

**ATTACHMENT NO. 1 TO: APPLICATION FOR LICENSURE OF AGENTS, BROKERS AND CONSULTANTS**

**TO: ILLINOIS COMMERCE COMMISSION**

**SUBMITTED BY: YARDI SYSTEMS, INC.**

**DATED: 12/21/15**

**Item 4: DESCRIPTION OF YARDI SYSTEMS, INC.'S BUSINESS:**

Yardi Systems, Inc. provides high-performance software solutions for the real estate community. The company develops and offers property management software products for commercial, residential and investment real estate owners and managers. Yardi's comprehensive client support program offers professional services, system implementation, training, technical support, custom programming, application hosting and other services to its clients world-wide.

Yardi Systems, Inc. (Yardi) currently has over 4,000 employees located in offices world-wide. The company has approximately 24 offices located in North America and 10 offices located in Europe, the Middle East and Australia. The corporate headquarters is located at 430 S. Fairview Avenue, Santa Barbara, CA 93117.

The ABC services will be conducted by the company's Energy Division, located at Valhalla, NY. The Energy Division is under the direction of the company's Regional Manager, Northeast Region, Margaret (Meg) Carey, who is responsible for day-to-day operations. Approximately 15 people are located at the Valhalla office. The ABC services will be carried out by a staff of approximately 10 people, each with experience and expertise in the company's service offerings. Ms. Carey reports to the Director of Energy Management, Matt Eggers, who is based in Yardi's office in San Francisco, CA. Mr. Eggers is responsible for the financial and corporate integration of the Energy Division with Yardi's upper management. Mr. Eggers reports to Anant Yardi, President and founder of Yardi Systems, Inc.

The Energy Division, formerly MCENERGY, INC. (MCE), under the direction of Meg Carey, has provided the following services to the commercial real estate community, municipalities and industrial facilities since 1999:

- Competitive energy procurement for electricity supply: The process includes conducting market research, energy profiling, legal review of contracts, running the RFP process, bid analysis and presentation of financial implications of various pricing options to the client.
- Tracking, budgeting and reporting energy and emissions, including calculating and forecasting carbon footprints: The company's patented MCE EnergyTrack web-based software centrally collects and monitors usage, costs, supply-contract performances and budget variances for electricity, steam, water, natural gas and fuel oil. These analytical tools help clients understand how a building uses energy and how that usage can be cost-effectively controlled. The budget module lets clients create and modify energy/utility budgets as necessary. The company's patented MCE EnvironmentalTrack web-based software lets clients track all components of their carbon footprint. As part of the company's "Green Initiatives" program, it calculates and displays direct and indirect emissions associated with the operations of an individual property, portfolio or company. It also reports all emission sources contributing to the total carbon footprint, including energy, travel, waste, paper, HCFCs, and others. MCE EnvironmentalTrack also provides an audit trail for

compliance and helps clients satisfy environmental reporting as required by their own criteria and/or by the International Standards Organization, GHG Protocol and EPA Climate Leaders.

- Developing and implementing green initiatives: The company develops requests for pricing (RFPs) from green energy suppliers, negotiates contract terms and conditions, solicits prices from suppliers and secures final contracts for execution. The company also develops and presents a matrix of options for emissions offsets, including the costs and methods of procurement. These options include nationally and regionally produced Renewable Energy Credits (RECs), Certified Emissions Reductions (CERs), Carbon Development Mechanisms (CDMs), and carbon sequestration products.
- Sub-metering services including sub-meter reading, tenant billing and sub-meter installation: The process includes reading meters both electronically and manually, the preparation and issuance of electronic invoices, sales tax reporting, review of meter readings to ensure accuracy and integrity of the meters, automated alerts to potential meter problems, and customized reporting. Other services offered are Electric Rent Inclusion Adjustments Analysis, Tenant Electricity Recovery Forecasting and Tenant Electricity Recovery Analysis, as well as sub-meter installation and project management services.

Yardi Systems, Inc. (Yardi), founded in 1984 by Anant Yardi, is a California corporation and is privately owned. Yardi has six domestic wholly-owned subsidiaries and ten international wholly-owned subsidiaries. Except as described below, the Yardi subsidiaries are engaged in the provision of software services to the real estate industry, and they are not engaged in the provision of energy-related services. The Energy Management business which is the subject of this ABC License Application is a division of Yardi Systems, Inc.

Yardi offers a LOBOS software system to its clients, which is an HVAC optimization system that offers improved comfort, energy efficiency and fully automated demand response capability. The sales and management of the LOBOS software systems is based in Yardi's Irvine, CA location. In addition, two of the Yardi domestic subsidiaries conduct business activities in the energy industry, YES Energy Management, Inc. and YES Multifamily, Inc. These entities provide utility billing software and meter installation services to commercial real estate owners and managers. These entities are located in Colorado Springs, Colorado.

The predecessor business to Yardi's Energy Division is MCENERGY, INC. (MCE), which was formed in 1996 by Margaret M. Carey. MCE started to provide energy consulting services to the commercial real estate community in New York City and the surrounding metropolitan region in 1999. Over the past 19 years, the company expanded its operations to include the northeastern U.S., including the Chicago metropolitan region. MCE currently holds an ABC License issued by the Illinois Commerce Commission (Number 11-0429), which was issued on 07/27/11.

In August 2015, Ms. Carey signed an agreement with Yardi for the sale of substantially all the assets of MCE to Yardi. The transfer of MCE's operations will be completed following the issuance of applicable state licenses to Yardi for the electricity procurement activities. Following issuance of an ABC License to Yardi by the ICC, MCE plans to notify the ICC that MCE will be terminating License 11-0429 currently held in its name.

**Item 5: CERTIFICATION UNDER SECTION 16-115C OF THE ACT:**

Yardi Systems, Inc. hereby certifies that it meets the requirements of Section 16-115C of the Act, as demonstrated in the responses contained in the ABC License Application, as supplemented by this Attachment No. 1.

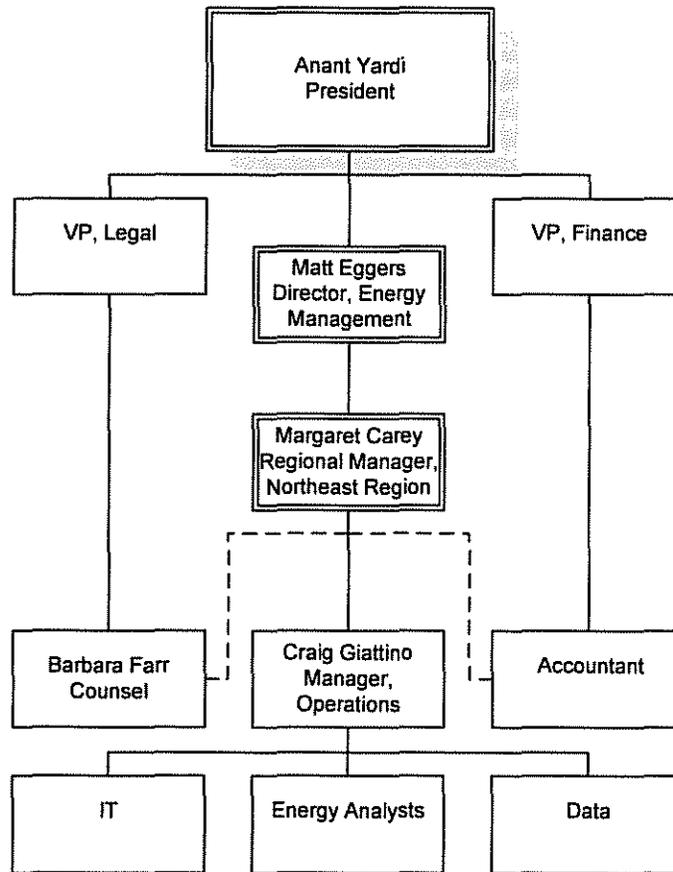
**Item 7: OTHER JURISDICTIONS:**

Yardi Systems, Inc. (Yardi) does not currently operate as an agent, broker, or consultant in any other jurisdictions in a manner similar to that contemplated under Section 16-115C of the Act. The company's Energy Division intends to initially provide ABC services for electricity in the states of Connecticut, Illinois, Maryland, Massachusetts, New Jersey, New York, Ohio, Pennsylvania and the District of Columbia. In addition to Illinois, the company is currently in the process of applying for applicable licenses in the states of Maryland, Massachusetts, New Jersey, Ohio, Pennsylvania and the District of Columbia. The company's predecessor, MCENERGY, INC. (MCE), provided ABC services for electricity in these same states, and held applicable licenses in the states of Illinois, Maryland, Massachusetts, Ohio, Pennsylvania and the District of Columbia.

Neither Yardi nor MCE has had any complaints filed against it for its provision of any services in the electric or gas industry in this or any other jurisdiction.

**Item 9: MANAGERIAL LICENSING QUALIFICATIONS:**

**A. Corporate Organizational Chart of YARDI SYSTEMS, INC.:**



**B. Occupational Background Information Demonstrating Managerial Capabilities:** Each of the following persons has had at least one year of management experience with a business enterprise:

- **Anant Yardi, President**

In 1982, Anant Yardi recognized the need for an integrated accounting and property management software for the residential marketplace. As the director of systems development for Burroughs Corporation (now Unisys) and with 14 years of programming experience, he knew he had the background to design such a product. In 1984, Anant founded Yardi Systems, Inc. (Yardi), and "Basic Property Management" was created for the Apple II computer and was sold to the company's first customer, Sabaco Realtors. Since that time, Anant has directed the company through over 30 years of steady growth as Yardi became a leader in real estate asset and property management solutions.

Today, Anant continues to serve as President of Yardi, and his vision is the driving force behind the development of effective and innovative software solutions for global real estate portfolio management. He has been recognized as one of the early pioneers in the commercial real estate automation industry, a "visionary in respect to automation systems and the resultant benefits in property operations," according to Realcomm, when they honored him with the 2004 "Digie" award. He was inducted into the Multi-Housing News "Hall of Fame" that same year, and his company continues to receive industry accolades.

Anant has an M.A. in Engineering from the University of California at Berkeley, and worked for 14 years developing programming methodologies and directing systems development at Burroughs Corporation prior to establishing Yardi Systems, Inc.

- **Matt Eggers, Director Energy Management**

Currently Matt is leading the charge in energy management and high performing buildings software for Yardi as the property management software company builds the most integrated solution in the market. He was previously Vice President of North American Sales at Tesla Motors. In this role he managed the retail and sales strategy, and led the 450-member sales team to record sales, and large gains in market share.

Before Tesla he was VP of Operations and Software Product Management at Sunrun Inc. (NASDAQ: SUN) where he led the creation of Customer Care, Field Service, Project Operations and Order Management as Sunrun grew from 30 employees and 2,000 residential solar customers to 1,200 employees and more than 55,000 customers. Matt also led the software team that created and designed the industry's leading solar sales toolkit ("BrightPath"), customer website, and solar fleet management tools. Prior to Sunrun, Matt was Director of Product Management at the fuel cell company Bloom Energy where he created the product requirements for the second gen "Bloom Box", led PR for the famous "60 Minutes" piece on Bloom, and worked in a sales team that closed \$20M in orders from customers including FedEx, Staples, eBay, Wal-Mart, and Google. Before Bloom, Matt was at Genentech where he led the commercial launch of Herceptin Adjuvant, a cancer drug with over \$1 billion in sales. Matt graduated magna cum laude with a B.S. in molecular biology from Duke University, and has an MBA from Stanford. He is on the Board of Ecology Project International, and the Advisory Board for the Duke University Center for Energy, Development and the Global Environment (EDGE).

- **Margaret M. Carey, Regional Manager, Northeast Region**

Meg Carey has worked in the energy industry for over 25 years, and previously worked in the commercial real estate industry for over 12 years. She is an expert in understanding the economic impact energy-related issues have on the commercial real estate industry.

Because of Meg's varied experience working with real estate owners, developers, managing agents and large commercial and industrial tenants, she knows firsthand the parameters by which investment decisions regarding energy efficiency are made. Meg has been instrumental in guiding her clients through the changes in the deregulated electricity markets and has successfully negotiated many of the largest electricity supply contracts in the New York metropolitan area. Meg's understanding of real estate, finance and leasing enable her to assess energy supply and efficiency projects at their bottom line.

Meg's career began at Cushman & Wakefield, Inc. in the Property Management Division in 1979. Subsequently she was AVP/Director of Energy Management at Mendik Realty Company, then VP/Manager of Facilities Planning and Design at HSBC/Marine Midland Bank where she was awarded "Employee of the Year." Meg went on to become VP of Business Development at Enersave, Inc. and managed sales of demand-side management and energy-efficiency services and equipment to the commercial real estate community in the New York City metropolitan region. In 1996 she founded MCENERGY, INC. (MCE), an independent energy consulting company geared to provide energy management services to owners and managers of commercial properties. Over a period of 19 years, Meg built MCE into a premier energy consulting firm in the Northeastern United States, facilitating energy procurement and implementation of green initiatives for clients, providing sub-metering services for multi-tenant facilities, and developing web-based software tools to assist clients in tracking, budgeting and reporting energy usage and emissions. MCE's clients include many high-profile commercial properties in New York, Boston, Chicago and Washington DC, as well as highly-recognized corporate clients with locations in multiple states. In August 2015, Meg signed an agreement with Yardi to transfer MCE's assets and operations to Yardi under its Energy Division.

Meg has served as a member of BOMA's Energy Committee, the New York Chamber of Commerce and Industry's Energy Resources Committee and as Co-Chair of Con Edison's Committee on Energy Conservation. Meg has been active at New York University's Real Estate Institute and is one of the first members of NY Women Executives in Real Estate (WX), Building Owners and Managers Association and the Real Estate Board of New York. Meg has been quoted in real estate and energy-related publications as well as The New York Times and The Wall Street Journal.

- **Barbara A. Farr, Counsel**

Barbara Farr has worked in the energy industry for over 35 years and has negotiated transaction and financing documents for a multitude of energy transactions. She is admitted to the New York State Bar and has experience working with energy service companies, energy development companies and unregulated utility subsidiaries, pursuing a variety of energy applications, such as solar, cogeneration, demand-side management, energy efficiency, distributed generation, district heating, and the generation of electricity from natural gas, landfill gas, biomass and geothermal sources. Barbara has experience in representing both buyers and sellers in the negotiation of energy sales agreements and renewable energy certificate purchases.

Barbara has had positions as in-house and General Counsel with various public and private energy companies, and from 1992 to 1998, she worked at Enersave, Inc., where she met Meg Carey. During her tenure at Enersave, she worked with Meg to negotiate agreements for the provision of demand-side management and energy-efficiency services and equipment to the commercial real estate community.

Upon Meg's formation of MCENERGY, INC. (MCE), Barbara advised in the structuring and development of the company. In 2004, Barbara started providing legal services to the company on a regular basis. In 2005, she assumed the office of Secretary to the corporation. During her tenure at the company, she has been involved in negotiating client transactions and electricity procurement contracts on behalf of MCE's clients, as well as transaction documents and general corporate matters for the company. Barbara has been the primary regulatory contact with the state commissions with respect to licensing matters. As the deregulated energy markets have evolved, Barbara has worked with Meg to optimize energy procurement terms on behalf of MCE clients and with the company's energy services staff to blend the legal contracting and technical aspects of energy procurement transactions. Upon transfer of MCE's operations to Yardi Systems, Inc., Barbara will continue to provide these services to Yardi and its Energy Division clients.

**Item 10: TECHNICAL LICENSING QUALIFICATIONS - Occupational Background Information Demonstrating Technical Capabilities.** Each of the following persons has had at least one year of experience in the electric industry:

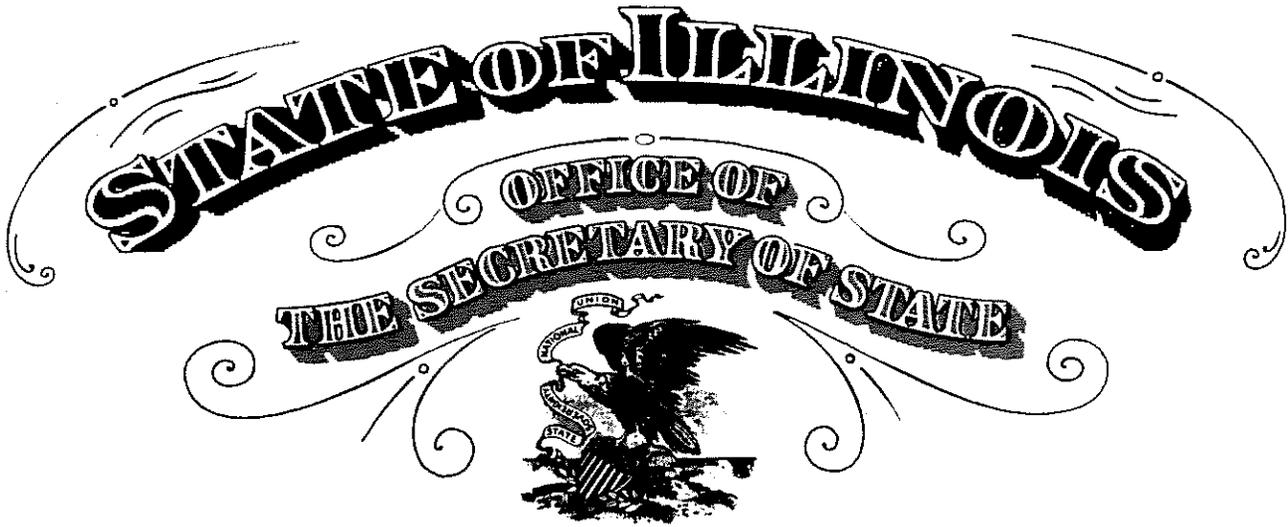
- **Margaret M. Carey, Regional Manager, Northeast Region:** Please refer to the narrative for Margaret in Item 9.B above.
- **Barbara A. Farr, Counsel:** Please refer to the narrative for Barbara in Item 9.B above.
- **Craig Giattino, Manager, Operations:**

Mr. Giattino has overseen operations and product development for MCE since 2013, and he manages the Energy Analysts who are directly responsible for providing electricity procurement services to the company's clients. Craig ensures integration of the IT and Data teams to support the procurement activities, and he provides client support and issue resolution. He is also responsible for the interface of client records within the company's administrative and financial systems. Upon the transfer of MCE's operations to Yardi, Craig will continue in his managerial position. Prior to his work in the energy field, he held technology management positions in the consumer electronics and luxury good e-commerce spaces.

Craig holds three degrees from Marist College, concentrating in Computer Animation, Advertising and Studio Art.

**Item 11: FINANCIAL LICENSING REQUIREMENTS:**

Please refer to the enclosed License Bond issued by International Fidelity Insurance Company as Surety, for Yardi Systems, Inc. as Principal, in the amount of \$5,000. International Fidelity Insurance Company is authorized by the U.S. Department of the Treasury pursuant to 31 USC 9305, and is authorized to transact business in the State of Illinois.



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

YARDI SYSTEMS, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON NOVEMBER 05, 2010, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

***In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 2ND day of DECEMBER A.D. 2015 .***



*Jesse White*

SECRETARY OF STATE

License or Permit Bond

License or Permit Bond No CP 18786

International Fidelity Insurance Company

One Newark Ctre., Newark, NJ 07102

KNOW ALL MEN BY THESE PRESENTS, That we, **Yardi Systems, Inc.** as Principal, and **International Fidelity Insurance Company** a **New Jersey** Corporation, and authorized to do business in Illinois, as Surety, are held and firmly bound unto THE PEOPLE OF THE STATE OF ILLINOIS as Obligee, in the sum of FIVE THOUSAND AND NO/100 Dollars (\$5,000.00), for which sum, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, That WHEREAS, the Principal has been or is about to be granted a license or permit to do business to operate as an ABC (Agent, Broker, or Consultant) under 220 ILCS 5/16-115C and is required to execute this bond under 83 Illinois Administrative Code Part 454.80 by the Obligee.

NOW, Therefore, if the Principal fully and faithfully perform all duties and obligations of the Principal as an ABC, then this obligation to be void; otherwise to remain in full force and effect.

This bond may be terminated as to future acts of the Principal upon thirty (30) days written notice by the Surety; said notice to be sent to 527 East Capitol Avenue, Springfield, Illinois 62701, of the aforesaid State of Illinois, by certified mail.

Dated this 3rd day of December, 2015

**Yardi Systems, Inc.**, Principal

Surety

by:



Gordon Morrell, Secretary

**International Fidelity Insurance Company**

by:



Michael Hantman, Atty-in-fact

**POWER OF ATTORNEY**  
**International Fidelity Insurance Company**

CP18786

HOME OFFICE: ONE NEWARK CENTER, 20th FLOOR  
NEWARK, NEW JERSEY 07102  
TEL. (973) 624-7200

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a N.J. Corporation, having its principal office in the City of Newark, County of Essex, State of N.J., does hereby make, constitute and appoint Michael Hantman

in the City of Detroit, County of Wayne, State of MICHIGAN  
with limited authority, its true and lawful Agent and Attorney-in-Fact, with full-power and authority hereby conferred, to sign, execute, acknowledge, and deliver for and on its behalf as Surety, subject to the limitation as herein set forth, any and all papers and documents necessary or incidental to  
\$5,000.00 License/Permit Bond

NOT TO EXCEED THE SUM OF \$10,000.00

NOT TO EXCEED THE SUM OF \$10,000.00

The acknowledgement and execution of any such document by the said Attorney-in-Fact shall be as binding upon this Company as if such bond has been executed and acknowledged by the regularly elected officers of this Company.

The signature of the President or a Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company.

All authority hereby conferred shall expire and terminate without notice unless used before midnight of DEC 31 2015

INTERNATIONAL FIDELITY INSURANCE COMPANY further certifies that the following is a true and exact copy of a resolution of the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY, duly adopted and now in force, to-wit: All bonds of the Corporation shall be executed in the corporate name of the Company by the President or Vice-President, or by such other officers as the Board of Directors may authorize. The President or Vice-President, Secretary, or any Assistant Secretary may appoint Attorneys-in-Fact or agents who shall have authority to issue bonds in the name of the Company. The Corporate Seal is not necessary for the validity of any bonds of the Corporation.

IN WITNESS WHEREOF, the said INTERNATIONAL FIDELITY INSURANCE COMPANY has caused these presents to be executed by its officer this 4th day of December, 20 15

INTERNATIONAL FIDELITY INSURANCE COMPANY

State of NEW JERSEY

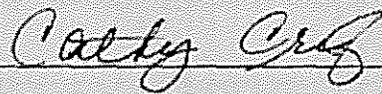
ss.

County of ESSEX

By   
EXECUTIVE VICE PRESIDENT

On this 4th day of December, 20 15, before me, a Notary Public, personally appeared NORMAN R. KONVITZ, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as Exec. Vice-President of the said INTERNATIONAL FIDELITY INSURANCE COMPANY and acknowledged said instrument to be the voluntary act and deed of said corporation.

My Commission expires \_\_\_\_\_

  
Notary Public