal</b> \$8,700.00	<b>Loan Date</b> 05-14-2015	<b>Maturity</b> 05-14-2016	<b>Loan No</b> [REDACTED] 3004	<b>Call / Coll</b> 4A / 401	<b>Account</b>	<b>Officer</b> ***	<b>Initials</b> <i>[Signature]</i>
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "***" has been omitted due to text length limitations.							

**Borrower:** FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD. SUITE 102  
HOLIDAY, FL 34680

**Lender:** IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

**Principal Amount: \$8,700.00**

**Date of Note: May 14, 2015**

**PROMISE TO PAY.** FLORIDA UTILITY SERVICES 1, LLC ("Borrower") promises to pay to IBERIABANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Eight Thousand Seven Hundred & 00/100 Dollars (\$8,700.00), together with interest on the unpaid principal balance from May 14, 2015, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 6.500% per annum based on a year of 360 days, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 12 payments of \$751.29 each payment. Borrower's first payment is due June 14, 2015, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on May 14, 2016, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any late charges; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: IBERIABANK, INVERNESS BRANCH, 1777 W. MAIN STREET, INVERNESS, FL 34450.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$25.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to 18.000% per annum based on a year of 360 days. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender the amount of these costs and expenses, which includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Florida without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Florida.

**DISHONORED ITEM FEE.** Borrower will pay a fee to Lender of \$15.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

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

**COLLATERAL.** Borrower acknowledges this Note is secured by UCC Collateral.

**ARBITRATION.** Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any collateral securing this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes,

PROMISSORY NOTE  
(Continued)

Loan No: ██████████ 3004

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without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing this Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing this Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for those purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

**CERTIFICATION STATEMENT.** The undersigned certifies that all statements, documents and information furnished to the Bank are correct and shall be until this Note is paid in full.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Florida (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

FLORIDA UTILITY SERVICES 1, LLC

By:   
MICHAEL A. SMAELDRIDGE, Manager of FLORIDA  
UTILITY SERVICES 1, LLC

Florida Documentary Stamp Tax

Florida documentary stamp tax required by law in the amount of \$30.45 has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 78-8015378726-2.

## FL AGREEMENT TO WAIVE GARNISHMENT PROTECTION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$8,700.00	05-14-2015	05-14-2016	██████████ 3004	4A / 401		***	M

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.  
Any item above containing "\*\*\*\*\*" has been omitted due to text length limitations.

Guarantor: MICHAEL A. SMALLRIDGE  
3336 GRAND BLVD. SUITE 102  
HOLIDAY, FL 34690

Lender: IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

IF YOU PROVIDE MORE THAN ONE-HALF OF THE SUPPORT FOR A CHILD OR OTHER DEPENDENT, ALL OR PART OF YOUR INCOME IS EXEMPT FROM GARNISHMENT UNDER FLORIDA LAW. YOU CAN WAIVE THIS PROTECTION ONLY BY SIGNING THIS DOCUMENT. BY SIGNING BELOW, YOU AGREE TO WAIVE THE PROTECTION FROM GARNISHMENT.

GUARANTOR:

x       5/14/15  
MICHAEL A. SMALLRIDGE      Date

I have fully explained this document to the consumer.

LENDER:

IBERIABANK

By:       5/14/15  
Authorized Signer      Date

## COMMERCIAL SECURITY AGREEMENT

Principal \$8,700.00	Loan Date 05-14-2015	Maturity 05-14-2016	Loan No [REDACTED] 3004	Call / Coll 4A / 401	Account	Officer ***	Initials [Signature]
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Grantor:** FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD, SUITE 102  
HOLIDAY, FL 34690

**Lender:** IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

THIS COMMERCIAL SECURITY AGREEMENT dated May 14, 2015, is made and executed between FLORIDA UTILITY SERVICES 1, LLC ("Grantor") and IBERIABANK ("Lender").

**GRANT OF SECURITY INTEREST.** For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

**COLLATERAL DESCRIPTION.** The word "Collateral" as used in this Agreement means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located, in which Grantor is giving to Lender a security interest for the payment of the indebtedness and performance of all other obligations under the Note and this Agreement:

**All Accounts and General Intangibles**

In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

- (A) All accessions, attachments, accessories, replacements of and additions to any of the collateral described herein, whether added now or later.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section.
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.
- (E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

**CROSS-COLLATERALIZATION.** In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

**FUTURE ADVANCES.** In addition to the Note, this Agreement secures all future advances made by Lender to Grantor regardless of whether the advances are made a) pursuant to a commitment or b) for the same purposes.

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

**GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL.** With respect to the Collateral, Grantor represents and promises to Lender that:

**Perfection of Security Interest.** Grantor agrees to take whatever actions are requested by Lender to perfect and continue Lender's security interest in the Collateral. Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's interest upon any and all chattel paper and instruments if not delivered to Lender for possession by Lender. This is a continuing Security Agreement and will continue in effect even though all or any part of the indebtedness is paid in full and even though for a period of time Grantor may not be indebted to Lender.

**Notices to Lender.** Grantor will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (1) change in Grantor's name; (2) change in Grantor's assumed business name(s); (3) change in the management or in the members or managers of the limited liability company Grantor; (4) change in the authorized signer(s); (5) change in Grantor's principal office address; (6) change in Grantor's state of organization; (7) conversion of Grantor to a new or different type of business entity; or (8) change in any other aspect of Grantor that directly or indirectly relates to any agreements between Grantor and Lender. No change in Grantor's name or state of organization will take effect until after Lender has received notice.

**No Violation.** The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party, and its membership agreement does not prohibit any term or condition of this Agreement.

**Enforceability of Collateral.** To the extent the Collateral consists of accounts, chattel paper, or general intangibles, as defined by the Uniform Commercial Code, the Collateral is enforceable in accordance with its terms, is genuine, and fully complies with all applicable laws and regulations concerning form, content and manner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. At the time any account becomes subject to a security interest in favor of Lender, the account shall be a good and valid account representing an undisputed, bona fide indebtedness incurred by the account debtor, for merchandise held subject to delivery instructions or previously shipped or delivered pursuant to a contract of sale, or for services previously performed by Grantor with or for the account debtor. So long as this Agreement remains in effect, Grantor shall not, without Lender's prior written consent, compromise, settle, adjust, or extend payment under or with regard to any such Accounts. There shall be no setoffs or counterclaims against any of the Collateral, and no agreement shall have been made under which any deductions or discounts may be claimed concerning the Collateral except those disclosed to Lender in writing.

**Location of the Collateral.** Except in the ordinary course of Grantor's business, Grantor agrees to keep the Collateral (or to the extent the Collateral consists of intangible property such as accounts or general intangibles, the records concerning the Collateral) at Grantor's address shown above or at such other locations as are acceptable to Lender. Upon Lender's request, Grantor will deliver to Lender in form satisfactory to Lender a schedule of real properties and Collateral locations relating to Grantor's operations, including without limitation the following: (1) all real property Grantor owns or is purchasing; (2) all real property Grantor is renting or leasing; (3) all storage facilities Grantor owns, rents, leases, or uses; and (4) all other properties where Collateral is or may be located.

**Removal of the Collateral.** Except in the ordinary course of Grantor's business, Grantor shall not remove the Collateral from its existing location without Lender's prior written consent. Grantor shall, whenever requested, advise Lender of the exact location of the Collateral.

**Transactions Involving Collateral.** Except for inventory sold or accounts collected in the ordinary course of Grantor's business, or as otherwise provided for in this Agreement, Grantor shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Grantor shall not pledge, mortgage, encumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement, without the prior written consent of Lender. This includes security interests even if junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Grantor shall immediately deliver any such proceeds to Lender.

**Title.** Grantor represents and warrants to Lender that Grantor holds good and marketable title to the Collateral, free and clear of all liens and encumbrances except for the lien of this Agreement. No financing statement covering any of the Collateral is on file in any public

COMMERCIAL SECURITY AGREEMENT  
(Continued)

Loan No: 3004

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office other than those which reflect the security interest created by this Agreement or to which Lender has specifically consented. Grantor shall defend Lender's rights in the Collateral against the claims and demands of all other persons.

**Repairs and Maintenance.** Grantor agrees to keep and maintain, and to cause others to keep and maintain, the Collateral in good order, repair and condition at all times while this Agreement remains in effect. Grantor further agrees to pay when due all claims for work done on, or services rendered or material furnished in connection with the Collateral so that no lien or encumbrance may ever attach to or be filed against the Collateral.

**Inspection of Collateral.** Lender and Lender's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Collateral wherever located.

**Taxes, Assessments and Liens.** Grantor will pay when due all taxes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon any promissory note or notes evidencing the Indebtedness, or upon any of the other Related Documents. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's sole opinion. If the Collateral is subjected to a lien which is not discharged within fifteen (15) days, Grantor shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, reasonable attorneys' fees or other charges that could accrue as a result of foreclosure or sale of the Collateral. In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings. Grantor further agrees to furnish Lender with evidence that such taxes, assessments, and governmental and other charges have been paid in full and in a timely manner. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized.

**Compliance with Governmental Requirements.** Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Collateral, including all laws or regulations relating to the undue erosion of highly-erodible land or relating to the conversion of wetlands for the production of an agricultural product or commodity. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lender's interest in the Collateral, in Lender's opinion, is not jeopardized.

**Hazardous Substances.** Grantor represents and warrants that the Collateral never has been, and never will be so long as this Agreement remains a lien on the Collateral, used in violation of any Environmental Laws or for the generation, manufacture, storage, transportation, treatment, disposal, release or threatened release of any Hazardous Substance. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Collateral for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any Environmental Laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify and defend shall survive the payment of the Indebtedness and the satisfaction of this Agreement.

**Maintenance of Casualty Insurance.** Grantor shall procure and maintain all risks insurance, including without limitation fire, theft and liability coverage together with such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days' prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such a notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest, Grantor will provide Lender with such loss payable or other endorsements as Lender may require. If Grantor at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if Lender so chooses "single interest insurance," which will cover only Lender's interest in the Collateral.

**Application of Insurance Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Collateral, whether or not such casualty or loss is covered by insurance. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Collateral, including accrued proceeds thereon, shall be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the Indebtedness, and shall pay the balance to Grantor. Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Collateral shall be used to prepay the Indebtedness.

**Insurance Reserves.** Lender may require Grantor to maintain with Lender reserves for payment of insurance premiums, which reserves shall be created by monthly payments from Grantor of a sum estimated by Lender to be sufficient to produce, at least fifteen (15) days before the premium due date, amounts at least equal to the insurance premiums to be paid. If fifteen (15) days before payment is due, the reserve funds are insufficient, Grantor shall upon demand pay any deficiency to Lender. The reserve funds shall be held by Lender as a general deposit and shall constitute a non-interest-bearing account which Lender may satisfy by payment of the insurance premiums required to be paid by Grantor as they become due. Lender does not hold the reserve funds in trust for Grantor, and Lender is not the agent of Grantor for payment of the insurance premiums required to be paid by Grantor. The responsibility for the payment of premiums shall remain Grantor's sole responsibility.

**Insurance Reports.** Grantor, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured; (5) the then current value on the basis of which insurance has been obtained and the manner of determining that value; and (6) the expiration date of the policy. In addition, Grantor shall upon request by Lender (however not more often than annually) have an independent appraiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of the Collateral.

**Financing Statements.** Grantor authorizes Lender to file a UCC financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. Grantor will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Grantor irrevocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement.

**GRANTOR'S RIGHT TO POSSESSION AND TO COLLECT ACCOUNTS.** Until default and except as otherwise provided below with respect to accounts, Grantor may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. Until otherwise notified by Lender, Grantor may collect any of the Collateral consisting of accounts. At any time and even though no Event of Default exists, Lender may exercise its rights to collect the accounts and to notify account debtors to make payments directly to Lender for application to the Indebtedness. If Lender at any time has possession of any Collateral, whether before or after an Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Grantor shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Grantor shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure the Indebtedness.

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

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

COMMERCIAL SECURITY AGREEMENT  
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**Payment Default.** Grantor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

**Default in Favor of Third Parties.** Any guarantor or Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of any guarantor's or Grantor's property or ability to perform their respective obligations under this Agreement or any of the Related Documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Insolvency.** The dissolution of Grantor (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or Guarantor dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Florida Uniform Commercial Code. In addition and without limitation, Lender may exercise any one or more of the following rights and remedies:

**Accelerate Indebtedness.** Lender may declare the entire Indebtedness, including any prepayment penalty which Grantor would be required to pay, immediately due and payable, without notice of any kind to Grantor.

**Assemble Collateral.** Lender may require Grantor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Grantor to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral. If the Collateral contains other goods not covered by this Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

**Sell the Collateral.** Lender shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in Lender's own name or that of Grantor. Lender may sell the Collateral at public auction or private sale. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor, and other persons as required by law, reasonable notice of the time and place of any public sale, or the time after which any private sale or any other disposition of the Collateral is to be made. However, no notice need be provided to any person who, after Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sale. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Collateral, shall become a part of the Indebtedness secured by this Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

**Appoint Receiver.** In the event of a suit being instituted to foreclose this Agreement, Lender shall be entitled to apply at any time pending such foreclosure suit to the court having jurisdiction thereof for the appointment of a receiver of any or all of the Collateral, and of all rents, incomes, profits, issues and revenues thereof, from whatsoever source. The parties agree that the court shall forthwith appoint such receiver with the usual powers and duties of receivers in like cases. Such appointment shall be made by the court as a matter of strict right to Lender and without notice to Grantor, and without reference to the adequacy or inadequacy of the value of the Collateral, or to Grantor's solvency or any other party defendant to such suit. Grantor hereby specifically waives the right to object to the appointment of a receiver and agrees that such appointment shall be made as an admitted equity and as a matter of absolute right to Lender, and consents to the appointment of any officer or employee of Lender as receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Collateral, with the power to protect and preserve the Collateral, to operate the Collateral preceding foreclosure or sale, and to collect the rents from the Collateral and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Collateral exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Collect Revenues, Apply Accounts.** Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. Lender may at any time in Lender's discretion transfer any Collateral into Lender's own name or that of Lender's nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Indebtedness or apply it to payment of the Indebtedness in such order of preference as Lender may determine. Insofar as the Collateral consists of accounts, general intangibles, insurance policies, instruments, chattel paper, choses in action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Collateral as Lender may determine, whether or not Indebtedness or Collateral is then due. For these purposes, Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment, shipment, or storage of any Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Collateral to make payments directly to Lender.

**Obtain Deficiency.** If Lender chooses to sell any or all of the Collateral, Lender may obtain a judgment against Grantor for any deficiency remaining on the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Grantor shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel paper.

**Other Rights and Remedies.** Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be amended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.

**Election of Remedies.** Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Related Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

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

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

**Attorneys' Fees; Expenses.** Grantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Grantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall pay all court costs and such additional fees as may be directed by the

COMMERCIAL SECURITY AGREEMENT  
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court.

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

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

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

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

**Power of Attorney.** Grantor hereby appoints Lender as Grantor's irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect, amend, or to continue the security interest granted in this Agreement or to demand termination of filings of other secured parties. Lender may at any time, and without further authorization from Grantor, file a carbon, photographic or other reproduction of any financing statement or of this Agreement for use as a financing statement. Grantor will reimburse Lender for all expenses for the perfection and the continuation of Lender's security interest in the Collateral.

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

**Successors and Assigns.** Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the indebtedness.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

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

**Waive Jury.** All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

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

**Borrower.** The word "Borrower" means FLORIDA UTILITY SERVICES 1, LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Collateral.** The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

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

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

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

**Grantor.** The word "Grantor" means FLORIDA UTILITY SERVICES 1, LLC.

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

**Guaranty.** The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

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

**Indebtedness.** The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents. Specifically, without limitation, Indebtedness includes the future advances set forth in the Future Advances provision, together with all interest thereon and all amounts that may be indirectly secured by the Cross-Collateralization provision of this Agreement.

**Lender.** The word "Lender" means IBERIABANK, its successors and assigns.

**Note.** The word "Note" means the Note dated May 14, 2015 and executed by FLORIDA UTILITY SERVICES 1, LLC in the principal amount of \$8,700.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

**Property.** The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Collateral Description" section of this Agreement.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

GRANTOR HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS COMMERCIAL SECURITY AGREEMENT AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED MAY 14, 2015.

COMMERCIAL SECURITY AGREEMENT  
(Continued)

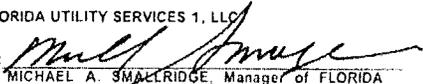
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GRANTOR:

FLORIDA UTILITY SERVICES 1, LLC

By:

  
MICHAEL A. SMALLRIDGE, Manager of FLORIDA  
UTILITY SERVICES 1, LLC

## COMMERCIAL GUARANTY

Principal	Loan Date	Maturity	Loan No	Call / Coll 4A / 401	Account	Officer ***	Initials ***
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD, SUITE 102  
HOLIDAY, FL 34690

**Lender:** IBERIABANK  
INVERNESS BRANCH  
1777 W. MAIN STREET  
INVERNESS, FL 34450

**Guarantor:** MICHAEL A. SMALLRIDGE  
3336 GRAND BLVD, SUITE 102  
HOLIDAY, FL 34690

**CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE.** For good and valuable consideration, Guarantor absolutely and unconditionally guarantees full and punctual payment and satisfaction of the indebtedness of Borrower to Lender, and the performance and discharge of all Borrower's obligations under the Note and the Related Documents. This is a guaranty of payment and performance and not of collection, so Lender can enforce this Guaranty against Guarantor even when Lender has not exhausted Lender's remedies against anyone else obligated to pay the indebtedness or against any collateral securing the indebtedness, this Guaranty or any other guaranty of the indebtedness. Guarantor will make any payments to Lender or its order, on demand, in legal tender of the United States of America, in same-day funds, without set-off or deduction or counterclaim, and will otherwise perform Borrower's obligations under the Note and Related Documents. Under this Guaranty, Guarantor's liability is unlimited and Guarantor's obligations are continuing.

**INDEBTEDNESS.** The word "indebtedness" as used in this Guaranty means all of the principal amount outstanding from time to time and at any one or more times, accrued unpaid interest thereon and all collection costs and legal expenses related thereto permitted by law, reasonable attorneys' fees, arising from any and all debts, liabilities and obligations of every nature or form, now existing or hereafter arising or acquired, that Borrower individually or collectively or interchangeably with others, owes or will owe Lender. "Indebtedness" includes, without limitation, loans, advances, debts, overdraft indebtedness, credit card indebtedness, lease obligations, liabilities and obligations under any interest rate protection agreements or foreign currency exchange agreements or commodity price protection agreements, other obligations, and liabilities of Borrower, and any present or future judgments against Borrower, future advances, loans or transactions that renew, extend, modify, refinance, consolidate or substitute these debts, liabilities and obligations whether voluntarily or involuntarily incurred; due or to become due by their terms or acceleration; absolute or contingent; liquidated or unliquidated; determined or undetermined; direct or indirect; primary or secondary in nature or arising from a guaranty or surety; secured or unsecured; joint or several or joint and several; evidenced by a negotiable or non-negotiable instrument or writing; originated by Lender or another or others; barred or unenforceable against Borrower for any reason whatsoever; for any transactions that may be voidable for any reason (such as infancy, insanity, ultra vires or otherwise); and originated then reduced or extinguished and then afterwards increased or reinstated.

If Lender presently holds one or more guaranties, or hereafter receives additional guaranties from Guarantor, Lender's rights under all guaranties shall be cumulative. This Guaranty shall not (unless specifically provided below to the contrary) affect or invalidate any such other guaranties. Guarantor's liability will be Guarantor's aggregate liability under the terms of this Guaranty and any such other unexpired guaranties.

**CONTINUING GUARANTY.** THIS IS A "CONTINUING GUARANTY" UNDER WHICH GUARANTOR AGREES TO GUARANTEE THE FULL AND PUNCTUAL PAYMENT, PERFORMANCE AND SATISFACTION OF THE INDEBTEDNESS OF BORROWER TO LENDER, NOW EXISTING OR HEREAFTER ARISING OR ACQUIRED, ON AN OPEN AND CONTINUING BASIS. ACCORDINGLY, ANY PAYMENTS MADE ON THE INDEBTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY REMAINING AND SUCCEEDING INDEBTEDNESS EVEN WHEN ALL OR PART OF THE OUTSTANDING INDEBTEDNESS MAY BE A ZERO BALANCE FROM TIME TO TIME.

**DURATION OF GUARANTY.** This Guaranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guarantor or to Borrower, and will continue in full force until all the indebtedness incurred or contracted before receipt by Lender of any notice of revocation shall have been fully and finally paid and satisfied and all of Guarantor's other obligations under this Guaranty shall have been performed in full. If Guarantor elects to revoke this Guaranty, Guarantor may only do so in writing. Guarantor's written notice of revocation must be mailed to Lender, by certified mail, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Guaranty will apply only to new indebtedness created after actual receipt by Lender of Guarantor's written revocation. For this purpose and without limitation, the term "new indebtedness" does not include the indebtedness which at the time of notice of revocation is contingent, unliquidated, undetermined or not due and which later becomes absolute, liquidated, determined or due. For this purpose and without limitation, "new indebtedness" does not include all or part of the indebtedness that is: incurred by Borrower prior to revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of the indebtedness. This Guaranty shall bind Guarantor's estate as to the indebtedness created both before and after Guarantor's death or incapacity, regardless of Lender's actual notice of Guarantor's death. Subject to the foregoing, Guarantor's executor or administrator or other legal representative may terminate this Guaranty in the same manner in which Guarantor might have terminated it and with the same effect. Release of any other guarantor or termination of any other guaranty of the indebtedness shall not affect the liability of Guarantor under this Guaranty. A revocation Lender receives from any one or more Guarantors shall not affect the liability of any remaining Guarantors under this Guaranty. It is anticipated that fluctuations may occur in the aggregate amount of the indebtedness covered by this Guaranty, and Guarantor specifically acknowledges and agrees that reductions in the amount of the indebtedness, even to zero dollars (\$0.00), shall not constitute a termination of this Guaranty. This Guaranty is binding upon Guarantor and Guarantor's heirs, successors and assigns so long as any of the indebtedness remains unpaid and even though the indebtedness may from time to time be zero dollars (\$0.00).

**GUARANTOR'S AUTHORIZATION TO LENDER.** Guarantor authorizes Lender, either before or after any revocation hereof, without notice or demand and without lessening Guarantor's liability under this Guaranty, from time to time: (A) prior to revocation as set forth above, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend additional credit to Borrower; (B) to alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of the indebtedness or any part of the indebtedness, including increases and decreases of the rate of interest on the indebtedness; extensions may be repealed and may be for longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the indebtedness, and exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any such security, with or without the substitution of new collateral; (D) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credits shall be made on the indebtedness; (F) to apply such security and direct the order or manner of sale thereof, including without limitation, any nonjudicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the indebtedness; and (H) to assign or transfer this Guaranty in whole or in part.

**GUARANTOR'S REPRESENTATIONS AND WARRANTIES.** Guarantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guarantor which would limit or qualify in any way the terms of this Guaranty; (B) this Guaranty is executed at Borrower's request and not at the request of Lender; (C) Guarantor has full power, right and authority to enter into this Guaranty; (D) the provisions of this Guaranty do not conflict with or result in a default under any agreement or other instrument binding upon Guarantor and do not result in a violation of any law, regulation, court decree or order applicable to Guarantor; (E) Guarantor has not and will not, without the prior written consent of Lender, sell, lease, assign, encumber, hypothecate, transfer, or otherwise dispose of all or substantially all of Guarantor's assets, or any interest therein; (F) upon Lender's request, Guarantor will provide to Lender financial and credit information in form acceptable to Lender, and all such financial information which currently has been, and all future financial information which will be provided to Lender is and will be true and correct in all material respects and fairly present Guarantor's financial condition as of the dates the financial information is provided; (G) no material adverse change has occurred in Guarantor's financial condition since the date of the most recent financial statements provided to Lender and no event has occurred which may materially adversely affect Guarantor's financial condition; (H) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Guarantor is pending or threatened; (I) Lender has made no representation to Guarantor as to the creditworthiness of Borrower; and (J) Guarantor has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Guarantor agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Guarantor's risks under this Guaranty, and Guarantor further agrees that, absent a request for information, Lender shall have no obligation to disclose to Guarantor any information or documents acquired by Lender in the course of its relationship with Borrower.

**GUARANTOR'S WAIVERS.** Except as prohibited by applicable law, Guarantor waives any right to require Lender (A) to continue lending money or to extend other credit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of the indebtedness or of any nonpayment related to any collateral, or notice of any action or nonaction on the part of Borrower. Lender, any surety, endorser, or other guarantor in connection with the indebtedness or in connection with the creation of new or additional loans or obligations; (C) to resort for payment or to proceed directly or at once against any person, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to pursue

COMMERCIAL GUARANTY  
(Continued)

Loan No: 3004

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any other remedy within Lender's power; or (F) to commit any act or omission of any kind, or at any time, with respect to any matter whatsoever.

Guarantor also waives any and all rights or defenses based on suretyship or impairment of collateral including, but not limited to, any rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action, including a claim for deficiency, against Guarantor, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (B) any election of remedies by Lender which destroys or otherwise adversely affects Guarantor's subrogation rights or Guarantor's rights to proceed against Borrower for reimbursement, including without limitation, any loss of rights Guarantor may suffer by reason of any law limiting, qualifying, or discharging the indebtedness; (C) any disability or other defense of Borrower, of any other guarantor, or of any other person, or by reason of the cessation of Borrower's liability from any cause whatsoever, other than payment in full in legal tender, of the indebtedness; (D) any right to claim discharge of the indebtedness on the basis of unjustified impairment of any collateral for the indebtedness; (E) any statute of limitations, if at any time any action or suit brought by Lender against Guarantor is commenced, there is outstanding indebtedness which is not barred by any applicable statute of limitations; or (F) any defenses given to guarantors at law or in equity other than actual payment and performance of the indebtedness. If payment is made by Borrower, whether voluntarily or otherwise, or by any third party, on the indebtedness and thereafter Lender is forced to remit the amount of that payment to Borrower's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, the indebtedness shall be considered unpaid for the purpose of the enforcement of this Guaranty.

Guarantor further waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guaranty for any claim of setoff, counterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guarantor, or both.

**GUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS.** Guarantor warrants and agrees that each of the waivers set forth above is made with Guarantor's full knowledge of its significance and consequences and that, under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any such waiver is determined to be contrary to any applicable law or public policy, such waiver shall be effective only to the extent permitted by law or public policy.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Guarantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Guarantor holds jointly with someone else and all accounts Guarantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Guarantor authorizes Lender, to the extent permitted by applicable law, to hold these funds if there is a default, and Lender may apply the funds in these accounts to pay what Guarantor owes under the terms of this Guaranty.

**SUBORDINATION OF BORROWER'S DEBTS TO GUARANTOR.** Guarantor agrees that the indebtedness, whether now existing or hereafter created, shall be superior to any claim that Guarantor may now have or hereafter acquire against Borrower, whether or not Borrower becomes insolvent. Guarantor hereby expressly subordinates any claim Guarantor may have against Borrower, upon any account whatsoever, to any claim that Lender may now or hereafter have against Borrower. In the event of insolvency and consequent liquidation of the assets of Borrower, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Borrower applicable to the payment of the claims of both Lender and Guarantor shall be paid to Lender and shall be first applied by Lender to the indebtedness. Guarantor does hereby assign to Lender all claims which it may have or acquire against Borrower or against any assignee or trustee in bankruptcy of Borrower, provided however, that such assignment shall be effective only for the purpose of assuring to Lender full payment in legal tender of the indebtedness. If Lender so requests, any notes or credit agreements now or hereafter evidencing any debts or obligations of Borrower to Guarantor shall be marked with a legend that the same are subject to this Guaranty and shall be delivered to Lender. Guarantor agrees, and Lender is hereby authorized, in the name of Guarantor, from time to time to file financing statements and continuation statements and to execute documents and to take such other actions as Lender deems necessary or appropriate to perfect, preserve and enforce its rights under this Guaranty.

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

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

**Attorneys' Fees; Expenses.** Guarantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Guaranty. Lender may hire or pay someone else to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Guarantor also shall pay all court costs and such additional fees as may be directed by the court.

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

**Governing Law.** This Guaranty will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Florida without regard to its conflicts of law provisions.

**Integration.** Guarantor further agrees that Guarantor has read and fully understands the terms of this Guaranty; Guarantor has had the opportunity to be advised by Guarantor's attorney with respect to this Guaranty; the Guaranty fully reflects Guarantor's intentions and parole evidence is not required to interpret the terms of this Guaranty. Guarantor hereby indemnifies and holds Lender harmless from all losses, claims, damages, and costs (including Lender's attorneys' fees) suffered or incurred by Lender as a result of any breach by Guarantor of the warranties, representations and agreements of this paragraph.

**Interpretation.** In all cases where there is more than one Borrower or Guarantor, then all words used in this Guaranty in the singular shall be deemed to have been used in the plural where the context and construction so require, and where there is more than one Borrower named in this Guaranty or when this Guaranty is executed by more than one Guarantor, the words "Borrower" and "Guarantor" respectively shall mean all and any one or more of them. The words "Guarantor," "Borrower," and "Lender" include the heirs, successors, assigns, and transferees of each of them. If a court finds that any provision of this Guaranty is not valid or should not be enforced, that fact by itself will not mean that the rest of this Guaranty will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Guaranty even if a provision of this Guaranty may be found to be invalid or unenforceable. If any one or more of Borrower or Guarantor are corporations, partnerships, limited liability companies, or similar entities, it is not necessary for Lender to inquire into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Guaranty.

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

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guarantor, shall constitute a waiver of any of Lender's rights or of any of Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Successors and Assigns.** Subject to any limitations stated in this Guaranty on transfer of Guarantor's interest, this Guaranty shall be binding upon and inure to the benefit of the parties, their successors and assigns.

**Waive Jury.** Lender and Guarantor hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Guarantor against the other.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Guaranty. Unless specifically

COMMERCIAL GUARANTY  
(Continued)

Loan No: 3004

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stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Guaranty shall have the meanings attributed to such terms in the Uniform Commercial Code.

**Borrower.** The word "Borrower" means FLORIDA UTILITY SERVICES 1, LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Guarantor.** The word "Guarantor" means everyone signing this Guaranty, including without limitation MICHAEL A. SMALLRIDGE, and in each case, any signer's successors and assigns.

**Guaranty.** The word "Guaranty" means this guaranty from Guarantor to Lender.

**Indebtedness.** The word "Indebtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

**Lender.** The word "Lender" means IBERIABANK, its successors and assigns

**Note.** The word "Note" means and includes without limitation all of Borrower's promissory notes and/or credit agreements evidencing Borrower's loan obligations in favor of Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for promissory notes or credit agreements.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS DATED MAY 14, 2015.

GUARANTOR:

x *Michael A. Smallridge*  
MICHAEL A. SMALLRIDGE

INDIVIDUAL ACKNOWLEDGMENT

STATE OF FL

)

COUNTY OF Citrus

) SS

)

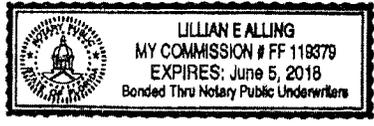
The foregoing instrument was acknowledged before me this 14th day of May, 2015 by MICHAEL A. SMALLRIDGE, who is personally known to me or who has produced \_\_\_\_\_ as identification

*Lillian E Alling*  
(Signature of Person Taking Acknowledgment)

\_\_\_\_\_  
(Name of Acknowledger Typed, Printed or Stamped)

\_\_\_\_\_  
(Title or Rank)

\_\_\_\_\_  
(Serial Number, if any)





1777 West Main Street  
Inverness, FL 34450

[www.iberiabank.com](http://www.iberiabank.com)

Michael A Smallridge, Managing Member  
Holiday Gardens Utilities, LLC  
3336 Grand Boulevard, Suite 102  
Holiday, FL 34690

Dear Mr. Smallridge,

This letter is to inform you that loan# [REDACTED]004 in the amount of \$8,700 was for water meter replacement and a lawn mower purchase at Holiday Gardens Utilities, LLC.

If you should have any further questions, please contact me at 352-344-8513.

Sincerely,

Michael P Reed  
Business Banking Relationship Mgr  
IBERIABANK  
352-344-8513

# SCHEDULE 22a

Date: 10/31/2014

This Loan Agreement is between:

FLORIDA UTILITY SERVICES I, LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 2000<sup>00</sup>

To be repaid at the rate of \$ 88<sup>12</sup> per month for 24 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: PURCHASE TRUCK - DOWN PAYMENT  
2008 MITSUBISHI PICK-UP TRUCK

Daniel Walsh CFO

Signed

10/31/14

Date

Michael Smallridge

Signed

10/31/14

Date

# Loan Amortization Table Calculator

Loan Summary		
Principal:	\$	2000
Interest Rate:		5.5 %
<i>current mortgage rates</i>		
Term:		2 years

Payment Summary		
Monthly Payment	Total Interest Paid	Total Paid
<b>\$88.19</b>	<b>\$116.59</b>	<b>\$2,116.59</b>

Amortization Table							
Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
1 (\$88.19)	\$79.02	\$9.17	\$1,920.98	13 (\$88.19)	\$83.48	\$4.71	\$943.95
2 (\$88.19)	\$79.39	\$8.80	\$1,841.59	14 (\$88.19)	\$83.86	\$4.33	\$860.08
3 (\$88.19)	\$79.75	\$8.44	\$1,761.84	15 (\$88.19)	\$84.25	\$3.94	\$775.83
4 (\$88.19)	\$80.12	\$8.08	\$1,681.72	16 (\$88.19)	\$84.64	\$3.56	\$691.20
5 (\$88.19)	\$80.48	\$7.71	\$1,601.24	17 (\$88.19)	\$85.02	\$3.17	\$606.18
6 (\$88.19)	\$80.85	\$7.34	\$1,520.39	18 (\$88.19)	\$85.41	\$2.78	\$520.76
7 (\$88.19)	\$81.22	\$6.97	\$1,439.16	19 (\$88.19)	\$85.80	\$2.39	\$434.96
8 (\$88.19)	\$81.60	\$6.60	\$1,357.57	20 (\$88.19)	\$86.20	\$1.99	\$348.76
9 (\$88.19)	\$81.97	\$6.22	\$1,275.60	21 (\$88.19)	\$86.59	\$1.60	\$262.17
10 (\$88.19)	\$82.34	\$5.85	\$1,193.25	22 (\$88.19)	\$86.99	\$1.20	\$175.18
11 (\$88.19)	\$82.72	\$5.47	\$1,110.53	23 (\$88.19)	\$87.39	\$0.80	\$87.79
12 (\$88.19)	\$83.10	\$5.09	\$1,027.43	24 (\$88.19)	\$87.79	\$0.40	\$0.00

Date: 8/7/14

This Loan Agreement is between:

FLORIDA UTILITY SERVICES I, LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 3,000<sup>00</sup>

To be repaid at the rate of \$ 132<sup>29</sup> per month for 24 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: GMC TRUCK FOR JACKIE'S USE

Daniel Walsh CFO

Signed

8/7/14

Date

Michael Smallridge

Signed

8/7/14

Date

Identification Number	Year	Make	Body	WT-L-BHP	Vessel Regis. No.	Title Number
1GTCS19HX38166828	2003	GMC	PK	3212		105573113



Registered Owner:

Date of Issue 08/08/2014

**Lien Release**

Interest in the described vehicle is hereby released

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**IMPORTANT INFORMATION**

- When ownership of the vehicle described herein is transferred, the seller MUST complete in full the Transfer of Title by Seller section at the bottom of the certificate of title.
- Upon sale of this vehicle, the seller must complete the notice of sale on the reverse side of this form.
- Remove your license plate from the vehicle.
- See the web address below for more information and the appropriate forms required for the purchaser to title and register the vehicle, mobile home or vessel: <http://www.hsmv.state.fl.us/html/titlinf.html>

Mail To:

FLORIDA UTILITY SERVICES 1 LLC  
 1902 BARTON PARK RD STE 201  
 AUBURNDALE FL 33823-3941



# CERTIFICATE OF TITLE

Identification Number	Year	Make	Body	WT-L-BHP	Vessel Regis. No.	Title Number	Lien Release
1GTCS19HX38166828	2003	GMC	PK	3212		105573113	Interest in the described vehicle is hereby released
Prev State	Color	Primary Brand	Secondary Brand	No of Brands	Use	Prev Issue Date	By
FL	BLK				PRIVATE	05/10/2013	
Odometer Status or Vessel Manufacturer or OH use				Hull Material	Prop	Date of Issue	Date
190483 MILES						08/08/2014	08/08/2014

Registered Owner

FLORIDA UTILITY SERVICES 1 LLC  
 1902 BARTON PARK RD STE 201  
 AUBURNDALE FL 33823-3941

1st Lienholder

NONE

DIVISION OF MOTORIST SERVICES

TALLAHASSEE



FLORIDA

DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

*Clayton B. Walden*  
 Clayton Boyd Walden  
 Director

Control Number 115629205

*Terry E. Rhodes*  
 Terry E. Rhodes  
 Executive Director

**TRANSFER OF TITLE BY SELLER (This section must be completed at the time of sale.)**

Federal and/or state law require that the seller state the mileage, purchaser's name, selling price and date sold in connection with the transfer of ownership.

Failure to complete or providing a false statement may result in fines and/or imprisonment.

This title is warranted to be free from any liens except as noted on the face of the certificate and the motor vehicle or vessel described is hereby transferred to:

Seller Must Enter Purchaser's Name: \_\_\_\_\_

Address: \_\_\_\_\_

Seller Must Enter Selling Price: \_\_\_\_\_

Seller Must Enter Date Sold: \_\_\_\_\_

I/We state that this  5 or  6 digit odometer now reads | \_ | \_ | \_ | \_ | \_ | \_ | \_ | \_ | \_ | \_ | (no teaths) miles, date read \_\_\_\_\_ and I hereby certify that to the best of my knowledge the odometer reading:

1. reflects ACTUAL MILEAGE.  2. is IN EXCESS OF ITS MECHANICAL LIMITS.  3. is NOT THE ACTUAL MILEAGE.

**UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING DOCUMENT AND THAT THE FACTS STATED IN IT ARE TRUE.**

SELLER Must Sign Here: \_\_\_\_\_

CO-SELLER Must Sign Here: \_\_\_\_\_

Print Here: \_\_\_\_\_

Print Here: \_\_\_\_\_

Selling Dealer's License Number: \_\_\_\_\_

Tax No.: \_\_\_\_\_

Tax Collected: \_\_\_\_\_

Auction Name: \_\_\_\_\_

License Number: \_\_\_\_\_

PURCHASER Must Sign Here: \_\_\_\_\_

CO-PURCHASER Must Sign Here: \_\_\_\_\_

Print Here: \_\_\_\_\_

Print Here: \_\_\_\_\_

**NOTICE: PENALTY IS REQUIRED BY LAW IF NOT SUBMITTED FOR TRANSFER WITHIN 30 DAYS AFTER DATE OF PURCHASE.**

# Loan Amortization Table Calculator

Loan Summary		
Principal:	\$	3000
Interest Rate:		5.5 %
<i>current mortgage rates</i>		
Term:		2 years

Payment Summary		
Monthly Payment	Total Interest Paid	Total Paid
<b>\$132.29</b>	<b>\$174.89</b>	<b>\$3,174.89</b>

Amortization Table							
Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
X 1 (\$132.29)	\$118.54	\$13.75	\$2,881.46	13 (\$132.29)	\$125.22	\$7.06	\$1,415.92
X 2 (\$132.29)	\$119.08	\$13.21	\$2,762.38	14 (\$132.29)	\$125.80	\$6.49	\$1,290.12
X 3 (\$132.29)	\$119.63	\$12.66	\$2,642.76	15 (\$132.29)	\$126.37	\$5.91	\$1,163.75
X 4 (\$132.29)	\$120.17	\$12.11	\$2,522.58	16 (\$132.29)	\$126.95	\$5.33	\$1,036.80
X 5 (\$132.29)	\$120.73	\$11.56	\$2,401.86	17 (\$132.29)	\$127.53	\$4.75	\$909.26
X 6 (\$132.29)	\$121.28	\$11.01	\$2,280.58	18 (\$132.29)	\$128.12	\$4.17	\$781.14
X 7 (\$132.29)	\$121.83	\$10.46	\$2,158.74	19 (\$132.29)	\$128.71	\$3.58	\$652.44
X 8 (\$132.29)	\$122.39	\$9.89	\$2,036.35	20 (\$132.29)	\$129.30	\$2.99	\$523.14
X 9 (\$132.29)	\$122.95	\$9.33	\$1,913.40	21 (\$132.29)	\$129.89	\$2.40	\$393.25
10 (\$132.29)	\$123.52	\$8.77	\$1,789.88	22 (\$132.29)	\$130.48	\$1.80	\$262.77
11 (\$132.29)	\$124.08	\$8.20	\$1,665.80	23 (\$132.29)	\$131.08	\$1.20	\$131.68
12 (\$132.29)	\$124.65	\$7.63	\$1,541.15	24 (\$132.29)	\$131.68	\$0.60	\$0.00

Date: 1/1/2014

This Loan Agreement is between:

PINECREST UTILITIES, LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 15,876

To be repaid at the rate of \$ 303.25 per month for 60 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: TANK REHAB #7,500 12/5/11, OPEN BnK ACCT #152  
2011 RAF #1026 4/20/12, (7) Month's Salary #7,200 12/31/11

Daniel Walsh, CFO

Signed

1/1/2014

Date

Michael Smallridge

Signed

1/1/2014

Date

# Loan Amortization Table Calculator

## Loan Summary

Principal: \$ 15876  
 Interest Rate: 5.5 %  
current mortgage rates  
 Term: 5 years

## Payment Summary

Monthly Payment: **\$303.25**  
 Total Interest Paid: **\$2,319.00**  
 Total Paid: **\$18,195.00**

## Amortization Table

Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
1 (\$303.25)	\$230.49	\$72.77	\$15,645.51	31 (\$303.25)	\$264.38	\$38.87	\$8,217.26
2 (\$303.25)	\$231.54	\$71.71	\$15,413.97	32 (\$303.25)	\$265.59	\$37.66	\$7,951.67
3 (\$303.25)	\$232.60	\$70.65	\$15,181.37	33 (\$303.25)	\$266.80	\$36.45	\$7,684.87
4 (\$303.25)	\$233.67	\$69.58	\$14,947.70	34 (\$303.25)	\$268.03	\$35.22	\$7,416.84
5 (\$303.25)	\$234.74	\$68.51	\$14,712.96	35 (\$303.25)	\$269.26	\$33.99	\$7,147.59
6 (\$303.25)	\$235.82	\$67.43	\$14,477.15	36 (\$303.25)	\$270.49	\$32.76	\$6,877.10
7 (\$303.25)	\$236.90	\$66.35	\$14,240.25	37 (\$303.25)	\$271.73	\$31.52	\$6,605.37
8 (\$303.25)	\$237.98	\$65.27	\$14,002.27	38 (\$303.25)	\$272.98	\$30.27	\$6,332.39
9 (\$303.25)	\$239.07	\$64.18	\$13,763.19	39 (\$303.25)	\$274.23	\$29.02	\$6,058.16
10 (\$303.25)	\$240.17	\$63.08	\$13,523.03	40 (\$303.25)	\$275.48	\$27.77	\$5,782.68
11 (\$303.25)	\$241.27	\$61.98	\$13,281.76	41 (\$303.25)	\$276.75	\$26.50	\$5,505.93
12 (\$303.25)	\$242.38	\$60.87	\$13,039.38	42 (\$303.25)	\$278.01	\$25.24	\$5,227.92
13 (\$303.25)	\$243.49	\$59.76	\$12,795.90	43 (\$303.25)	\$279.29	\$23.96	\$4,948.63
14 (\$303.25)	\$244.60	\$58.65	\$12,551.29	44 (\$303.25)	\$280.57	\$22.68	\$4,668.06
15 (\$303.25)	\$245.72	\$57.53	\$12,305.57	45 (\$303.25)	\$281.85	\$21.40	\$4,386.21
16 (\$303.25)	\$246.85	\$56.40	\$12,058.72	46 (\$303.25)	\$283.15	\$20.10	\$4,103.06
17 (\$303.25)	\$247.98	\$55.27	\$11,810.74	47 (\$303.25)	\$284.44	\$18.81	\$3,818.62
18 (\$303.25)	\$249.12	\$54.13	\$11,561.62	48 (\$303.25)	\$285.75	\$17.50	\$3,532.87
19 (\$303.25)	\$250.26	\$52.99	\$11,311.36	49 (\$303.25)	\$287.06	\$16.19	\$3,245.81
20 (\$303.25)	\$251.41	\$51.84	\$11,059.96	50 (\$303.25)	\$288.37	\$14.88	\$2,957.44

21 (\$303.25)	\$252.56	\$50.69	\$10,807.40	51 (\$303.25)	\$289.70	\$13.55	\$2,667.74
22 (\$303.25)	\$253.72	\$49.53	\$10,553.68	52 (\$303.25)	\$291.02	\$12.23	\$2,376.72
23 (\$303.25)	\$254.88	\$48.37	\$10,298.80	53 (\$303.25)	\$292.36	\$10.89	\$2,084.36
24 (\$303.25)	\$256.05	\$47.20	\$10,042.76	54 (\$303.25)	\$293.70	\$9.55	\$1,790.67
25 (\$303.25)	\$257.22	\$46.03	\$9,785.53	55 (\$303.25)	\$295.04	\$8.21	\$1,495.62
26 (\$303.25)	\$258.40	\$44.85	\$9,527.13	56 (\$303.25)	\$296.40	\$6.85	\$1,199.23
27 (\$303.25)	\$259.58	\$43.67	\$9,267.55	57 (\$303.25)	\$297.75	\$5.50	\$901.47
28 (\$303.25)	\$260.77	\$42.48	\$9,006.78	58 (\$303.25)	\$299.12	\$4.13	\$602.36
29 (\$303.25)	\$261.97	\$41.28	\$8,744.81	59 (\$303.25)	\$300.49	\$2.76	\$301.87
30 (\$303.25)	\$263.17	\$40.08	\$8,481.64	60 (\$303.25)	\$301.87	\$1.38	\$0.00

Date: 2/9/2015

This Loan Agreement is between:

FLORIDA UTILITY SERVICES I, LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 2,000.00

To be repaid at the rate of \$ 88<sup>19</sup> per month for 24 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: HELP COVER MONTHLY COSTS  
EXCESSIVE BECAUSE OF MOVING COSTS

Daniel Walsh CFO

2/9/15

Signed

Date

Michael Smallridge

2/9/15

Signed

Date

**\$2,000 Loan from Mike Smallridge on 2/09/2015**

<b>Date</b>	<b>Payment</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Interest</b>	<b>Balance</b>
Mar. 2015	\$88.19	\$79.02	\$9.17	\$9.17	\$1,920.98
Apr. 2015	\$88.19	\$79.39	\$8.80	\$17.97	\$1,841.59
May. 2015	\$88.19	\$79.75	\$8.44	\$26.41	\$1,761.84
Jun. 2015	\$88.19	\$80.12	\$8.08	\$34.49	\$1,681.72
Jul. 2015	\$88.19	\$80.48	\$7.71	\$42.19	\$1,601.24
Aug. 2015	\$88.19	\$80.85	\$7.34	\$49.53	\$1,520.39
Sept. 2015	\$88.19	\$81.22	\$6.97	\$56.50	\$1,439.16
Oct. 2015	\$88.19	\$81.60	\$6.60	\$63.10	\$1,357.57
Nov. 2015	\$88.19	\$81.97	\$6.22	\$69.32	\$1,275.60
Dec. 2015	\$88.19	\$82.34	\$5.85	\$75.17	\$1,193.25
Jan. 2016	\$88.19	\$82.72	\$5.47	\$80.64	\$1,110.53
Feb. 2016	\$88.19	\$83.10	\$5.09	\$85.73	\$1,027.43
Mar. 2016	\$88.19	\$83.48	\$4.71	\$90.44	\$943.95
Apr. 2016	\$88.19	\$83.86	\$4.33	\$94.76	\$860.08
May. 2016	\$88.19	\$84.25	\$3.94	\$98.70	\$775.83
Jun. 2016	\$88.19	\$84.64	\$3.56	\$102.26	\$691.20
Jul. 2016	\$88.19	\$85.02	\$3.17	\$105.43	\$606.18
Aug. 2016	\$88.19	\$85.41	\$2.78	\$108.21	\$520.76
Sept. 2016	\$88.19	\$85.80	\$2.39	\$110.59	\$434.96
Oct. 2016	\$88.19	\$86.20	\$1.99	\$112.59	\$348.76
Nov. 2016	\$88.19	\$86.59	\$1.60	\$114.18	\$262.17
Dec. 2016	\$88.19	\$86.99	\$1.20	\$115.39	\$175.18
Jan. 2017	\$88.19	\$87.39	\$0.80	\$116.19	\$87.79
Feb. 2017	\$88.19	\$87.79	\$0.40	\$116.59	\$0.00

Date: 1/1/2014

This Loan Agreement is between:

WEST LAKE LAND WASTEWATER, LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 10,225<sup>00</sup>

To be repaid at the rate of \$ 195<sup>31</sup> per month for 60 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: \$1775 9/28/11 TO PAY POLK UTILITIES  
\$1,500 5/17/13  
\$4,500 8/24/11 TO COVER EXPENSE CASH FLOW, \$2500 5/23/13 TO PAY FPSC

Daniel Walsh, CFO

Signed

1/1/2014

Date

Michael Smallridge

Signed

1/1/2014

Date

# Loan Amortization Table Calculator

## Loan Summary

Principal: \$ 10225  
 Interest Rate: 5.5 %  
*current mortgage rates*  
 Term: 5 years

## Payment Summary

Monthly Payment: **\$195.31**  
 Total Interest Paid: **\$1,493.56**  
 Total Paid: **\$11,718.56**

## Amortization Table

Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
1 (\$195.31)	\$148.44	\$46.86	\$10,076.56	31 (\$195.31)	\$170.27	\$25.04	\$5,292.36
2 (\$195.31)	\$149.13	\$46.18	\$9,927.43	32 (\$195.31)	\$171.05	\$24.26	\$5,121.31
3 (\$195.31)	\$149.81	\$45.50	\$9,777.62	33 (\$195.31)	\$171.84	\$23.47	\$4,949.47
4 (\$195.31)	\$150.50	\$44.81	\$9,627.13	34 (\$195.31)	\$172.62	\$22.69	\$4,776.85
5 (\$195.31)	\$151.19	\$44.12	\$9,475.94	35 (\$195.31)	\$173.42	\$21.89	\$4,603.43
6 (\$195.31)	\$151.88	\$43.43	\$9,324.06	36 (\$195.31)	\$174.21	\$21.10	\$4,429.22
7 (\$195.31)	\$152.57	\$42.74	\$9,171.49	37 (\$195.31)	\$175.01	\$20.30	\$4,254.21
8 (\$195.31)	\$153.27	\$42.04	\$9,018.22	38 (\$195.31)	\$175.81	\$19.50	\$4,078.40
9 (\$195.31)	\$153.98	\$41.33	\$8,864.24	39 (\$195.31)	\$176.62	\$18.69	\$3,901.78
10 (\$195.31)	\$154.68	\$40.63	\$8,709.56	40 (\$195.31)	\$177.43	\$17.88	\$3,724.36
11 (\$195.31)	\$155.39	\$39.92	\$8,554.17	41 (\$195.31)	\$178.24	\$17.07	\$3,546.12
12 (\$195.31)	\$156.10	\$39.21	\$8,398.06	42 (\$195.31)	\$179.06	\$16.25	\$3,367.06
13 (\$195.31)	\$156.82	\$38.49	\$8,241.25	43 (\$195.31)	\$179.88	\$15.43	\$3,187.19
14 (\$195.31)	\$157.54	\$37.77	\$8,083.71	44 (\$195.31)	\$180.70	\$14.61	\$3,006.48
15 (\$195.31)	\$158.26	\$37.05	\$7,925.45	45 (\$195.31)	\$181.53	\$13.78	\$2,824.95
16 (\$195.31)	\$158.98	\$36.32	\$7,766.47	46 (\$195.31)	\$182.36	\$12.95	\$2,642.59
17 (\$195.31)	\$159.71	\$35.60	\$7,606.75	47 (\$195.31)	\$183.20	\$12.11	\$2,459.39
18 (\$195.31)	\$160.45	\$34.86	\$7,446.31	48 (\$195.31)	\$184.04	\$11.27	\$2,275.36
19 (\$195.31)	\$161.18	\$34.13	\$7,285.13	49 (\$195.31)	\$184.88	\$10.43	\$2,090.48
20 (\$195.31)	\$161.92	\$33.39	\$7,123.21	50 (\$195.31)	\$185.73	\$9.58	\$1,904.75

Date: 5/6/2015

This Loan Agreement is between:

EAST MARION UTILITIES LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 1,800<sup>00</sup>

To be repaid at the rate of \$ 79<sup>37</sup> per month for 24 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: HAVE TANK INSPECTED

Daniel Walsh CFO

Signed

5/6/2015

Date

Michael Smalridge

Signed

5/6/2015

Date



We Believe In You

# CenterState BANK

### THIS IS YOUR RECEIPT

ALL ITEMS ARE RECEIVED SUBJECT TO CONDITIONS AND TERMS STATED ON SIGNATURE CARDS CURRENTLY USED  
DEPOSITS ARE CREDITED AS OF BUSINESS DAY SHOWN

**Refer A Friend!**  
**Your referral is our greatest compliment!**  
*Assisting You Is Always My Pleasure! Jacque*

	ACCOUNT#	*****2308
AMOUNT		1,800.00
DDA DEPOSIT	TLR#	2104
TR#	18 11:02:15	4/29/2015 ON

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL. BANK SYMBOL, TRANSACTION NUMBER AND AMOUNT OF DEPOSIT ARE SHOWN ABOVE.

*Michael Smallridge Personal  
Check # 3040 Suncoast Credit Union  
Loan to East Marion Utilities  
for Tank Inspection*

Utility Technicians, Inc.

Date	Type	Reference
4/17/2015	Bill	04.29.2015

Original Amt.  
1,800.00

Balance Due  
1,800.00

4/25/2015

Discount

Check Amount

Payment  
1,800.00  
1,800.00

Checking - CenterStat

1,800.00

LMP100 M/P CHECK

# Technicians, Inc.

Water and Sewer Specialty Contractor  
 State Licensed Utility Contractor #CUC052605

630 Goodbar Ave  
 Umatilla, FL 32784  
 352-669-5822

DATE	INVOICE #
04/29/2015	33307

**PAID**  
 04/30/2015

<b>BILL TO:</b>
East Marion Utilities 3336 Grand Blvd. Ste.# 102 Holiday, FL 34690

P.O. NO.	TERMS
	Due on recpt

QUANTITY	DESCRIPTION	RATE	AMOUNT
	4/29/15 Material, labor, and equipment to conduct a hydropneumatic tank inspection and cleaning of the hydro tank at Lakeview Woods water plant. Engineer report will be mailed. Per proposal # 6070 dated 3/17/2015	1,800.00	0.00 1,800.00
<b>Total Balance Due</b>			<b>\$0.00</b>

BALANCE OVER 30 DAYS SUBJECT TO A 1.5% FINANCE CHARGE.

**You can now pay your bill via Visa/Mastercard!**  
 Please call 352-669-5822 and we will be glad to assist you.

# Loan Amortization Table Calculator

Loan Summary		
Principal:	\$	1800
Interest Rate:		5.5 %
<i>current mortgage rates</i>		
Term:		2 years

Payment Summary		
Monthly Payment	Total Interest Paid	Total Paid
<b>\$79.37</b>	<b>\$104.93</b>	<b>\$1,904.93</b>

Amortization Table							
Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
1 (\$79.37)	\$71.12	\$8.25	\$1,728.88	13 (\$79.37)	\$75.13	\$4.24	\$849.55
2 (\$79.37)	\$71.45	\$7.92	\$1,657.43	14 (\$79.37)	\$75.48	\$3.89	\$774.07
3 (\$79.37)	\$71.78	\$7.60	\$1,585.65	15 (\$79.37)	\$75.82	\$3.55	\$698.25
4 (\$79.37)	\$72.10	\$7.27	\$1,513.55	16 (\$79.37)	\$76.17	\$3.20	\$622.08
5 (\$79.37)	\$72.44	\$6.94	\$1,441.11	17 (\$79.37)	\$76.52	\$2.85	\$545.56
6 (\$79.37)	\$72.77	\$6.61	\$1,368.35	18 (\$79.37)	\$76.87	\$2.50	\$468.69
7 (\$79.37)	\$73.10	\$6.27	\$1,295.25	19 (\$79.37)	\$77.22	\$2.15	\$391.46
8 (\$79.37)	\$73.44	\$5.94	\$1,221.81	20 (\$79.37)	\$77.58	\$1.79	\$313.88
9 (\$79.37)	\$73.77	\$5.60	\$1,148.04	21 (\$79.37)	\$77.93	\$1.44	\$235.95
10 (\$79.37)	\$74.11	\$5.26	\$1,073.93	22 (\$79.37)	\$78.29	\$1.08	\$157.66
11 (\$79.37)	\$74.45	\$4.92	\$999.48	23 (\$79.37)	\$78.65	\$0.72	\$79.01
12 (\$79.37)	\$74.79	\$4.58	\$924.69	24 (\$79.37)	\$79.01	\$0.36	\$0.00

Date: 5/6/2015

This Loan Agreement is between:

EAST MARION UTILITIES LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 1,500<sup>00</sup>

To be repaid at the rate of \$ 45.29 per month for 36 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: PSC FILING FEE

Daniel Walsh CFO

5/6/2015

Signed

Date

Michael Smallridge

5/6/2015

Signed

Date

Michael Smallridge  
9539 E. Southgate Drive  
Inverness, FL 34450  
352-302-7406

3041

5-6-14

DATE

PAY TO THE  
ORDER OF

*East Marion utilities* \$ 1500.00  
*one thousand five hundred* DOLLARS



FOR

*Loan for filing Michael Anaya* MP



EAST MARION



We  
Believe  
In You

CenterState  
BANK

THIS IS YOUR RECEIPT

ALL ITEMS ARE RECEIVED SUBJECT TO CONDITIONS AND  
TERMS STATED ON SIGNATURE CARDS CURRENTLY USED  
DEPOSITS ARE CREDITED AS OF BUSINESS DAY SHOWN

Refer A Friend!  
Your referral is our greatest compliment!

ACCOUNT# \*\*\*\*\*2308  
AMOUNT 1,500.00  
COMMERCIAL DDA DEPOSIT TLR# 1301  
TR# 33 15:51:36 5/06/2015 ON

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL. BANK SYMBOL, TRANSACTION NUMBER AND AMOUNT OF DEPOSIT ARE SHOWN ABOVE.

**EAST MARION UTILITIES LLC**

3336 GRAND BLVD  
STE 102  
HOLIDAY, FL 34690

CenterState Bank  
Spring Hill Office

1028

5/5/2015

PAY TO THE ORDER OF Florida Public Service Commission

\$ \*\*1,500.00

One Thousand Five Hundred and 00/100..... DOLLARS ⑆

Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

MEMO

Filing Fees

*Michael Amaze*  
AUTHORIZED SIGNATURE



EAST MARION UTILITIES LLC

1028

Florida Public Service Commission

Date	Type	Reference	Original Amt.	Balance Due	5/5/2015 Discount	Payment
5/5/2015	Bill	05.01.2015	1,500.00	1,500.00		1,500.00
					Check Amount	1,500.00

Checking - CenterStat Filing Fees | 1,500.00

# Loan Amortization Table Calculator

Loan Summary		
Principal:	\$	1500
Interest Rate:		5.5 %
<i>current mortgage rates</i>		
Term:		3 years

Payment Summary		
Monthly Payment	Total Interest Paid	Total Paid
<b>\$45.29</b>	<b>\$130.58</b>	<b>\$1,630.58</b>

Amortization Table							
Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
1 (\$45.29)	\$38.42	\$6.88	\$1,461.58	19 (\$45.29)	\$41.71	\$3.58	\$739.13
2 (\$45.29)	\$38.59	\$6.70	\$1,422.99	20 (\$45.29)	\$41.91	\$3.39	\$697.23
3 (\$45.29)	\$38.77	\$6.52	\$1,384.21	21 (\$45.29)	\$42.10	\$3.20	\$655.13
4 (\$45.29)	\$38.95	\$6.34	\$1,345.26	22 (\$45.29)	\$42.29	\$3.00	\$612.84
5 (\$45.29)	\$39.13	\$6.17	\$1,306.14	23 (\$45.29)	\$42.49	\$2.81	\$570.35
6 (\$45.29)	\$39.31	\$5.99	\$1,266.83	24 (\$45.29)	\$42.68	\$2.61	\$527.67
7 (\$45.29)	\$39.49	\$5.81	\$1,227.34	25 (\$45.29)	\$42.88	\$2.42	\$484.80
8 (\$45.29)	\$39.67	\$5.63	\$1,187.67	26 (\$45.29)	\$43.07	\$2.22	\$441.73
9 (\$45.29)	\$39.85	\$5.44	\$1,147.82	27 (\$45.29)	\$43.27	\$2.02	\$398.46
10 (\$45.29)	\$40.03	\$5.26	\$1,107.79	28 (\$45.29)	\$43.47	\$1.83	\$354.99
11 (\$45.29)	\$40.22	\$5.08	\$1,067.57	29 (\$45.29)	\$43.67	\$1.63	\$311.32
12 (\$45.29)	\$40.40	\$4.89	\$1,027.17	30 (\$45.29)	\$43.87	\$1.43	\$267.46
13 (\$45.29)	\$40.59	\$4.71	\$986.59	31 (\$45.29)	\$44.07	\$1.23	\$223.39
14 (\$45.29)	\$40.77	\$4.52	\$945.81	32 (\$45.29)	\$44.27	\$1.02	\$179.12
15 (\$45.29)	\$40.96	\$4.33	\$904.86	33 (\$45.29)	\$44.47	\$0.82	\$134.65
16 (\$45.29)	\$41.15	\$4.15	\$863.71	34 (\$45.29)	\$44.68	\$0.62	\$89.97
17 (\$45.29)	\$41.34	\$3.96	\$822.37	35 (\$45.29)	\$44.88	\$0.41	\$45.09
18 (\$45.29)	\$41.52	\$3.77	\$780.85	36 (\$45.29)	\$45.09	\$0.21	\$0.00

Date: 5/6/2015

This Loan Agreement is between:

CRESTRIDGE UTILITIES

And

MIKE SMALLRIDGE

For the loan amount of \$ 1,500<sup>00</sup>

To be repaid at the rate of \$ 66<sup>14</sup> per month for 24 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: PURCHASE METER - TSM 4" TP-RND  
FROM INNOVATIVE METERING SOLUTIONS

Daniel Walsh CFO

Signed

5/6/15

Date

Michael Smallridge

Signed

5/6/15

Date

DEPOSIT TICKET

DATE 5/11/2015

	DOLLARS	CENT
CURRENCY		
COINS		
CHECKS LIST EACH SEPARATELY	1500	00
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
TOTAL BACKSIDE OR ATTACHED LIST		
PLEASE RE-ENTER TOTAL HERE	1500	00
TOTAL	1500	00

TOTAL ITEMS

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE AND ANY APPLICABLE COLLECTION AGREEMENT. DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.

USE OTHER SIDE FOR ADDITIONAL LISTING PLEASE BE SURE ALL ITEMS ARE PROPERLY ENVELOPED.

Name CRESTRIDGE UTILITIES  **CenterState** BANK  
 Account No  Auburnville Office \$ 1500.00

⑆5011⑆1403⑆

USE ROUTING NUMBER FROM YOUR CHECKS FOR AUTOMATIC PAYMENTS. CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE AND ANY APPLICABLE COLLECTION AGREEMENT.

Michael Smalbridge  
 9539 E. Southgate Drive  
 Inverness, FL 34450  
 352-302-7406

3042

5-6-14 DATE

FAY TO THE ORDER OF Crestridge utilities \$ 1500.00  
fifteen hundred DOLLARS 

  
 Suncoast Schools  
 Federal Credit Union  
 BROOKLYN, LAUREL BROOK, SMITH

FOR loan for meter. Michael Smalbridge AP



Maryann Clark

LOAN FROM MIKE  
 TO CRESTRIDGE

Refer A Friend!  
 Your referral is our greatest compliment!



**CenterState**  
 BANK

**THIS IS YOUR RECEIPT**  
 ALL ITEMS ARE RECEIVED SUBJECT TO CONDITIONS AND TERMS STATED ON SIGNATURE CARDS CURRENTLY USED  
 DEPOSITS ARE CREDITED AS OF BUSINESS DAY SHOWN

ACCOUNT# \*\*\*\*\*0809  
 AMOUNT 1,500.00  
 COMMERCIAL DDA DEPOSIT TLR# 1703  
 TR# 91 15:59:06 5/11/2015 ON

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL. BANK SYMBOL, TRANSACTION NUMBER AND AMOUNT OF DEPOSIT ARE SHOWN ABOVE.



Innovative Metering Solutions, Inc.  
 2501-A Merchant Ave.  
 Odessa, FL 33556  
 Ph: 727.375.9701  
 Fax: 727.375.9703

# Invoice

Date	Invoice #
5/6/2015	6497

Bill To
Crestridge Utility, LLC. Attn: Mike Smallridge 3336 Grand Boulevard Suite# 102 Holiday, FL 34690

Ship To
Crestridge Utility, LLC. Attn: Mike Smallridge 1902 Barton Park Rd. Suite 201 Auburndale, FL 33823

PO #	IMS Quote #	Rep	Ship	Via	F.O.B.	Terms
Mike		BDL	5/6/2015	Cust. Pick Up	Destination	Net 30

Quantity	Description	Price Each	Amount
1	TSM 4"-TP-RND-yr of manuf-cert.test	1,360.00	1,360.00
1	R4" TSM local-gallon-PL/PS-yr. of manuf-torx		
2	(8) 5/8" X 3" A307 Zinc plated bolts & nuts. For 4" CI flange connections (1 side)	6.15	12.30
2	1/8" thick Red Rubber Full Face gasket, 4"	1.78	3.56
	Polk County Sales Tax Surcharge on \$5000, 1%	13.76	13.76
	State of Florida General Sales Tax - 6%	6.00%	82.55

Thank you for your business. Please remit payment to the above address. Please see our website for payment and return terms and conditions.	<b>Total</b>	<b>\$1,472.17</b>
---	--------------	-------------------

# Loan Amortization Table Calculator

Loan Summary		
Principal:	\$	1500
Interest Rate:		5.5 %
<i>current mortgage rates</i>		
Term:		2 years

Payment Summary		
Monthly Payment	Total Interest Paid	Total Paid
<b>\$66.14</b>	<b>\$87.44</b>	<b>\$1,587.44</b>

Amortization Table							
Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
1 (\$66.14)	\$59.27	\$6.88	\$1,440.73	13 (\$66.14)	\$62.61	\$3.53	\$707.96
2 (\$66.14)	\$59.54	\$6.60	\$1,381.19	14 (\$66.14)	\$62.90	\$3.24	\$645.06
3 (\$66.14)	\$59.81	\$6.33	\$1,321.38	15 (\$66.14)	\$63.19	\$2.96	\$581.88
4 (\$66.14)	\$60.09	\$6.06	\$1,261.29	16 (\$66.14)	\$63.48	\$2.67	\$518.40
5 (\$66.14)	\$60.36	\$5.78	\$1,200.93	17 (\$66.14)	\$63.77	\$2.38	\$454.63
6 (\$66.14)	\$60.64	\$5.50	\$1,140.29	18 (\$66.14)	\$64.06	\$2.08	\$390.57
7 (\$66.14)	\$60.92	\$5.23	\$1,079.37	19 (\$66.14)	\$64.35	\$1.79	\$326.22
8 (\$66.14)	\$61.20	\$4.95	\$1,018.18	20 (\$66.14)	\$64.65	\$1.50	\$261.57
9 (\$66.14)	\$61.48	\$4.67	\$956.70	21 (\$66.14)	\$64.94	\$1.20	\$196.63
10 (\$66.14)	\$61.76	\$4.38	\$894.94	22 (\$66.14)	\$65.24	\$0.90	\$131.38
11 (\$66.14)	\$62.04	\$4.10	\$832.90	23 (\$66.14)	\$65.54	\$0.60	\$65.84
12 (\$66.14)	\$62.33	\$3.82	\$770.57	24 (\$66.14)	\$65.84	\$0.30	\$0.00

Innovative Metering Solutions, Inc

Date Type Reference  
5/6/2015 Bill 6497

Original Amt.  
1,472.17

Balance Due  
1,472.17

5/18/2015  
Discount

Check Amount

Payment  
1,472.17  
1,472.17

131 - Cash

TSM 4" - TP-RND-yr

1,472.17

LMP100 M/P CHECK

Date: 1/26/2015

This Loan Agreement is between:

HOLIDAY GARDENS UTILITY LLC

And

MIKE SMALLRIDGE

For the loan amount of \$ 1,500<sup>00</sup>

To be repaid at the rate of \$ 66<sup>14</sup> per month for 24 Months

At an interest rate of 5.5 % until paid in full

The loan is to be used to: PAYING PSC FILING FEE

Danuf Walsh CFO

Signed

1/26/15

Date

Michael Smallridge

Signed

1/26/15

Date

# Loan Amortization Table Calculator

Loan Summary		
Principal:	\$	1500
Interest Rate:		5.5 %
<i>current mortgage rates</i>		
Term:		2 years

Payment Summary		
Monthly Payment	Total Interest Paid	Total Paid
<b>\$66.14</b>	<b>\$87.44</b>	<b>\$1,587.44</b>

Amortization Table							
Payment	Principal	Interest	Balance	Payment	Principal	Interest	Balance
1 (\$66.14)	\$59.27	\$6.88	\$1,440.73	13 (\$66.14)	\$62.61	\$3.53	\$707.96
2 (\$66.14)	\$59.54	\$6.60	\$1,381.19	14 (\$66.14)	\$62.90	\$3.24	\$645.06
3 (\$66.14)	\$59.81	\$6.33	\$1,321.38	15 (\$66.14)	\$63.19	\$2.96	\$581.88
4 (\$66.14)	\$60.09	\$6.06	\$1,261.29	16 (\$66.14)	\$63.48	\$2.67	\$518.40
5 (\$66.14)	\$60.36	\$5.78	\$1,200.93	17 (\$66.14)	\$63.77	\$2.38	\$454.63
6 (\$66.14)	\$60.64	\$5.50	\$1,140.29	18 (\$66.14)	\$64.06	\$2.08	\$390.57
7 (\$66.14)	\$60.92	\$5.23	\$1,079.37	19 (\$66.14)	\$64.35	\$1.79	\$326.22
8 (\$66.14)	\$61.20	\$4.95	\$1,018.18	20 (\$66.14)	\$64.65	\$1.50	\$261.57
9 (\$66.14)	\$61.48	\$4.67	\$956.70	21 (\$66.14)	\$64.94	\$1.20	\$196.63
10 (\$66.14)	\$61.76	\$4.38	\$894.94	22 (\$66.14)	\$65.24	\$0.90	\$131.38
11 (\$66.14)	\$62.04	\$4.10	\$832.90	23 (\$66.14)	\$65.54	\$0.60	\$65.84
12 (\$66.14)	\$62.33	\$3.82	\$770.57	24 (\$66.14)	\$65.84	\$0.30	\$0.00

890796-07



**CenterState**

BANK

*Refer A Friend!  
Your referral is our greatest compliment!*

ACCOUNT# \*\*\*\*\*0791

AMOUNT 1,500.00

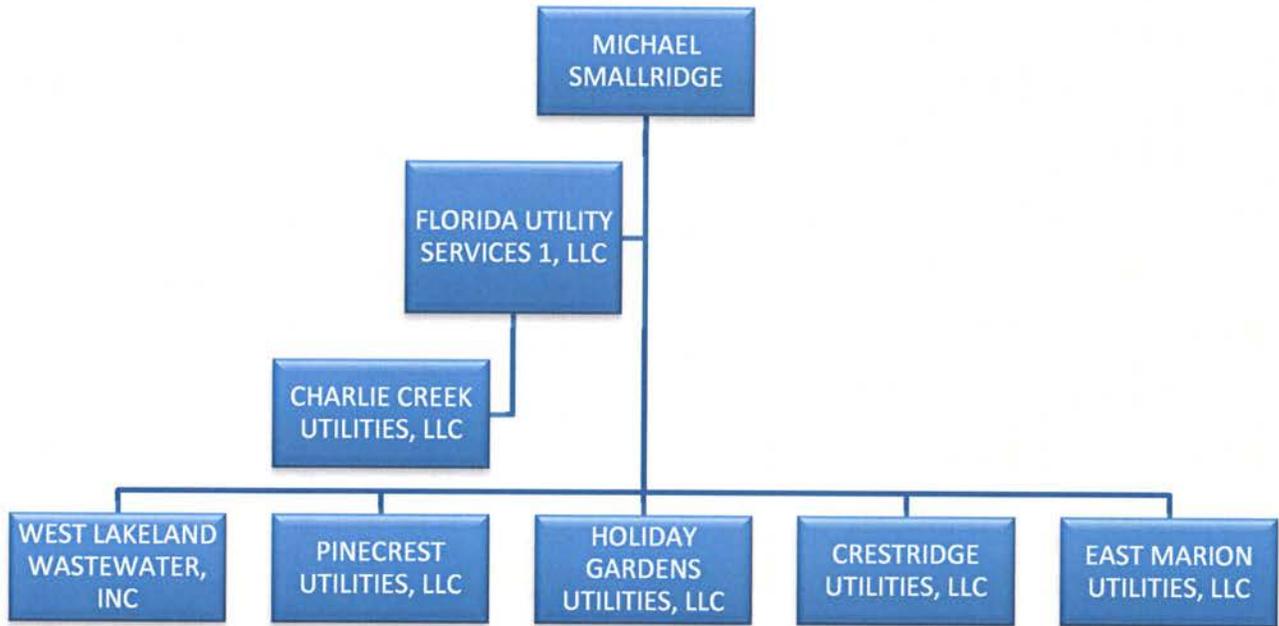
THIS IS YOUR RECEIPT FOR DDA DEPOSIT TLR# 3205

ALL ITEMS ARE RECEIVED SUBJECT TO CONDITIONS AND TERMS STATED ON SIGNATURE CARDS CURRENTLY USED 10:45:18 1/26/2015 ON

DEPOSITS ARE CREDITED AS OF BUSINESS DAY SHOWN

# SCHEDULE 24

# ORGANIZATION CHART



SCHEDULE 25

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## PROFIT & LOSS

Jan - Dec 14

### Ordinary Income/Expense

#### Income

##### 47000 · Revenue

47100 · Revenue - Billing Services	49,996.46
47200 · Revenue - Utility Svcs - Field	23,028.64
47300 · Revenue - Non-Utility	80,447.18
47500 · Revenue - Accounting Svcs	47,634.11
47900 · Revenue - Interest Income	0.06

<b>Total 47000 · Revenue</b>	<b>201,106.45</b>
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64710 · Repairs	-30.36
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64720 · Parts	68.39
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65100 · Management Fee	1,039.00
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<b>Total Income</b>	<b>202,183.48</b>
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#### Cost of Goods Sold

##### 50000 · Cost of Goods Sold

51000 · C/S Utility Svcs - Field	832.50
----------------------------------	--------

51100 · C/S UtilitySvc - Office	1,244.88
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52000 · Materials & Supplies	75.92
------------------------------	-------

<b>Total 50000 · Cost of Goods Sold</b>	<b>2,153.30</b>
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<b>Total COGS</b>	<b>2,153.30</b>
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<b>Gross Profit</b>	<b>200,030.18</b>
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#### Expense

Loan from Old Fla Nat.	2,916.80
------------------------	----------

60000 · Advertising and Promotion	470.60
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60200 · Automobile Expense	16,777.13
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60400 · Bank Service Charges	36.55
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61000 · Business Licenses and Permits	102.65
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61700 · Computer and Internet Expenses	239.90
62400 · Depreciation Expense	3,297.11
62500 · Dues and Subscriptions	125.00
63400 · Interest Expense	128.03
63600 · - Contractual Labor	1,776.97
64300 · Meals and Entertainment	1,993.51
64700 · Miscellaneous Expense	415.00
64900 · Office Supplies	10,206.62
65000 · Agent Fee	225.00
65500 · Insurance on Truck	779.00
66000 · Payroll Expenses	105,460.72
66200 · Employee Benefits	1,726.95
66500 · Postage and Delivery	1,610.21
66501 · Rent & Utilities	8,616.83
66600 · Printing and Reproduction	181.90
67100 · Postage & Box Rental Expense	366.00
67200 · Repairs and Maintenance	12,174.84
68100 · Telephone & Internet Expense	2,511.78
68300 · Legal Fees	253.58
68400 · Travel Expense	799.31
68500 · Business Licenses & Fees	437.59
68600 · Utilities	1,033.14
<b>Total Expense</b>	<b><u>174,662.72</u></b>
<b>Net Ordinary Income</b>	<b><u>25,367.46</u></b>
<b>Net Income</b>	<b><u><u>25,367.46</u></u></b>

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## BALANCE SHEET

Dec 31, 2014

### ASSETS

#### Current Assets

##### Checking/Savings

##### 13000 · Cash

13200 · Checking - Iberia Bank -1,975.54

13300 · Iberia Bank - Savings 18,078.59

Total 13000 · Cash 16,103.05

Total Checking/Savings 16,103.05

##### Accounts Receivable

14000 · Accounts Receivable 47,956.25

Total Accounts Receivable 47,956.25

##### Other Current Assets

##### 13500 · Due To/ Due From

13501 · Crestridge Due To / Due From -8,000.00

13505 · Pinecrest Due To / Due From 792.31

13506 · Holiday Gardens Due To/Due From -4,500.00

13507 · Lake Forest Due To / Due From -792.50

13508 · WLWW Due To / Due From -3,178.53

13509 · Charlie Creek Due To/ Due From 364.85

Total 13500 · Due To/ Due From -15,313.87

2110 · Employee Receivable 581.32

Total Other Current Assets -14,732.55

Total Current Assets 49,326.75

#### Fixed Assets

15100 · Equipment 22,911.44

17000 · Accumulated Depreciation	<u>-4,233.52</u>
<b>Total Fixed Assets</b>	<b>18,677.92</b>
<b>Other Assets</b>	
18000 · Rent Security Deposit	<u>1,585.00</u>
<b>Total Other Assets</b>	<b><u>1,585.00</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>69,589.67</u></u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
21000 · Accounts Payable	<u>738.10</u>
<b>Total Accounts Payable</b>	<b>738.10</b>
<b>Other Current Liabilities</b>	
21100 · Michael Smallrige Loan	3,075.97
23000 · Truck Loan - ALLY	11,935.22
24000 · Payroll Liabilities	<u>36.56</u>
<b>Total Other Current Liabilities</b>	<b><u>15,047.75</u></b>
<b>Total Current Liabilities</b>	<b><u>15,785.85</u></b>
<b>Total Liabilities</b>	<b>15,785.85</b>
<b>Equity</b>	
32000 · Members Equity	28,436.36
<b>Net Income</b>	<u>25,367.46</u>
<b>Total Equity</b>	<b><u>53,803.82</u></b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>69,589.67</u></u></b>

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## CASH FLOW STATEMENT

	<u>Jan - Dec 14</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	25,367.46
Adjustments to reconcile Net Income to net cash provided by operations:	
14000 · Accounts Receivable	-29,934.88
13501 · Due To/ From: Crestridge	8,000.00
13502 · Due To/ From: Bimini Bay	-1,197.28
13505 · Due To/ From: Pinecrest	2,734.51
13506 · Due To/ From: Holiday Gardens	4,500.00
13507 · Due To/ From: Lake Forest	792.50
13508 · Due To/ From: WLWW	5,578.53
13509 · Due To/ From: Charlie Creekm	-364.85
2110 · Employee Receivable	-581.32
21000 · Accounts Payable	714.10
21100 · Michael Smallrige Loan	3,075.97
23000 · Truck Loan - ALLY	11,935.22
24000 · Payroll Liabilities	<u>36.56</u>
Net cash provided by Operating Activities	30,656.52
<b>INVESTING ACTIVITIES</b>	
15100 · Equipment	-17,562.69
17000 · Accumulated Depreciation	3,297.11
18000 · Rent Security Deposit	<u>-1,585.00</u>
Net cash provided by Investing Activities	<u>-15,850.58</u>
 Net cash increase for period	 14,805.94
 Cash at beginning of period	 <u>1,297.11</u>
Cash at end of period	<u><u>16,103.05</u></u>

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## PROFIT & LOSS

Jan - Dec 13

### Ordinary Income/Expense

#### Income

##### 47000 · Revenue

47100 · Revenue - Billing Services 32,172.31

47200 · Revenue - Utility Svcs - Field 46,857.57

47300 · Revenue - Non-Utility 65,382.18

47400 · Revenue - Bookkeeping Svcs 6,893.68

47500 · Revenue - Accounting Svcs 44,967.95

Total 47000 · Revenue 196,273.69

64720 · Parts 87.00

65100 · Management Fee 850.00

Total Income 197,210.69

#### Cost of Goods Sold

##### 50000 · Cost of Goods Sold

51000 · C/S Utility Svcs - Field 2,285.03

51100 · C/S UtilitySvc - Office 22,319.80

52000 · Materials & Supplies 832.52

54000 · Fuel - Utilities 1,029.56

50000 · Cost of Goods Sold - Other 348.32

Total 50000 · Cost of Goods Sold 26,815.23

Total COGS 26,815.23

Gross Profit 170,395.46

#### Expense

24100 · Insurance 3,261.07

60200 · Automobile Expense 6,211.11

60400 · Bank Service Charges 107.51

60501 · Bookkeeping 1,940.30

61000 · Business Licenses and Permits 377.17

61700 · Computer and Internet Expenses	315.00
62400 · Depreciation Expense	1,352.91
62500 · Dues and Subscriptions	107.35
62600 · Equipment Rental	150.00
63400 · Interest Expense	39.00
64300 · Meals and Entertainment	748.63
64700 · Miscellaneous Expense	0.00
64900 · Office Supplies	7,244.14
66000 · Payroll Expenses	102,527.27
66500 · Postage and Delivery	1,056.92
66501 · Rent & Utilities	7,710.89
66600 · Printing and Reproduction	478.85
67100 · Postage & Box Rental Expense	2,354.30
67200 · Repairs and Maintenance	3,760.25
68100 · Telephone & Internet Expense	2,384.22
68400 · Travel Expense	337.99
68600 · Utilities	895.38
69100 · Loss on Equipment Sale/Disposal	417.50

<b>Total Expense</b>	<u>143,777.76</u>
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<b>Net Ordinary Income</b>	<u>26,617.70</u>
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<b>Net Income</b>	<u><u>26,617.70</u></u>
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# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## BALANCE SHEET

	<u>Dec 31, 2013</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
13000 · Cash	
13200 · Checking - Iberia Bank	1,297.11
<b>Total 13000 · Cash</b>	<u>1,297.11</u>
<b>Total Checking/Savings</b>	1,297.11
Accounts Receivable	
14000 · Accounts Receivable	18,021.37
<b>Total Accounts Receivable</b>	18,021.37
<b>Other Current Assets</b>	
13500 · Due To/ Due From	
13502 · Bimini Bay Due To / Due From	-1,197.28
13505 · Pinecrest Due To / Due From	3,526.82
13508 · WLWW Due To / Due From	2,400.00
<b>Total 13500 · Due To/ Due From</b>	<u>4,729.54</u>
<b>Total Other Current Assets</b>	<u>6,157.23</u>
<b>Total Current Assets</b>	24,048.02
<b>Fixed Assets</b>	
15100 · Equipment	5,348.75
17000 · Accumulated Depreciation	-936.41
<b>Total Fixed Assets</b>	<u>4,412.34</u>
<b>TOTAL ASSETS</b>	<u><u>28,460.36</u></u>

**LIABILITIES & EQUITY**

**Liabilities**

**Dec 31, 2013**

**Current Liabilities**

**Accounts Payable**

**21000 · Accounts Payable**

24.00

**Total Accounts Payable**

24.00

**Total Current Liabilities**

24.00

**Total Liabilities**

24.00

**Equity**

**32000 · Members Equity**

1,818.66

**Net Income**

26,617.70

**Total Equity**

28,436.36

**TOTAL LIABILITIES & EQUITY**

28,460.36

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## CASH FLOW STATEMENT

<b>OPERATING ACTIVITIES</b>	<b><u>Jan-Dec 2013</u></b>
Net Income	26,617.70
Adjustments to reconcile Net Income to net cash provided by operations:	
14000 · Accounts Receivable	-18,471.85
13500 · Due To/ Due From:13502 · Bimini Bay Due To / Due From	1,197.28
13500 · Due To/ Due From:13505 · Pinecrest Due To / Due From	-3,719.57
13500 · Due To/ Due From:13507 · Lake Forest Due To / Due From	-50.00
13500 · Due To/ Due From:13508 · WLWW Due To / Due From	-2,592.74
13500 · Due To/ Due From:13511 · Due To / From Sunrise Utilities	1,750.00
21000 · Accounts Payable	-1,182.36
21100 · Michael Smallrige Loan	-461.05
Net cash provided by Operating Activities	<u>3,087.41</u>
<b>INVESTING ACTIVITIES</b>	
15100 · Equipment	-2,848.75
17000 · Accumulated Depreciation	-729.59
Net cash provided by Investing Activities	<u>-3,578.34</u>
<b>FINANCING ACTIVITIES</b>	
32000 · Members Equity	-549.80
Net cash provided by Financing Activities	<u>-549.80</u>
Net cash increase for period	-1,040.73
Cash at beginning of period	<u>2,337.84</u>
Cash at end of period	<u><u>1,297.11</u></u>

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## PROFIT & LOSS

	<u>Jan - Dec 2012</u>
<b>Ordinary Income/Expense</b>	
Income	
47000 · Revenue	
47100 · Revenue - Billing Services	1,757.46
47200 · Revenue - Utility Svcs - Field	24,928.45
47300 · Revenue - Non-Utility	3,969.04
47400 · Revenue - Bookkeeping Svcs	5,013.13
47500 · Revenue - Accounting Svcs	<u>12,073.43</u>
Total 47000 · Revenue	<u>47,741.51</u>
 Total Income	 47,741.51
 Cost of Goods Sold	
50000 · Cost of Goods Sold	
51000 · C/S Utility Svcs - Field	20,092.45
51100 · C/S UtilitySvc - Office	13,819.07
52000 · Materials & Supplies	280.02
54000 · Fuel - Utilities	1,630.87
50000 · Cost of Goods Sold - Other	<u>487.37</u>
Total 50000 · Cost of Goods Sold	<u>36,309.78</u>
 Total COGS	 <u>36,309.78</u>
 Gross Profit	 11,431.73
 Expense	
60200 · Automobile Expense	2,976.74
60400 · Bank Service Charges	18.27
61000 · Business Licenses and Permits	163.75
62400 · Depreciation Expense	833.00

62500 · Dues and Subscriptions	107.35
63400 · Interest Expense	1,006.68
64300 · Meals and Entertainment	108.77
64700 · Miscellaneous Expense	-1,751.20
64900 · Office Supplies	795.80
65000 · Agent Fee	1,221.21
66500 · Postage and Delivery	-53.28
66501 · Rent & Utilities	1,132.06
66600 · Printing and Reproduction	138.79
67100 · Postage & Box Rental Expense	90.00
67200 · Repairs and Maintenance	1,903.54
68100 · Telephone & Internet Expense	1,012.79
68400 · Travel Expense	<u>172.25</u>
<b>Total Expense</b>	<b><u>9,876.52</u></b>
<b>Net Ordinary Income</b>	<b><u>1,555.21</u></b>
<b>Net Income</b>	<b><u><u>1,555.21</u></u></b>

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## BALANCE SHEET

Dec 31, 2012

### ASSETS

#### Current Assets

##### Checking/Savings

13000 · Cash

13200 · Checking - Iberia Bank 2,337.84

Total 13000 · Cash 2,337.84

Total Checking/Savings 2,337.84

##### Accounts Receivable

14000 · Accounts Receivable -450.48

Total Accounts Receivable -450.48

##### Other Current Assets

13500 · Due To/ Due From

13505 · Pinecrest Due To / Due From -192.75

13507 · Lake Forest Due To / Due From -50.00

13508 · WLWW Due To / Due From -192.74

13511 · Due To / From Sunrise Utilities 1,750.00

Total 13500 · Due To/ Due From 1,314.51

Total Other Current Assets 2,742.20

Total Current Assets 3,201.87

#### Fixed Assets

15100 · Equipment 2,500.00

17000 · Accumulated Depreciation -1,666.00

Total Fixed Assets 834.00

TOTAL ASSETS 4,035.87

**LIABILITIES & EQUITY****Dec 31, 2012****Liabilities****Current Liabilities****Accounts Payable**21000 · Accounts Payable 1,206.36**Total Accounts Payable** 1,206.36**Other Current Liabilities**21100 · Michael Smalrige Loan 461.05**Total Other Current Liabilities** 461.05**Total Current Liabilities** 1,667.41**Total Liabilities** 1,667.41**Equity**

32000 · Members Equity 813.25

**Net Income** 1,555.21**Total Equity** 2,368.46**TOTAL LIABILITIES & EQUITY****4,035.87**

# FLORIDA UTILITY SERVICES 1, LLC

3336 GRAND BOULEVARD \* SUITE 102 \* HOLIDAY, FLORIDA 34690

352-302-7406 \* MICHAELSMALLRIDGE@GMAIL.COM

## CASH FLOW STATEMENT

	<u>Jan - Dec 2012</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	1,555.21
Adjustments to reconcile Net Income to net cash provided by operations:	
14000 · Accounts Receivable	404.04
13500 · Due To/ Due From:13505 · Pinecrest Due To / Due From	192.75
13500 · Due To/ Due From:13508 · WLWW Due To / Due From	192.74
13500 · Due To/ Due From:13511 · Due To / From Sunrise Utilities	-1,750.00
21000 · Accounts Payable	1,206.36
21100 · Michael Smallrige Loan	-2,000.00
Net cash provided by Operating Activities	<u>-198.90</u>
<b>INVESTING ACTIVITIES</b>	
17000 · Accumulated Depreciation	<u>833.00</u>
Net cash provided by Investing Activities	<u>833.00</u>
Net cash increase for period	634.10
Cash at beginning of period	<u>1,703.74</u>
Cash at end of period	<u><u>2,337.84</u></u>