

Attachment 6

Financial Qualifications

Verde Energy USA Illinois, LLC meets the financial criteria set out under 451.320 (a)(3) in order to qualify as an ARES because its affiliate company with which Applicant is entering into an affiliate services agreement, Verde Energy USA, Inc., is a member of the PJM RTO and will purchase on its behalf one hundred percent (100%) of Applicant's physical electric energy from PJM for delivery to the service territories of the utilities for which Applicant is seeking a certificate.

Applicant has attached documents showing its affiliate is a member in good standing with PJM and a copy of its administrative services agreement with its affiliate.

Verde Energy USA Illinois, LLC or its affiliate also intends to join MISO and at such time will buy one hundred percent (100%) of its energy requirements from MISO.

Holland & Knight

31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

Stephen J. Humes
(212) 513-3473
steve.humes@hklaw.com

July 1, 2011

Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701

Re: Verde Energy USA Illinois, LLC's ARES Application - Original Letter of Credit

Dear Chief Clerk:

Verde Energy USA Illinois, LLC's petition for a certificate of service authority to be an alternative retail electric supplier is supported by a letter of credit issued by JPMorgan Chase Bank, N.A., a copy of the letter of credit is included in the application.

JPMorgan Chase sent the original letter of credit via UPS overnight delivery addressed to Mr. Phil Hardas at the Illinois Commerce Commission's Springfield office with tracking number - 1ZR7A9220194896297 on June 30, 2011.

Please contact me if you have any questions regarding the letter of credit.

Sincerely yours,



Stephen J. Humes

JPMORGAN CHASE BANK Fax:312 954 2457

Jun 30 2011 15:09 P.01



JPMorgan Chase Bank, N.A.
Global Trade Services
131 South Dearborn, 5th Floor
Mail Code: IL1-0236
Chicago, IL 60603-5506

JUN 30, 2011
OUR I/C NO.: CTC5-937924

IRREVOCABLE STANDBY LETTER OF CREDIT NO. CTC5-937924
DATE: JUNE 30, 2011

BENEFICIARY:
PEOPLE OF THE STATE OF ILLINOIS
527 EAST CAPITOL AVENUE
SPRINGFIELD, IL 62701

BY THE ORDER OF:

APPLICANT:
VERDE ENERGY USA ILLINOIS, LLC
101 MERRITT SEVEN CORPORATE PARK, 3RD FLOOR
NORWALK, CT 06851

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. CTC5-937924 FOR THE ACCOUNT OF VERDE ENERGY USA ILLINOIS, LLC FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE U.S. \$300,000.00 (THREE HUNDRED THOUSAND AND NO/100 U.S. DOLLARS) AVAILABLE BY YOUR DRAFTS AT SIGHT DRAWN ON JPMORGAN CHASE BANK, N.A., CHICAGO, IL EFFECTIVE IMMEDIATELY AND EXPIRING AT OUR OFFICE ON JULY 1, 2012.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE AGAINST YOUR DRAFT(S) AS HEREIN ABOVE SET FORTH MARKED: "DRAWN UNDER JPMORGAN CHASE BANK, N.A. LETTER OF CREDIT NO. CTC5-937924 DATED JUNE 30, 2011".

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT THE EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE EXPIRATION DATE HEREOF OR ANY FUTURE EXPIRATION DATE UNLESS AT LEAST NINETY (90) DAYS PRIOR TO SUCH EXPIRATION DATE WE SEND NOTICE TO YOU BY CERTIFIED MAIL OR HAND DELIVERED COURIER, AT THE ADDRESS STATED ABOVE, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD. UPON SUCH NOTICE TO YOU, YOU MAY DRAW ON US AT SIGHT FOR AN AMOUNT NOT TO EXCEED THE BALANCE REMAINING IN THIS LETTER OF CREDIT WITHIN THE THEN-APPLICABLE EXPIRY DATE.

THIS LETTER OF CREDIT MAY BE CANCELLED PRIOR TO EXPIRATION PROVIDED THE ORIGINAL LETTER OF CREDIT (ANY AMENDMENTS, IF ANY) ARE RETURNED TO

JPMORGAN CHASE BANK Fax:312 954 2457

Jun 30 2011 15:09 P.02



JPMorgan Chase Bank, N.A.
Global Trade Services
131 South Dearborn, 5th Floor
Mail Code: IL1-0236
Chicago, IL 60603-5506

JUN 30, 2011
OUR L/C NO.: CTCG-937924

JPMORGAN CHASE BANK, N.A., CHICAGO, IL WITH A STATEMENT SIGNED BY THE BENEFICIARY STATING THAT THE ATTACHED LETTER OF CREDIT IS NO LONGER REQUIRED AND IS BEING RETURNED TO THE BANK FOR CANCELLATION.

WE ENGAGE WITH YOU THAT DRAFTS DRAWN UNDER AND IN CONFORMITY WITH THE TERMS AND CONDITIONS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION IF PRESENTED ON OR BEFORE THE EXPIRATION AT OUR COUNTERS AT 131 SOUTH DEARBORN, 5TH FLOOR, MAIL CODE IL1-0236, ATTN: STANDBY LETTER OF CREDIT UNIT, CHICAGO, IL 60603-5506. THE ORIGINAL LETTER OF CREDIT MUST ACCOMPANY THE DOCUMENTS PRESENTED UNDER THIS LETTER OF CREDIT FOR ENDORSEMENT. EXCEPT WHEN THE AMOUNT OF THE DRAWING FULLY UTILIZES THIS LETTER OF CREDIT, WE UNDERTAKE TO RETURN THE ORIGINAL LETTER OF CREDIT TO YOU WITH THE AMOUNT OF THE PAYMENT ENDORSED THEREON.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES, ICC PUBLICATION NO. 590 (THE "ISP98").

PLEASE ADDRESS ALL CORRESPONDENCE REGARDING THIS LETTER OF CREDIT TO THE ATTENTION OF THE STANDBY LETTER OF CREDIT UNIT, 131 SOUTH DEARBORN, 5TH FLOOR, MAIL CODE IL1-0236, CHICAGO, IL 60603-5506, INCLUDING THE LETTER OF CREDIT NUMBER MENTIONED ABOVE. FOR TELEPHONE ASSISTANCE, PLEASE CONTACT THE STANDBY CLIENT SERVICE UNIT AT 1-800-634-1969, SELECT OPTION 1, AND HAVE THIS LETTER OF CREDIT NUMBER AVAILABLE.

A handwritten signature in black ink, appearing to read "William Lindow", written over a horizontal line.

AUTHORIZED SIGNATURE



955 Jefferson Ave.
Valley Forge Corporate Center
Norristown, PA 19403-2497

Dear New Member:

Welcome to PJM Interconnection (PJM). The executed company agreements between your company and PJM are enclosed. For a complete overview of what PJM offers please visit our Web site at www.pjm.com and contact your client managers for any further questions. You can also contact our Customer Service Center at 610-866-8980 or toll free at 866-400-8980.

If you have any additional questions about the enclosed documents please let me know.

Sincerely,

Tracy Mehlke
610.666.8984 – Phone
mehlkt@pjm.com – Email

Application for Membership
Between
The PJM Interconnection, L.L.C.
and

Verde Energy USA, Inc.

This Application for Membership Agreement ("Agreement") is entered into between PJM Interconnection, L.L.C. ("PJM") and ("Applicant"). The purpose of this Agreement is to apply to become a member of the PJM and to participate under the PJM Agreement which was accepted by the Federal Energy Regulatory Commission (FERC) on November 25, 1997 as amended and became effective on January 1, 1998. The Applicant has read and understands the terms and conditions of the Agreement. The Applicant agrees to accept the concepts and obligations set forth in the Agreement.

The Applicant also commits to supply data required for coordination of planning and operating, including data for capacity accounting, and agrees to pay all costs and expenses in accordance with Schedule 3 of the PJM Agreement and all other applicable costs under the Tariff.

The Applicant will pay the annual fee of \$5,000 for the remainder of the year of application upon notification of PJM OI application approval per Schedule 3.

The Applicant recognizes that it shall become a member of the PJM Agreement effective as of the date that FERC notifies the parties of approval of Schedule 4 submitted by the Applicant to PJM.

This Agreement will remain in effect until notice of termination is given in writing by the authorized representative of either the Applicant or PJM. Any financial obligations must be satisfied prior to termination of the Applicant's obligations and responsibilities under the PJM Agreement.

Applicant:

Signature:



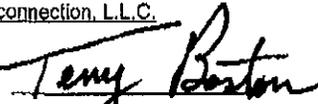
Name: Thomas FitzGerald

Title: Chief Executive Officer

Date: 11/4/10

PJM Interconnection, L.L.C.

Signature:



Name: Terry Boston

Title: President & CEO

Date: 2/4/2010

PJM Interconnection, L.L.C.
Third Revised Rate Schedule FERC No. 24

Second Revised Sheet No. 171
Superseding Original Sheet No. 171

SCHEDULE 4

STANDARD FORM OF AGREEMENT TO BECOME A MEMBER OF THE LLC

Any entity which wishes to become a Member of the LLC shall, pursuant to Section 11.6 of this Agreement, tender to the President an application, upon the acceptance of which it shall execute a supplement to this Agreement in the following form:

Additional Member Agreement

1. This Additional Member Agreement (the "Supplemental Agreement"), dated as of ~~January 14,~~ ^{MARCH 4,} 2010, is entered into among Verde Energy USA, Inc. and the President of the LLC acting on behalf of its Members.

2. Verde Energy USA, Inc. has demonstrated that it meets all of the qualifications required of a Member to the Operating Agreement. If expansion of the PJM Region is required to integrate Verde Energy USA, Inc.'s facilities, a copy of Attachment J from the PJM Tariff marked to show changes in the PJM Region boundaries is attached hereto. Verde Energy USA, Inc. agrees to pay for all required metering, telemetering and hardware and software appropriate for it to become a member.

3. Verde Energy USA, Inc. agrees to be bound by and accepts all the terms of the Operating Agreement as of the above date.

4. Verde Energy USA, Inc. hereby gives notice that the name and address of its initial representative to the Members Committee under the Operating Agreement shall be:

**Thomas FitzGerald
101 Merritt 7 Third Floor
Norwalk, CT 06851**

5. The President of the LLC is authorized under the Operating Agreement to execute this Supplemental Agreement on behalf of the Members.

6. The Operating Agreement is hereby amended to include Verde Energy USA, Inc. as a Member of the LLC thereto, effective as of ~~January 14,~~ ^{MARCH 4,} 2010, the date the President of the LLC countersigned this Agreement.

IN WITNESS WHEREOF, Verde Energy USA, Inc. and the Members of the LLC have caused this Supplemental Agreement to be executed by their duly authorized representatives.

Members of the LLC

By: Terry Boston
Name: Terry Boston
Title: President & CEO

By: Thomas FitzGerald

Issued By: Craig Glazer
Vice President, Government Policy
Issued On: April 30, 2004

Effective: May 1, 2004

PJM Interconnection, L.L.C.
Third Revised Rate Schedule FERC No. 24

Second Revised Sheet No. 171
Superseding Original Sheet No. 171

Name: Thomas FitzGerald
Title: CEO

Issued By: Craig Glazer
Vice President, Government Policy
Issued On: April 30, 2004

Effective: May 1, 2004

ADMINISTRATIVE SERVICES AGREEMENT

THIS ADMINISTRATIVE SERVICES AGREEMENT (“Agreement”) is made and entered into this 10th day of May, 2011, by and between Verde Energy USA, Inc. (“Service Provider”) and Verde Energy USA Illinois, LLC (“Recipient”). This Agreement provides certain terms and conditions upon which Service Provider shall provide support services to Recipient.

RECITALS:

WHEREAS, Recipient seeks to commence operations in Illinois that require certain regulatory approvals and satisfaction of other conditions precedent;

WHEREAS, Service Provider is willing and able to perform certain services on Recipient’s behalf during a transition period of indefinite duration until such time as Recipient is prepared to perform such services for itself; and

WHEREAS, both parties acknowledge and agree that it is to their mutual benefit to have Service Provider provide certain administrative services to Recipient in exchange for fair and reasonable compensation, all in accordance with the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope of Services. In exchange for the Fees (as defined below), Service Provider shall provide to Recipient on an as-requested basis certain administrative services which shall include, but not be limited to, the services, if any, described on Exhibit A attached hereto and the services described below (collectively, the “Services”):

(a) Banking. Service Provider will provide or arrange banking services to Recipient as needed.

(b) Compliance. Service Provider will assist Recipient with its compliance programs and periodically provide compliance auditing services.

(c) Contract Administration. Service Provider will provide contract administration services to Recipient, including, without limitation, sourcing, procurement and negotiation services, as needed.

(d) Corporate Insurance. Service Provider will place certain corporate insurance policies for the protection of the assets and revenues of Recipient and will assist in coordinating coverage between Service Provider and Recipient.

(e) Customer Acquisition. Service Provider will provide or arrange customer acquisition services to Recipient as needed.

(f) Customer Service. Service Provider will provide or arrange customer service

services to Recipient as needed.

(g) Energy Procurement. Service Provider will provide or arrange energy procurement services to Recipient as needed.

(h) Financial Accounting & Reporting. Service Provider will assist Recipient with various accounting/financial reporting issues, including monthly and quarterly financial close activities, as well as with other related matters as needed.

(i) Financial Assurance. Service Provider will provide or arrange financial assurances for Recipient as needed.

(j) Funding of Customer Rebates & Promotions. Service Provider will fund customer rebates and promotions for Recipient as needed.

(k) Information Technology. Where permitted by the underlying license or use agreements, Service Provider will provide Recipient access to Service Provider's voice and data networks, as well as access to Service Provider's enterprise software.

(l) Legal. Service Provider will provide contract review and legal counsel to Recipient as needed.

(m) Licensing. Service Provider will continue to serve as the licensed retail electric supplier in Illinois for customers enrolling either with Service Provider or Recipient until such time as Recipient has established the requisite regulatory and commercial arrangements to perform these services itself.

(n) Website Development & Marketing. Service Provider will provide website development and marketing services to Recipient as needed.

(o) Real Estate Services. Service Provider will procure and provide office space to Recipient including the negotiation of rents and lease terms, as well as the provision of facilities planning and management services, all as needed.

(p) Tax Preparation. Service Provider will assist Recipient with state and federal income tax preparation and provide tax consulting services as needed.

Service Provider may, from time to time, elect to expand, contract or otherwise modify the specific Services enumerated above at mutually acceptable rates.

2. Standard of Care. Service Provider shall use that degree of ordinary care and reasonable diligence in the performance of the Services hereunder that an experienced and qualified provider of similar services under a similar services agreement would use acting in like circumstances.

3. Third Party Costs. Recipient shall pay or reimburse Service Provider for any and all third party charges, costs and expenses Service Provider incurs in connection with the Services or otherwise on behalf of, or for the account of, Recipient.

4. Payment for Services Rendered. Recipient shall pay Service Provider a monthly service fee (the "Fee") of \$2.00 per meter up to 25,000 meters, \$1.00 per meter for 25,001 to 50,000 meters and \$0.50 per meter for 50,001 and more meters.

5. Term and Termination. This Agreement shall remain in effect until terminated by either party on ten (10) days' advance written notice to the other party, whereupon the Services will be discontinued effective on the date set forth in the written notice.

6. Accounting Records and Documents. Service Provider shall be responsible for maintaining accurate accounts and records of all Services rendered pursuant to this Agreement in accordance with applicable laws and regulations. Service Provider shall keep copies of such accounts and records available at its principal offices for audit, inspection, and copying by Recipient and persons authorized by Recipient or any governmental agency having jurisdiction over Recipient during normal business hours.

7. Force Majeure. If any cause or condition shall occur beyond the control of Service Provider which wholly or partially prevents the performance by Service Provider of its obligations hereunder, including, without limitation, any Act of God or the public enemy, fire, explosion, flood, earthquake, war, riot, adverse weather conditions, breakdowns in equipment or facilities, strike, slowdown, work stoppage or other labor trouble or delays in receiving or failures to receive any permits, licenses or approvals from any governmental authority, then Service Provider shall be excused to the extent made necessary by such cause or condition and during the continuance thereof, and Service Provider shall incur no liability by reason of its failure to perform the obligations so excused.

8. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, each of the parties hereto and their respective successors and permitted assigns.

9. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the transactions contemplated hereby and supersedes all prior negotiations, commitments, agreements, term sheets and understandings between them with respect thereto.

10. Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class mail, postage prepaid, or by any nationally recognized express courier service, addressed to such party at the address designated in writing by the addressee to the addressor.

11. Amendments. This Agreement may be amended only by the written agreement of the parties.

12. Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement.

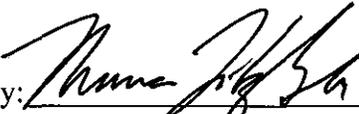
13. Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

14. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the substantive laws of the State of Connecticut, without regard to its principles of conflicts of laws. Notwithstanding any provision of this Agreement to the contrary, no party shall be required to take any act, or fail to take any act, under this Agreement if the effect thereof would be to cause such party to be in violation of any applicable law, statute, rule or regulation.

15. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

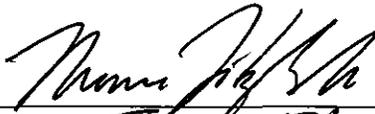
IN WITNESS WHEREOF, the undersigned have executed this Administrative Services Agreement as of the day and year first written above.

VERDE ENERGY USA, INC.

By: 

Thomas FitzGerald
Its President and CEO

VERDE ENERGY USA ILLINOIS, LLC

By: 

Name: *Thomas FitzGerald*
Its: *CEO*