

FOUR POINTS UTILITY CORP.  
P.O. BOX 1798  
EATON PARK, FL. 33840  
863-904-5574

RECEIVED-FPSC  
13 MAR -6 AM 10:02  
COMMISSION  
CLERK

3/5/2013

Florida Public Service Commission  
Commission Clerk  
2540 Shumard Oak Blvd.  
Tallahassee, FL. 32399

RE: Company response to Audit. Docket# 120269-WU in Polk County.

Dear Commission Clerk:

1. Page 2 of Audit. First line, under paragraph labeled background; Please note Pinecrest Utilities is water only utility.
2. I have included a copy of my latest insurance binder for Pinecrest. This new policy removes the truck insurance expense and reduces the cost of the policy.
3. Page 13. Removed Vendor Invoices. Enclosed please find some of these invoices.
4. Page 16. 5<sup>th</sup> paragraph. This states that I asked for \$5500 contribution to a pension fund. While this is correct, let me further clarify. I am asking for each utility I own (Pinecrest & West Lakeland), as part of Officer Benefits to contribute \$2,000 each yearly to an IRA. The above mentioned \$5500 was based off a letter from my banker as the max allowed for 2013 was \$5500, but that could change. I would ask for the amount of to be \$2,000 from Pinecrest and \$2,000 from West Lakeland annually.
5. Page 16 last paragraph. This has changed as one of the two employees will not be receiving health benefits for three more years. I have enclosed the quote from Blue Cross for the remaining employee Matt Andrews.
6. Page 16. Last Paragraph. Attached is the insurance policy that includes the new truck combined with the office lease required insurance.
7. Page 20. As it stands now, I will be keeping Bimini Bay and Four Points Utility in receivership to around the middle of 2014. Therefore, I have hired a maintenance person who will be paid directly from BBU & FPU. The allocated costs from BBU & FPU are rent, office supplies, electric, internet, phone, P.O. Box rental and customer service/ billing person.
8. Page 22. Sent maps and requested to Phil Ellis.

DOCUMENT NUMBER-DATE  
01182 MAR-6 13  
FPSC-COMMISSION CLERK



Blue Cross and Blue Shield of Florida

## Proposal for Matthew Andrews

### Proposal 803385

Mon Jan 28 15:20:50 EST 2013

## Summary

### Individuals on Proposal

Relationship	First Name	Gender	Date of Birth	Zip Code	County	Tobacco User 12/36 months
Applicant	Matthew	Male	11/12/1986	33884	POLK	No / N/A

### Health

Plan Name	Premium
BlueOptions 504	\$207.00
BlueOptions 533	\$123.00

### Dental

Plan Name	Premium
BlueDental Care FI315	\$11.99
Individual BlueDental Choice Plus	\$33.05
Individual BlueDental Choice CoPayment	\$23.72

#### Prepared for

Name: Matthew Andrews  
Email:  
Phone:

#### Agent Contact Information

Name: Charlene Mire  
Email: c.mire@baai-insurance.com  
Phone: (352) 563-0015  
Agency/Agent ID: 5196-002

#### Agency Contact Information

Name: BENCO ALCO AQUISITION INC  
Email: charlenemire@hotmail.com  
Phone: (352) 563-0015  
932 N. SUNCOAST BLVD.  
CRYSTAL RIVER, FL 34429

Health insurance is offered by Blue Cross and Blue Shield of Florida, D/B/A Florida Blue. HMO coverage is offered by Health Options Inc., D/B/A Florida Blue an HMO subsidiary of Blue Cross and Blue Shield of Florida. Dental, Life and Disability are offered by Florida Combined Life, an affiliate of Blue Cross and Blue Shield of Florida. These companies are Independent Licensees of the Blue Cross and Blue Shield Association. Some policies may have exclusions and limitations. For costs and complete details of coverage, call or write the insurance agent. The amount of benefits and premium will vary depending upon the plan selected. If the premium for a health plan is based on specific criteria, it must be stated.

Life and Dental plans are offered by Florida Combined Life Insurance Company, Inc., an affiliate of BCBSF. Premium is based on age, gender, county.

DOCUMENT NUMBER - DATE

01182 MAR-6 2013

FPSC-COMMISSION CLERK

tobacco usage, etc.

BCBSF and FCL are Independent Licensees of the Blue Cross and Blue Shield Association.



In the pursuit of health®

Blue Cross and Blue Shield of Florida

## Proposal for Matthew Andrews

Mon Jan 28 15:20:50 EST 2013

# Health Details

Proposed Effective Date: 01/28/2013

Eligible Applicant(s)	BlueOptions 504	BlueOptions 533
Matthew	\$207.00	\$123.00
<b>Total Monthly Premium:</b>	<b>\$207.00</b>	<b>\$123.00</b>

Cost Sharing		
Calendar Year Deductible (CYD) (per person / family aggregate)	\$2,500 / \$7,500	\$5,000 / \$10,000
Coinsurance (Amount you pay)	0% of the Allowed Amount	0% of the Allowed Amount
Out-of-Pocket Maximum (per person / family aggregate)	\$2,500 / \$7,500	\$5,000 / \$10,000
Calendar Year Deductible (CYD) for Dental Benefits (per person / family aggregate)	Not Applicable	Not Applicable

Other Benefits		
E-visits	\$10 copayment	Family Physician: \$40 Copayment / Specialist: \$75 Copayment
Physician Office Services	Family Physician: \$35 Copayment Specialist: \$50 Copayment	Family Physician: \$40 Copayment / Specialist: \$75 Copayment
Preventive Care (Adult Wellness and Well Child Care)	\$0 copayment	\$0 Copayment
Urgent Care Centers	\$60 copayment	\$100 copayment
Emergency Room Facility Services (per Visit)	CYD	Option 1 - CYD / Option 2 - CYD
Inpatient Hospital Facility Services (per admission)	Option 1 = CYD Option 2 = CYD	Option 1 - CYD / Option 2 - CYD
Outpatient Hospital Facility Services (per visit)	Option 1 = CYD Option 2 = CYD	Option 1 - CYD / Option 2 - CYD
Physician Services at Hospital & ER	CYD	CYD

<b>Independent Clinical Lab</b>	<b>\$0 Copayment</b>	<b>\$0 Copayment</b>
<b>Rx Benefits - Retail (includes Preventive Medicine)</b>	Rx Deductible - \$300 (Brand & Non-Preferred) Generic: \$10 copay Brand: Rx Deductible + 40% coinsurance Non-Preferred: Rx Deductible + 50% coinsurance	Rx Deductible - \$1,500 (Brand) Generic: \$10 copay Brand: Rx Deductible + \$60 copay Non-Preferred: \$100 copay
<b>Rx Benefits - Mail Order (includes Preventive Medicine when Mail Order is Applicable)</b>	(90 day supply) Rx Deductible - Combined w/Retail Generic: \$25 Copay Brand: Rx Deductible + \$125 Copay Non-Preferred: Rx Deductible + \$200 Copay	(90 day supply) Rx Deductible - Combined w/Retail Generic: \$25 Copay Brand: Rx Deductible + \$150 Copay Non-Preferred: \$250 Copay
<b>Out-of-Network Benefits</b>	Covered	Covered
<b>Vision</b>	Not Available	Not Available
<b>Dental Benefits</b>	Not Applicable	Not Applicable

Health insurance is offered by Blue Cross and Blue Shield of Florida, D/B/A Florida Blue. HMO coverage is offered by Health Options Inc., an HMO subsidiary of Blue Cross and Blue Shield of Florida. Dental, Life and Disability are offered by Florida Combined Life, an affiliate of Blue Cross and Blue Shield of Florida. These companies are Independent Licensees of the Blue Cross and Blue Shield Association. The amount of benefits provided depends upon the plan selected and the premium may vary with the amount of benefits selected. These policies have limitations and exclusions. Some plans are medically underwritten. The HMO plan is offered by Health Options, Inc. Health Options and its Parent, BlueCross and Blue Shield of Florida Inc., are Independent Licensees of the Blue Cross and Blue Shield Association. GoBlue is a limited benefit plan that has limitations and exclusions. NetworkBlue is one of our Preferred Provider Networks made up of independent hospitals, physicians and ancillary providers. FamilyBlue is NOT health insurance, it is a medical discount plan providing services from certain health care providers. The plan does not make payment directly to the providers. The plan member is obligated to pay for all health care services, but will receive a discount from the health care providers who have contracted with the discount medical plan organization. The plan is administered by Coverdell & Company, Inc., a discount medical plan organization located at 8420 W Bryn Mawr, Suite 700, Chicago, IL 60631, 1-800-915-7600. All companies are Independent Licensees of the Blue Cross and Blue Shield Association.



Blue Cross and Blue Shield of Florida

## Proposal for Matthew Andrews

Mon Jan 28 15:20:50 EST 2013

# Dental Details

Proposed Effective Date: 01/28/2013

Eligible Applicant(s)	BlueDental Care FI315	Individual BlueDental Choice Plus	Individual BlueDental Choice CoPayment
Matthew	\$11.99	\$33.05	\$23.72
<b>Total Monthly Premium:</b>	<b>\$11.99</b>	<b>\$33.05</b>	<b>\$23.72</b>

<sup>1</sup> Total premium rate includes all applicants listed above.<sup>2</sup> Rate is based on the number of applicants, there is no additional cost for the sixth (or more) applicants.

Description			
Description	No charge or low copay for most procedures.	Visit any dentist anywhere, with the added benefit of lower out-of-pocket expenses when using an In Network provider.	Predictable copay on all services performed In Network.

Cost Sharing			
Preventive: (cleaning, exam, bitewing x-rays, fluoride for children)	In Network = no charge for covered services, OON = No benefit available	In-Network = 100% coinsurance based on fee schedule, OON = 100% coinsurance based on UCR	\$10 cleaning Copay, In-Network = Copay, OON = 80% based on fee schedule
Basic:(complete mouth x-rays, denture/partial repair, extractions, fillings, sealants for children)	No waiting period, No deductible, Low copay for covered procedures	0 or 6 months waiting period, \$50 deductible per person, In-Network = 80% coinsurance based on fee schedule, OON = 80% coinsurance based on UCR	No waiting period, \$50 deductible per person, In-Network = Copay, OON = 60% based on fee schedule
Major:(crowns, bridges,		0 or 12 months waiting period, \$50 deductible per person, In-Network	0 or 12 months waiting

<b>partials, dentures, root canals, periodontal treatment)</b>	No waiting period, No deductible, Low copay for covered procedures	= 50% coinsurance based on fee schedule, OON = 50% coinsurance based on UCR	period, \$50 deductible per person, In-Network = Copay, OON = 40% based on fee schedule
<b>Plan Features</b>	\$35 enrollment fee, No annual max, No free look, No missing tooth clause, In Network coverage only, 25% discount on specialist, requires 12-month participation	No enrollment fee, \$1,000 Annual max., 10-day free look, Permanent missing tooth clause, In and OON coverage, Value Added benefits, Specialist coverage	No enrollment fee, \$1,000 Annual max., 10-day free look, Permanent missing tooth clause, In and OON coverage, Value Added benefits, Specialist coverage

BlueDental<sup>SM</sup> Plans are offered through Florida Combined Life Insurance Company, Inc. (FCL), an affiliate of Blue Cross and Blue Shield of Florida, Inc. (BCBSF). BCBSF and FCL are Independent Licensees of the Blue Cross and Blue Shield Association. Members will receive a 20% discount on Orthodontic and Cosmetic procedures at no additional premium as long as they visit an Orthodontic or Cosmetic dentist who participates in our network. Networks are comprised of independent contracted dentists.

# **C & C Consultants**

Utility Insurance Specialists

February 20<sup>th</sup>, 2013

Center State Bank of FL., N.A.  
Attn: Insurance Department  
P.O. Box 188  
Haines City, FL 33845

Re: Pinecrest Utilities, LLC.  
Policy No: GWPKG0080307  
Policy Dates: 2/13/2013-2/13/2014

To whom it may concern,

Enclosed is the Evidence of Property Insurance for Pinecrest Utilities, LLC.  
verifying Insurance Coverage from 2/13/2013-2/13/2014.

If you have any questions or need anything further, please give us a call.

Regards,



Lou Morrison  
C&C Consultants

Enclosure

# ACORD. EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YY)  
02/20/2013

THIS IS EVIDENCE THAT INSURANCE AS IDENTIFIED BELOW HAS BEEN ISSUED, IS IN FORCE, AND CONVEYS ALL THE RIGHTS AND PRIVILEGES AFFORDED UNDER THE POLICY.

<b>PRODUCER</b> HAROLD MORRISON D/B/A C & C CONSULTANTS P O BOX 701340 ST CLOUD, FL 34770-1340		<b>PHONE (A/C, No, Ext):</b> 888-494-9844		<b>COMPANY</b> ARCH INSURANCE COMPANY	
<b>CODE:</b>		<b>SUB CODE:</b>			
<b>AGENCY CUSTOMER ID #:</b>		<b>INSURED</b> PINECREST UTILITIES, LLC. P.O. BOX 1798 EATON PARK, FL 33840		<b>LOAN NUMBER</b> 400184700	
				<b>POLICY NUMBER</b> GWPKG0080307	
		<b>EFFECTIVE DATE</b> 02/13/2013		<b>EXPIRATION DATE</b> 02/13/2014	
				<input type="checkbox"/> <b>CONTINUED UNTIL TERMINATED IF CHECKED</b>	
<b>THIS REPLACES PRIOR EVIDENCE DATED:</b>					

**PROPERTY INFORMATION****LOCATION/DESCRIPTION**LOCATION 01: WATER PLANT, 400 CITRUS HIGHLANDS DRIVE WEST, BARTOW, FL 33830  
LOCATION 02: 1160 CITRUS HIGHLANDS DRIVE WEST, BARTOW, FL 33830**COVERAGE INFORMATION**

COVERAGE/PERILS/FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
WATER PLANT	\$ 34,000	\$ 5,000***
FIRE PUMP & TANK	\$4,500	\$ 5,000***

**REMARKS (Including Special Conditions)**

\*\*\*\*WIND &amp; HAIL DEDUCTIBLE \$5,000

VALUATION: REPLACEMENT COST  
CAUSE OF LOSS: SPECIAL**CANCELLATION**THE POLICY IS SUBJECT TO THE PREMIUMS, FORMS, AND RULES IN EFFECT FOR EACH POLICY PERIOD. SHOULD THE POLICY BE TERMINATED, THE COMPANY WILL GIVE THE ADDITIONAL INTEREST IDENTIFIED BELOW 30 DAYS WRITTEN NOTICE, AND WILL SEND NOTIFICATION OF ANY CHANGES TO THE POLICY THAT WOULD AFFECT THAT INTEREST, IN ACCORDANCE WITH THE POLICY PROVISIONS OR AS REQUIRED BY LAW.**ADDITIONAL INTEREST****NAME AND ADDRESS**CENTER STATE BANK OF FL., N.A.  
P.O. BOX 188  
HAINES CITY, FL 33845

<input checked="" type="checkbox"/>	MORTGAGEE	<input type="checkbox"/>	ADDITIONAL INSURED
<input type="checkbox"/>	LOSS PAYEE	<input type="checkbox"/>	

**LOAN #**  
400184700**AUTHORIZED REPRESENTATIVE***Harold Morrison*

# **C & C Consultants**

Utility Insurance Specialists

February 21, 2013

Florida Utility Services 1, LLC.  
Mr. Mike Smallridge  
P.O. Box 1798  
Eaton Park, FL 33840

Policy No: GWPKG0177400  
Term: 2/20/13-2/20/14

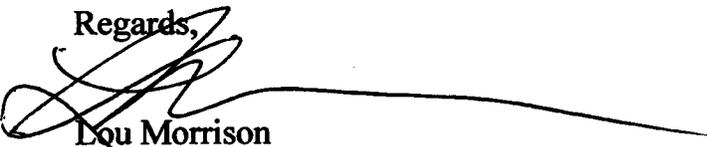
Dear Mike,

Enclosed are the following items pertaining to the insurance renewal for Florida Utility Services 1, LLC:

1. Finance Agreement issued by Flat Iron Capital. Please sign and email or fax back to us at your earliest convenience.
2. Our invoice indicating the down payment required.
3. Insurance Binder verifying coverage had been bound effective 2/20/13.
4. Vehicle Insurance Card

Hal and I would like to thank you for the continued opportunity to assist you with your insurance coverage. If you have any questions, please give us a call.

Regards,



Lou Morrison  
C&C Consultants

Enclosure

**PREMIUM FINANCE AGREEMENT  
SECURITY AGREEMENT, DISCLOSURE STATEMENT AND LIMITED POWER OF ATTORNEY**

Flatiron Capital  
1700 Lincoln St. 12th Floor  
Denver, CO 80203

"LENDER"

SEND PAYMENTS TO:  
FLATIRON CAPITAL  
PO Box 712195  
DENVER, CO 80271-2195

CHECK APPROPRIATE BOX(S)	
<input checked="" type="checkbox"/>	COMMERCIAL
<input type="checkbox"/>	RENEWAL

PHONE: 800-800-2767 FAX: 800-813-8428

QUOTE NUMBER 354274

PRODUCER (Insurance Agent/Broker) NAME, ADDRESS and PHONE NUMBER James A Grundy Agency Inc 400 Horsham Rd Ste 150 Horsham, PA 19044 215-674-8171 AGENT NO. 311701	BORROWER (Insured) NAME, ADDRESS, and PHONE NUMBER Florida Utility Services I, LLC  P.O. Box 1798 Easton Park, FL 33840 352-302-7406	<input type="checkbox"/> BORROWER in Bankruptcy Chapter 7 11 13  <b>BORROWER SSN/PIN</b> XXXXX3559
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**1. SCHEDULE OF FINANCED POLICIES**

NAME OF INSURANCE COMPANY AND GENERAL AGENT	TYPE OF POLICY	POLICY NUMBER	EFFECTIVE DATE	MIN EARNED (%)	SUBJECT TO AUDIT?	POLICY TERM (months)	PREMIUM (1) FIN TXS/FEES (2) NON-FIN TXS/FEES (3)
1336 Arch Insurance Company	PKG	TBD	2/20/2013	0%		12	\$2,850.00 \$49.57 \$200.00

**2. CERTAIN FINANCIAL TERMS**

A	-B	+C	=D	+E	=F : (D+E)	ANNUAL PERCENTAGE RATE
TOTAL PREMIUMS AND RELATED FEES	DOWN PAYMENT REQUIRED FROM BORROWER	FLORIDA DOC. STAMP TAX	AMOUNT FINANCED Amount of credit provided to you or on your behalf.	TOTAL FINANCE CHARGES Dollar amount the credit will cost you.	TOTAL OF PAYMENTS Amount paid after making all scheduled payments.	Cost of your credit as a yearly rate.
\$3,099.57	\$924.89	\$7.70	\$2,182.38	\$109.42	\$2,291.80	10.79%

**3. PAYMENT SCHEDULE**

NUMBER OF PAYMENTS	PAYMENT FREQUENCY		DAY OF MONTH PAYMENTS ARE DUE	AMOUNT OF EACH PAYMENT	FIRST PAYMENT DUE DATE
10	Monthly	Quarterly	20th	\$229.18	3/20/2013
	Monthly				

**4. REQUIRED DISCLOSURES**

**SECURITY INTEREST:** Borrower hereby grants Lender a security interest in all insurance policies listed above and all unearned premium, return premium, dividend payments and loss payments thereof.  
**LATE CHARGE:** If a payment is not made by the 5th day past due (or such later date as required by law), then Borrower will be charged a late charge (SEE SECTION 10 "LATE CHARGE" ON THE ADDITIONAL PROVISIONS PAGE OF THIS AGREEMENT FOR STATE SPECIFIC INFORMATION).  
**PREPAYMENT:** If Borrower pays off early, Borrower will not have to pay a penalty and may be entitled to a refund of part of the finance charge.  
**CONTRACT REFERENCE:** See the rest of this Agreement below, and ADDITIONAL PROVISIONS page, for additional information about nonpayment, default, required prepayment in full before the scheduled date, prepayment refunds and penalties.

**5. PAYMENT PROVISIONS:** Borrower promises to pay to Lender at Lender's address above, or such other place as Lender may designate, the Total of Payments shown above in consecutive periodic payments in the number, amounts, and at the dates disclosed in the above "Payment Schedule" until loan is fully paid. Any payments made by Borrower after default shall be credited to the then outstanding balance due under this Agreement. INSURED agrees that all installment payments due under this Agreement must be made directly to LENDER and payment made by INSURED to any other person, firm, agency or corporation do not constitute payment unless and until received by LENDER.

**PREMIUM FINANCE NOTICE TO BORROWER / INSURED:** (1) DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACE. (2) YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT. (3) KEEP YOUR COPY OF THIS AGREEMENT TO PROTECT YOUR LEGAL RIGHTS. (4) UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE FINANCE CHARGES.

When signed below by you, or on your behalf, you (Borrower) acknowledge receipt of a copy of this Agreement, acknowledge having full power and authority to enter into this Agreement and sign on behalf of all entities named above as Borrowers, and that you agree to the provisions printed above and on the ADDITIONAL PROVISIONS section of this Agreement and that both the front and any subsequent pages constitute the Agreement between Borrower and Lender. Borrower hereby requests Lender to pay the financed portion of its insurance policy premiums listed above, on its behalf.

DATE SIGNATURE OF BORROWER/INSURED(S) OR DULY AUTHORIZED AGENT OF BORROWER(S) PRINT NAME & TITLE

**PRODUCER REPRESENTATIONS AND CERTIFICATIONS**

THE UNDERSIGNED REPRESENTS AND CERTIFIES: By signing or submitting this Premium Finance Agreement, the Producer makes the Producer's Representations and Certifications printed on the ADDITIONAL PROVISIONS page of this Agreement and agrees to be bound to the terms of this Agreement. Producer also agrees that there has been no assignment of any interest in the insurance policy(ies) except for the assignment to Lender and Lender may assign this Agreement, including Producer's Representations and Certifications under its normal course of business.

DATE SIGNATURE OF PRODUCER (AGENT/BROKER) PRINT NAME & TITLE

#### ADDITIONAL PROVISIONS OF PREMIUM FINANCE AGREEMENT

6. **RIGHT TO PREPAY:** Borrower shall have the right to prepay, in whole or in part, the amounts due hereunder at any time without penalty. Upon prepayment in full Borrower shall receive a refund of the unearned finance charge computed in accordance with the Rule of 78's (except in AZ, CA, IA, MA, ME, MO, MT, NJ, OR, PA, UT, VT, and VA, where the refund of any finance charge will be computed by the actuarial method, computed daily as  $1/365^{th}$ ). If such prepayment in full occurs before the 1<sup>st</sup> installment due date, Lender shall retain the finance charge which could be retained if the 1<sup>st</sup> installment period were 1 month and the loan were prepaid in full on the 1<sup>st</sup> installment due date (except in AZ, CA, CO, IA, ME, NJ, OR, PA, SD, UT, TX, VT, and VA, where the finance charge retained will be computed based on the number of days from the Inception Date to the date the loan is paid in full). Any finance charge in excess of such amounts shall be refunded to Borrower. If a refund is less than \$1.00, no refund shall be made. There is a minimum finance charge as follows: \$15 in HI; \$25 in CA, CO, ME; \$36 in IN.

7. **NON-REFUNDABLE FEES:** Part of the finance charge includes a \$20 nonrefundable fee except as follows: \$10 in AK, AZ, CT, DC, DE, KS, LA, MO, NY, PA, WA; \$12 in MT and NJ; \$15 in AL, KY, MA, NC, RI, SC, TN, VA; \$18 in MI; \$25 in NV; \$50 in OR.

8. **BAD CHECK CHARGE:** Borrower shall be charged a fee of \$20 (\$15 in CA, FL, LA, MS, NV, or SD and \$10 in AZ, MA or OH, \$0 in KY) if payment of Borrower is not honored when presented to the bank on which drawn. If payment is not honored, certified funds may be required for subsequent payments.

9. **ATTORNEYS FEES:** In the event Lender has to engage an attorney (not an employee of Lender) to collect any unpaid balance, Borrower agrees to pay any and all reasonable and necessary collection costs as allowed by state law (15% in ME, TN; 20% in AZ, FL, MS, MO, NV, NH, NY; 25% in LA, VA; only if principal balance was \$1,000 or greater in ID; commercial only in IA, WV; none in KY, SD).

10. **LATE CHARGE:** So long as financing a commercial insurance policy Borrower shall pay a late payment charge equal to 5% (or such lesser amount as decided by Lender at its sole option) of the payment amount due for each payment not received by Lender within 5 days (or such greater number of days as may be required by applicable law) with the due date counted as Day 1.

11. **CANCELLATION CHARGE:** If a default by the Borrower results in cancellation of any insurance policy listed in the "Schedule of Financed Policies", the Borrower will pay Lender an amount equal to the maximum cancellation charge permitted by law.

12. **EVENT OF DEFAULT:** Lender upon Borrower's default in any payment, or upon any other act of default under this Agreement is authorized to accelerate and declare due and payable the entire unpaid balance of this note, less unearned finance charges. Other acts of default for which the unpaid balance may be accelerated include any check given by Borrower for the down payment or any future payment due under this Agreement which is not honored when presented to the bank on which drawn; misrepresentation by the Borrower as to the policies being financed; or, if any insurance company issuing an insurance policy referred to herein becomes insolvent, suspends business, or ceases to be qualified to do business. Provided in VA and LA, Lender may not cancel nor request cancellation of the policy(ies) or insurance for any default other than a default of payment of money due Lender or a default consisting of the transfer of policy(ies) to a third party. Interest will accrue on the unpaid balance until Lender has received payment in full. Borrower hereby waives presentment, protest and notice of dishonor. No delay or omission on Lender's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver for any such right or power, nor will Lender's action or inaction impair any such right or power. Borrower agrees unpaid balances may be added to any new premium finance agreement. All terms of this Agreement will apply.

13. **LENDER:** Flatiron Capital is a division of Wells Fargo Bank, N.A.

14. **PAYMENTS AFTER DEFAULT/REINSTATEMENT:** Any payments made to Lender after confirmation of cancellation of the insurance policy or policies has been mailed may be credited to Borrower's accounts without affecting the acceleration of the Agreement and without any liability or obligation on Lender's part to request reinstatement of the cancelled policy or policies. If Lender requests reinstatement, Borrower agrees that Lender has no liability to Borrower if the policy is not reinstated. Only the insurance company has the authority to reinstate a policy financed pursuant to this Agreement.

15. **IRREVOCABLE LIMITED POWER OF ATTORNEY:** Borrower irrevocably appoints Lender as attorney-in-fact of Borrower, with full power of substitution and authority upon default to cancel the policy(ies) listed on this Agreement, with full power to sign or otherwise execute the policy(ies) and to collect or receive unearned premiums, dividend payments, and loss payments which may become payable under said policy(ies).

16. **AGENT OR BROKER:** Borrower understands and agrees that Lender is not acting as an insurance carrier, agent or broker and shall have no liability as such. Borrower understands and agrees that the Producer is the Borrower's insurance agent or broker and not the agent of Lender (except in Virginia if 14 VAC 5-390-70 provides otherwise) and that the Producer as such insurance agent or broker has no power or authority to make agreements or enter into contracts for Lender.

17. **EFFECTIVE DATE OF AGREEMENT:** This Agreement has no force until Lender's written acceptance is mailed to Borrower.

18. **NOTIFYING INSURANCE COMPANY:** Borrower authorizes Lender, at Lender's option, to notify any and all insurance companies issuing insurance policies covered by this Agreement of the terms of this Agreement, and Borrower directs that such insurance companies honor all provisions of this Agreement.

19. **BORROWER ASSIGNMENT:** Borrower represents and warrants to Lender that the insurance policy(ies) set forth herein, or a binder for such policy(ies), has been issued to Borrower and is (or are) in full force and effect, and that there has been no assignment of any interest in the insurance policy(ies) except for the assignment to Lender provided herein. Borrower agrees that Lender may assign this Agreement without notice to Borrower and in such event this Agreement shall inure to the benefit of and be binding to such assignee.

20. **AUDITABLE POLICIES:** With regard to any policy set forth in the "Schedule of Financed Policies", which is an auditable or reporting form type, Borrower agrees to promptly pay to the insurance company, the managing general agent or the agent, as applicable, the difference between the actual earned premium generated for the policy and the premiums financed under this Agreement.

21. **INSOLVENCY:** The Borrower represents they are not insolvent or presently the subject of any insolvency proceeding, nor are any such proceeding contemplated. Or if the named Borrower is the subject of such proceeding it is noted on the premium finance agreement in the space on the 1<sup>st</sup> page of the Agreement.

22. **ADDITIONAL PREMIUMS:** Only those premiums shown will be advanced on behalf of the Borrower. Payment of any additional premiums is the responsibility of the Borrower. Should the Borrower desire to finance any additional premiums, written request must be provided to Lender with appropriate down payment.

23. **PROHIBITION AGAINST USURY:** Under no circumstances shall Borrower have to pay more interest than is allowed under applicable law for this type of loan, and if Lender inadvertently contracts for charges, or receives more interest than allowed, Lender will refund the excess to Borrower.

24. **ILLEGALITY:** If any provision contained in this Agreement should be invalid, illegal or unenforceable in any respect, it shall not affect or impair the validity, legality and enforceability of the remaining provisions of this Agreement.

25. **CHANGES IN WRITING:** Lender is authorized to correct errors and omissions in the Agreement. Modifications and amendments or waivers made to this Agreement by Borrower must be made in writing to Lender and approved by Lender.

26. **FINANCING OPTION:** Entry into this financing arrangement is not a condition of obtaining insurance. You may opt to pay the premium for such insurance without financing such premium, or to obtain financing from some other source if you choose.

27. **CHOICE OF LAW AND VENUE:** This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Colorado, and any action to enforce this Agreement shall be brought in a court of competent jurisdiction located in Denver, Colorado.

#### PRODUCER'S REPRESENTATIONS AND CERTIFICATIONS

Producer hereby represents and warrants as follows: (1) This Agreement was complete as to all of its provisions and disclosures before it was signed by the Borrower or its authorized representative (if permitted by applicable law) and Borrower was delivered a completed copy at time of signature. (2) The signature of Borrower is genuine and Borrower, or Producer under written authorization of Borrower, has full power and authority to enter into this Agreement. (3) The insurance policy(ies) listed in this Agreement are in full force and effect and the policy details are correct as stated herein and Producer is authorized by the issuing insurance companies (or their designated general agents) to produce the policy(ies) listed herein. (4) The down payment has been paid by Borrower and forwarded to the respective issuing insurance company(ies) (or general agent(s) on their behalf). (5) Producer acknowledges it is NOT an agent or representative of Lender. (6) Unless noted herein, all policies being financed are cancellable, none are subject to retrospective rating, none are or become fully earned at any time for any reason before the expiration of policy term stated in the schedule of financed policies and each premium financed represents the full anticipated premium for policy term. (7) Any lien or claim on funds of Borrower, or relating to the financed policies made by Producer shall be subordinate to Lender until Lender has been paid all amounts due to it under this Agreement. (8) Shall hold Lender harmless from, and indemnify Lender against, any loss resulting from errors, omissions or inaccuracies of Producer in preparing this agreement. (9) Shall be liable for any loss (up to the Amount Financed plus interest due and collection costs) suffered by Lender, if due to Producer's Representations and Warranties being false. (10) To the best of Producer's knowledge, no proceeding(s) in bankruptcy, receivership or insolvency have been instituted or are contemplated by or against the Insured. (11) All names, addresses, amounts and other statements of fact contained in this Agreement are true and correct. (12) Is duly licensed and authorized to act in its capacity as a broker or agent, as applicable, in connection with the transactions contemplated by this Agreement.





# INSURANCE BINDER

DATE (MM/DD/YYYY)  
2/21/2013**THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM**

AGENCY <b>Grundy Insurance</b> P.O. Box 1957 400 Horsham Road, Suite 150 Horsham PA 19044		COMPANY <b>Arch Insurance Company</b>	BINDER # <b>B1322101502</b>
PHONE (A/C. No. Ext): (877) 338-4004 FAX (A/C. No.): (215) 674-5716		DATE EFFECTIVE TIME DATE EXPIRATION TIME	
CODE: GW001 SUB CODE:		2/20/2013 12:01	X AM 3/31/2013 X 12:01 AM NOON
AGENCY CUSTOMER ID: 00015915		THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY #:	
INSURED <b>Florida Utility Services 1, LLC</b> P.O. Box 1798  <b>Eaton Park FL 33840</b>		DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location) <b>Water &amp; Sewer</b>	

COVERAGES		LIMITS		
TYPE OF INSURANCE	COVERAGE/FORMS	DEDUCTIBLE	COINS %	AMOUNT
PROPERTY CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input type="checkbox"/> SPEC	N/A			
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	Blanket Additional Insured Pollution Exclusion Lead Exclusion Full Failure to Supply exclusion  RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE DAMAGE TO RENTED PREMISES MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG		\$ 1,000,000 \$ 100,000 \$ 5,000 \$ 1,000,000 \$ 3,000,000 \$ 3,000,000
VEHICLE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	1 vehicle	COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE MEDICAL PAYMENTS PERSONAL INJURY PROT UNINSURED MOTORIST Underinsured		\$ 1,000,000 \$ \$ \$ \$ \$ 10,000 \$ 1,000,000 \$ 1,000,000
VEHICLE PHYSICAL DAMAGE DED <input checked="" type="checkbox"/> COLLISION: 100/1,000 <input checked="" type="checkbox"/> OTHER THAN COL: 500/1,000	<input type="checkbox"/> ALL VEHICLES <input checked="" type="checkbox"/> SCHEDULED VEHICLES	<input checked="" type="checkbox"/> ACTUAL CASH VALUE STATED AMOUNT		\$ \$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO		AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EACH ACCIDENT AGGREGATE		\$ \$ \$ \$
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE AGGREGATE SELF-INSURED RETENTION		\$ \$ \$
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		WC STATUTORY LIMITS E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT		\$ \$ \$ \$
SPECIAL CONDITIONS / OTHER COVERAGES Rejection of terrorism		FEES TAXES ESTIMATED TOTAL PREMIUM		\$ \$ \$

NAME & ADDRESS		MORTGAGEE	ADDITIONAL INSURED
		LOSS PAYEE	
		LOAN #	
		AUTHORIZED REPRESENTATIVE	
		Donna Kelly/DKELLY	

**FLORIDA COMMERCIAL AUTO INSURANCE  
IDENTIFICATION CARD**

COMPANY: ARCH INSURANCE COMPANY (09219)  
POLICY #: GWPKG0177400 EFFECTIVE DATE: 02/20/2013  
YEAR: 1997 MAKE/MODEL: FORD F150 PICKUP TRUCK  
VEHICLE ID #: 1FDHF2684VEB08055

PERSONAL INJURY PROTECTION  
BENEFITS / PROPERTY DAMAGE LIABILITY  BODILY INJURY  
LIABILITY

NAMED INSURED: FLORIDA UTILITY SERVICES 1, LLC  
P.O. BOX 1798  
ADDRESS: EATON PARK, FL 33840  
(OPTIONAL)

NOT VALID FOR MORE THAN ONE YEAR FROM EFFECTIVE DATE

**THIS CARD MUST BE KEPT IN THE INSURED  
VEHICLE AND PRESENTED UPON DEMAND**

**IN CASE OF ACCIDENT:** Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

MISREPRESENTATION OF INSURANCE IS A FIRST DEGREE MISDEMEANOR

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# **C & C Consultants**

Utility Insurance Specialists

February 20, 2013

Pinecrest Utilities, LLC.  
Mr. Mike Smallridge  
P.O. Box 1798  
Eaton Park, FL 33840

Policy No: GWPKG0080307  
Term: 2/13/13-2/13/14

Dear Mike,

Enclosed are the following items pertaining to the insurance renewal for Pinecrest Utilities, LLC:

1. Finance Agreement issued by Flat Iron Capital. Please sign and email or fax back to us at your earliest convenience. Grundy informed us earlier today that Flat Iron Capital has raised the APR on all their accounts effective 2/1/13.
2. Our invoice indicating the down payment required.
3. Insurance Binder verifying coverage had been bound effective 2/13/13.
4. Evidence of Property Insurance issued and mailed to Center State Bank, N.A. (will place in the mail on 2/21/13).

Hal and I look would like to thank you for the continued opportunity to assist you with your insurance coverage. If you have any questions, please give us a call.

Regards,



Lou Morrison  
C&C Consultants

Enclosure



**PREMIUM FINANCE AGREEMENT  
SECURITY AGREEMENT, DISCLOSURE STATEMENT AND LIMITED POWER OF ATTORNEY**

Flatiron Capital  
1700 Lincoln St. 12th Floor  
Denver, CO 80203

"LENDER"

SEND PAYMENTS TO:  
FLATIRON CAPITAL  
PO Box 712195  
DENVER, CO 80271-2195

CHECK APPROPRIATE BOX(S) <input checked="" type="checkbox"/> COMMERCIAL <input type="checkbox"/> RENEWAL
--

PHONE: 800-800-2767

FAX: 800-813-8428

QUOTE NUMBER 353907

<b>PRODUCER (Insurance Agent/Broker) NAME, ADDRESS and PHONE NUMBER</b> James A Grundy Agency Inc 400 Horsham Rd Ste 150 Horsham, PA 19044 215-674-8171 AGENT NO. 311701	<b>BORROWER (Insured) NAME, ADDRESS, and PHONE NUMBER</b> Pinecrest Utilities LLC  Mike Smalridge PO Box 1798 Eaton Park, FL 33840 863-904-5574	<input type="checkbox"/> BORROWER in Bankruptcy Chapter 7 11 13  <b>BORROWER SSN/FEIN</b> XXXXXX7978
--	---	--

**1. SCHEDULE OF FINANCED POLICIES**

NAME OF INSURANCE COMPANY AND GENERAL AGENT	TYPE OF POLICY	POLICY NUMBER	EFFECTIVE DATE	MIN EARNED (%)	SUBJECT TO AUDIT?	POLICY TERM (months)	PREMIUM (1) FIN TXS/FEE(S) (2) NON-FIN TXS/FEE(S) (3)
1336 Arch Insurance Company	PKG	GWPKG0080307	2/13/2013	0%		12	\$3,443.00 \$81.20 \$200.00

**2. CERTAIN FINANCIAL TERMS**

A	-B	+C	=D	+E	=F : (D+E)	ANNUAL PERCENTAGE RATE
TOTAL PREMIUMS AND RELATED FEES	DOWN PAYMENT REQUIRED FROM BORROWER	FLORIDA DOC. STAMP TAX	AMOUNT FINANCED Amount of credit provided to you or on your behalf.	TOTAL FINANCE CHARGES Dollar amount the credit will cost you.	TOTAL OF PAYMENTS Amount paid after making all scheduled payments.	Cost of your credit as a yearly rate.
\$3,724.20	\$904.84	\$10.15	\$2,829.51	\$141.79	\$2,971.30	10.79%

**3. PAYMENT SCHEDULE**

NUMBER OF PAYMENTS	PAYMENT FREQUENCY		DAY OF MONTH PAYMENTS ARE DUE	AMOUNT OF EACH PAYMENT	FIRST PAYMENT DUE DATE
	Monthly	Quarterly			
10	Monthly		13th	\$297.13	3/13/2013

**4. REQUIRED DISCLOSURES**

**SECURITY INTEREST:** Borrower hereby grants Lender a security interest in all insurance policies listed above and all unearned premium, return premium, dividend payments and loss payments thereof.  
**LATE CHARGE:** If a payment is not made by the 5th day past due (or such later date as required by law), then Borrower will be charged a late charge (SEE SECTION 10 "LATE CHARGE" ON THE ADDITIONAL PROVISIONS PAGE OF THIS AGREEMENT FOR STATE SPECIFIC INFORMATION).  
**PREPAYMENT:** If Borrower pays off early, Borrower will not have to pay a penalty and may be entitled to a refund of part of the finance charge.  
**CONTRACT REFERENCE:** See the rest of this Agreement below, and ADDITIONAL PROVISIONS page, for additional information about nonpayment, default, required prepayment in full before the scheduled date, prepayment refunds and penalties.

**5. PAYMENT PROVISIONS:** Borrower promises to pay to Lender at Lender's address above, or such other place as Lender may designate, the Total of Payments shown above in consecutive periodic payments in the number, amounts, and at the dates disclosed in the above "Payment Schedule" until loan is fully paid. Any payments made by Borrower after default shall be credited to the then outstanding balance due under this Agreement. INSURED agrees that all installment payments due under this Agreement must be made directly to LENDER and payment made by INSURED to any other person, firm, agency or corporation do not constitute payment unless and until received by LENDER.

**PREMIUM FINANCE NOTICE TO BORROWER / INSURED:** (1) DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACE. (2) YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT. (3) KEEP YOUR COPY OF THIS AGREEMENT TO PROTECT YOUR LEGAL RIGHTS. (4) UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE FINANCE CHARGES.

When signed below by you, or on your behalf, you (Borrower) acknowledge receipt of a copy of this Agreement, acknowledge having full power and authority to enter into this Agreement and sign on behalf of all entities named above as Borrowers, and that you agree to the provisions printed above and on the ADDITIONAL PROVISIONS section of this Agreement and that both the front and any subsequent pages constitute the Agreement between Borrower and Lender. Borrower hereby requests Lender to pay the financed portion of its insurance policy premiums listed above, on its behalf.

\_\_\_\_\_  
DATE SIGNATURE OF BORROWER/INSURED(S) OR DULY AUTHORIZED AGENT OF BORROWER(S) PRINT NAME & TITLE

**PRODUCER REPRESENTATIONS AND CERTIFICATIONS**

**THE UNDERSIGNED REPRESENTS AND CERTIFIES:** By signing or submitting this Premium Finance Agreement, the Producer makes the Producer's Representations and Certifications printed on the ADDITIONAL PROVISIONS page of this Agreement and agrees to be bound to the terms of this Agreement. Producer also agrees that there has been no assignment of any interest in the insurance policy(ies) except for the assignment to Lender and Lender may assign this Agreement, including Producer's Representations and Certifications under its normal course of business.

\_\_\_\_\_  
DATE SIGNATURE OF PRODUCER (AGENT/BROKER) PRINT NAME & TITLE

#### ADDITIONAL PROVISIONS OF PREMIUM FINANCE AGREEMENT

6. **RIGHT TO PREPAY:** Borrower shall have the right to prepay, in whole or in part, the amounts due hereunder at any time without penalty. Upon prepayment in full Borrower shall receive a refund of the unearned finance charge computed in accordance with the Rule of 78's (except in AZ, CA, IA, MA, ME, MO, MT, NJ, OR, PA, UT, VT, and VA, where the refund of any finance charge will be computed by the actuarial method, computed daily as  $1/365^{\text{th}}$ ). If such prepayment in full occurs before the 1<sup>st</sup> installment due date, Lender shall retain the finance charge which could be retained if the 1<sup>st</sup> installment period were 1 month and the loan were prepaid in full on the 1<sup>st</sup> installment due date (except in AZ, CA, CO, IA, ME, NJ, OR, PA, SD, UT, TX, VT, and VA, where the finance charge retained will be computed based on the number of days from the Inception Date to the date the loan is paid in full). Any finance charge in excess of such amounts shall be refunded to Borrower. If a refund is less than \$1.00, no refund shall be made. There is a minimum finance charge as follows: \$15 in HI; \$25 in CA, CO, ME; \$36 in IN.

7. **NON-REFUNDABLE FEES:** Part of the finance charge includes a \$20 nonrefundable fee except as follows: \$10 in AK, AZ, CT, DC, DE, KS, LA, MO, NY, PA, WA; \$12 in MT and NJ; \$15 in AL, KY, MA, NC, RI, SC, TN, VA; \$18 in MI; \$25 in NV; \$50 in OR.

8. **BAD CHECK CHARGE:** Borrower shall be charged a fee of \$20 (\$15 in CA, FL, LA, MS, NV, or SD and \$10 in AZ, MA or OH, \$0 in KY) if payment of Borrower is not honored when presented to the bank on which drawn. If payment is not honored, certified funds may be required for subsequent payments.

9. **ATTORNEYS FEES:** In the event Lender has to engage an attorney (not an employee of Lender) to collect any unpaid balance, Borrower agrees to pay any and all reasonable and necessary collection costs as allowed by state law (15% in ME, TN; 20% in AZ, FL, MS, MO, NV, NH, NY; 25% in LA, VT; only if principal balance was \$1,000 or greater in ID; commercial only in IA, WV; none in KY, SD).

10. **LATE CHARGE:** So long as financing a commercial insurance policy Borrower shall pay a late payment charge equal to 5% (or such lesser amount as decided by Lender at its sole option) of the payment amount due for each payment not received by Lender within 5 days (or such greater number of days as may be required by applicable law) with the due date counted as Day 1.

11. **CANCELLATION CHARGE:** If a default by the Borrower results in cancellation of any insurance policy listed in the "Schedule of Financed Policies", the Borrower will pay Lender an amount equal to the maximum cancellation charge permitted by law.

12. **EVENT OF DEFAULT:** Lender upon Borrower's default in any payment, or upon any other act of default under this Agreement is authorized to accelerate and declare due and payable the entire unpaid balance of this note, less unearned finance charges. Other acts of default for which the unpaid balance may be accelerated include any check given by Borrower for the down payment or any future payment due under this Agreement which is not honored when presented to the bank on which drawn; misrepresentation by the Borrower as to the policies being financed; or, if any insurance company issuing an insurance policy referred to herein becomes insolvent, suspends business, or ceases to be qualified to do business. Provided in VA and LA, Lender may not cancel nor request cancellation of the policy(ies) or insurance for any default other than a default of payment of money due Lender or a default consisting of the transfer of policy(ies) to a third party. Interest will accrue on the unpaid balance until Lender has received payment in full. Borrower hereby waives presentment, protest and notice of dishonor. No delay or omission on Lender's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver for any such right or power, nor will Lender's action or inaction impair any such right or power. Borrower agrees unpaid balances may be added to any new premium finance agreement. All terms of this Agreement will apply.

13. **LENDER:** Flatiron Capital is a division of Wells Fargo Bank, N.A.

14. **PAYMENTS AFTER DEFAULT/REINSTATEMENT:** Any payments made to Lender after confirmation of cancellation of the insurance policy or policies has been mailed may be credited to Borrower's accounts without affecting the acceleration of the Agreement and without any liability or obligation on Lender's part to request reinstatement of the cancelled policy or policies. If Lender requests reinstatement, Borrower agrees that Lender has no liability to Borrower if the policy is not reinstated. Only the insurance company has the authority to reinstate a policy financed pursuant to this Agreement.

15. **IRREVOCABLE LIMITED POWER OF ATTORNEY:** Borrower irrevocably appoints Lender as attorney-in-fact of Borrower, with full power of substitution and authority upon default to cancel the policy(ies) listed on this Agreement, with full power to sign or otherwise execute the policy(ies) and to collect or receive unearned premiums, dividend payments, and loss payments which may become payable under said policy(ies).

16. **AGENT OR BROKER:** Borrower understands and agrees that Lender is not acting as an insurance carrier, agent or broker and shall have no liability as such. Borrower understands and agrees that the Producer is the Borrower's insurance agent or broker and not the agent of Lender (except in Virginia if 14 VAC 5-390-70 provides otherwise) and that the Producer as such insurance agent or broker has no power or authority to make agreements or enter into contracts for Lender.

17. **EFFECTIVE DATE OF AGREEMENT:** This Agreement has no force until Lender's written acceptance is mailed to Borrower.

18. **NOTIFYING INSURANCE COMPANY:** Borrower authorizes Lender, at Lender's option, to notify any and all insurance companies issuing insurance policies covered by this Agreement of the terms of this Agreement, and Borrower directs that such insurance companies honor all provisions of this Agreement.

19. **BORROWER ASSIGNMENT:** Borrower represents and warrants to Lender that the insurance policy(ies) set forth herein, or a binder for such policy(ies), has been issued to Borrower and is (or are) in full force and effect, and that there has been no assignment of any interest in the insurance policy(ies) except for the assignment to Lender provided herein. Borrower agrees that Lender may assign this Agreement without notice to Borrower and in such event this Agreement shall inure to the benefit of and be binding to such assignee.

20. **AUDITABLE POLICIES:** With regard to any policy set forth in the "Schedule of Financed Policies", which is an auditable or reporting form type, Borrower agrees to promptly pay to the insurance company, the managing general agent or the agent, as applicable, the difference between the actual earned premium generated for the policy and the premiums financed under this Agreement.

21. **INSOLVENCY:** The Borrower represents they are not insolvent or presently the subject of any insolvency proceeding, nor are any such proceeding contemplated. Or if the named Borrower is the subject of such proceeding it is noted on the premium finance agreement in the space on the 1<sup>st</sup> page of the Agreement.

22. **ADDITIONAL PREMIUMS:** Only those premiums shown will be advanced on behalf of the Borrower. Payment of any additional premiums is the responsibility of the Borrower. Should the Borrower desire to finance any additional premiums, written request must be provided to Lender with appropriate down payment.

23. **PROHIBITION AGAINST USURY:** Under no circumstances shall Borrower have to pay more interest than is allowed under applicable law for this type of loan, and if Lender inadvertently contracts for charges, or receives more interest than allowed, Lender will refund the excess to Borrower.

24. **ILLEGALITY:** If any provision contained in this Agreement should be invalid, illegal or unenforceable in any respect, it shall not affect or impair the validity, legality and enforceability of the remaining provisions of this Agreement.

25. **CHANGES IN WRITING:** Lender is authorized to correct errors and omissions in the Agreement. Modifications and amendments or waivers made to this Agreement by Borrower must be made in writing to Lender and approved by Lender.

26. **FINANCING OPTION:** Entry into this financing arrangement is not a condition of obtaining insurance. You may opt to pay the premium for such insurance without financing such premium, or to obtain financing from some other source if you choose.

27. **CHOICE OF LAW AND VENUE:** This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Colorado, and any action to enforce this Agreement shall be brought in a court of competent jurisdiction located in Denver, Colorado.

#### PRODUCER'S REPRESENTATIONS AND CERTIFICATIONS

Producer hereby represents and warrants as follows: (1) This Agreement was complete as to all of its provisions and disclosures before it was signed by the Borrower or its authorized representative (if permitted by applicable law) and Borrower was delivered a completed copy at time of signature. (2) The signature of Borrower is genuine and Borrower, or Producer under written authorization of Borrower, has full power and authority to enter into this Agreement. (3) The insurance policy(ies) listed in this Agreement are in full force and effect and the policy details are correct as stated herein and Producer is authorized by the issuing insurance companies (or their designated general agents) to produce the policy(ies) listed herein. (4) The down payment has been paid by Borrower and forwarded to the respective issuing insurance company(ies) (or general agent(s) on their behalf). (5) Producer acknowledges it is NOT an agent or representative of Lender. (6) Unless noted herein, all policies being financed are cancellable, none are subject to retrospective rating, none are or become fully earned at any time for any reason before the expiration of policy term stated in the schedule of financed policies and each premium financed represents the full anticipated premium for policy term. (7) Any lien or claim on funds of Borrower, or relating to the financed policies made by Producer shall be subordinate to Lender until Lender has been paid all amounts due to it under this Agreement. (8) Shall hold Lender harmless from, and indemnify Lender against, any loss resulting from errors, omissions or inaccuracies of Producer in preparing this agreement. (9) Shall be liable for any loss (up to the Amount Financed plus interest due and collection costs) suffered by Lender, if due to Producer's Representations and Warranties being false. (10) To the best of Producer's knowledge, no proceeding(s) in bankruptcy, receivership or insolvency have been instituted or are contemplated by or against the Insured. (11) All names, addresses, amounts and other statements of fact contained in this Agreement are true and correct. (12) Is duly licensed and authorized to act in its capacity as a broker or agent, as applicable, in connection with the transactions contemplated by this Agreement.

# Invoice

Invoice Date  
02/20/2013

Invoice Number  
1275

PINECREST UTILITIES, LLC.  
P.O. BOX 1798  
EATON PARK, FL 33840

C & C CONSULTANTS  
P.O. BOX 701340  
ST. CLOUD, FL  
34770-1340  
888-494-9844

Insurance Company	Policy Number	Effective	Expires
ARCH INSURANCE COMPANY	GWPKG0080307	02/13/2013	02/13/2014

Invoice Description	Premium
COMMERCIAL PACKAGE POLICY	3,443.00

Description of other charges, payments, etc. applied against this invoice	Amount
STATE SURCHARGE	81.20
POLICY FEE	200.00
TERRORISM COVERAGE DECLINED	
<b>Balance</b>	<b>3,724.20</b>

**Comments**

**PLEASE MAKE DOWN PAYMENT OF \$904.84 PAYABLE TO  
C&C CONSULTANTS.**



# INSURANCE BINDER

DATE (MM/DD/YYYY)  
02/20/2013**THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.**

AGENCY <b>HAROLD MORRISON D/B/A C &amp; C CONSULTANTS P O BOX 701340 ST CLOUD, FL 34770-1340</b>		COMPANY <b>ARCH INSURANCE COMPANY</b>	BINDER # <b>0307</b>
PHONE (A/C, No, Ext): <b>888-494-9844</b>	FAX (A/C, No): <b>407-892-9809</b>	THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY #.	
CODE:	SUB CODE:		
AGENCY CUSTOMER ID:	DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location) <b>WATER COMPANY</b>		
INSURED <b>PINECREST UTILITIES, LLC. P.O. BOX 1798 EATON PARK, FL 33840</b>			

**COVERAGES****LIMITS**

TYPE OF INSURANCE	COVERAGE/FORMS	DEDUCTIBLE	COINS %	AMOUNT
<b>PROPERTY</b> CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input checked="" type="checkbox"/> SPEC <input checked="" type="checkbox"/> REPLACEMENT COST	<b>BUILDING/CONTENTS</b> SYSTEM BREAKDOWN (BOILER & MACHINERY) WIND & HAIL DEDUCTIBLE	\$5,000  \$5,000	N/A	\$38,500 INCLUDED
<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	<b>FAILURE TO SUPPLY INCLUDED</b> <b>LIMITED POLLUTION INCLUDED</b>  RETRO DATE FOR CLAIMS MADE:			EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
<b>VEHICLE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$ MEDICAL PAYMENTS \$ PERSONAL INJURY PROT \$ UNINSURED MOTORIST \$
<b>VEHICLE PHYSICAL DAMAGE</b> DED <input type="checkbox"/> COLLISION: _____ <input type="checkbox"/> OTHER THAN COL: _____	<input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES			ACTUAL CASH VALUE STATED AMOUNT \$
<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
<b>EXCESS LIABILITY</b> <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:			EACH OCCURRENCE \$ AGGREGATE \$ SELF-INSURED RETENTION \$ WC STATUTORY LIMITS
<b>WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY</b>				E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
<b>SPECIAL CONDITIONS/ OTHER COVERAGES</b> TERRORISM COVERAGE DECLINED. PREMIUM TO BE FINANCED				FEES \$ TAXES \$ ESTIMATED TOTAL PREMIUM \$

**NAME & ADDRESS**

<b>PROOF OF INSURANCE</b>	MORTGAGEE	ADDITIONAL INSURED
	LOSS PAYEE	
	LOAN #	
	AUTHORIZED REPRESENTATIVE <i>Harold Morrison</i>	

## **CONDITIONS**

This Company binds the kind(s) of insurance stipulated on the reverse side. The Insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

### **Applicable in California**

When this form is used to provide insurance in the amount of one million dollars (\$1,000,000) or more, the title of the form is changed from "Insurance Binder" to "Cover Note".

### **Applicable in Colorado**

With respect to binders issued to renters of residential premises, home owners, condo unit owners and mobile home owners, the insurer has thirty (30) business days, commencing from the effective date of coverage, to evaluate the issuance of the insurance policy.

### **Applicable in Delaware**

The mortgagee or Obligee of any mortgage or other instrument given for the purpose of creating a lien on real property shall accept as evidence of insurance a written binder issued by an authorized insurer or its agent if the binder includes or is accompanied by: the name and address of the borrower; the name and address of the lender as loss payee; a description of the insured real property; a provision that the binder may not be canceled within the term of the binder unless the lender and the insured borrower receive written notice of the cancellation at least ten (10) days prior to the cancellation; except in the case of a renewal of a policy subsequent to the closing of the loan, a paid receipt of the full amount of the applicable premium, and the amount of insurance coverage.

Chapter 21 Title 25 Paragraph 2119

### **Applicable in Florida**

Except for Auto Insurance coverage, no notice of cancellation or nonrenewal of a binder is required unless the duration of the binder exceeds 60 days. For auto insurance, the insurer must give 5 days prior notice, unless the binder is replaced by a policy or another binder in the same company.

### **Applicable in Nevada**

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

### **Applicable in the Virgin Islands**

This binder is effective for only ninety (90) days. Within thirty (30) days of receipt of this binder, you should request an insurance policy or certificate (if applicable) from your agent and/or insurance company.



PAST INVOICE  
 UTILITY SUPPLY OF AMERICA  
 d/b/a USA Bluebook  
 PO Box 9004  
 Gurnee, IL 60031-9004  
 (800) 548-1234

NO. 533408

Page 1

11/11/11

Bill-to: 998449  
 WEST LAKE LAND WASTEWATER

Ship-to: 1  
 WEST LAKE LAND WASTEWATER

PO BOX 1798  
 EATON PARK , FL 33840  
 USA

15827 CEDAR ELM TERRACE  
 LAND O LAKES , FL 34638  
 USA  
 ATTN MIKE SHALLRIDGE

REFERENCE # *Pinecrest* | SHIPPED | SALESPERSON | TERMS | TAX CODE | DOC # | WH | FREIGHT | SHIP VIA  
 VERBAL MIKE | 11/10/11 | DCK DAVID KERR | NET 30 | FL | 368620 | 01 | PREPAID | UPS

ITEM	DESCRIPTION	ORDERED	SHIPPED	BACKORDR	UN	PRICE	UN	EXTENSION
1096-6067	60670; LIQUID LEVEL SWITCH	1	1	0	EA	180.00	EA	180.00

MERCHANDISE	MISC	DISCOUNT	TAX	FREIGHT	TOTAL DUE
180.00	.00	.00	10.80	14.10	204.90

*For Tank @ Pinecrest*

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## INVOICE

INVOICE NO.	PAGE NO.
533408	1 of 1
CUSTOMER NO.	DATE
996449	11/11/11

Remit To:  
**P.O. Box 9004**  
 Gurnee, IL 60031-9004  
 TEL: (847) 689-3000  
 FAX: (847) 689-3001  
 TOLL FREE: 1-800-493-9876  
 F.E.I.N.: 52-2418852

View online at: <http://usabluebook.billtrust.com>  
 Web Enrollment Token: **PKK MVM TRG**

**BILL TO:** 996449  
 173 1 SP 0.440 E0173X 10210 D398352054 P921420 0001:0001

**SHIP TO:** 1



**WEST LAKELAND WASTEWATER**  
 PO BOX 1798  
 EATON PARK FL 33840-1798

**WEST LAKELAND WASTEWATER**  
 15827 CEDAR ELM TERRACE  
 LAND O LAKES FL 34638  
 USA

Attention: MIKE SMALLRIDGE

CUSTOMER P.O. NO.	SHIP DATE	SLP	TERMS	TAX CODE	SALES ORDER NO.	W/H	FREIGHT	SHIP VIA
VERBAL MIKE	11/10/11	DCK	NET 30	FL	368620	01	PREPAID	UPS
USA STOCK NO.	DESCRIPTION	ORDERED	SHIPPED	BACKORDER	U/M	PRICE	PER	EXTENSION
1096-60670	60670;LIQUID LEVEL SWITCH	1	1	0	EA	180.00	EA	180.00

*paid check  
2-8-12 10130*

**THANK YOU for your business!**  
**1.5% MONTHLY FINANCE CHARGE**  
**ON AMOUNTS 30 DAYS PAST DUE**  
 Discounts Apply to Merchandise Only

MERCHANDISE	MISCELLANEOUS	DISCOUNT	TAX	FREIGHT	TOTAL
180.00	0.00	0.00	10.80	14.10	204.90

Should it become necessary to refer your unpaid balance to a collection agency, a collection fee, not to exceed 25% of the balance referred; plus reasonable attorney's fees; and court costs when necessary, will be added to the balance due.

Please Detach and Return Bottom Portion to Insure Proper Credit to Your Account

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**\*\*\*\*IMPORTANT\*\*\*\***

Please include this customer #  
 on the face of your remittance check.

INVOICE NO.	CUSTOMER NO.	DATE	TOTAL
533408	996449	11/11/11	204.90

WEST LAKELAND WASTEWATER  
 PO BOX 1798  
 EATON PARK FL 33840-1798

**REMITTANCE ADDRESS**

USABlueBook  
 P.O. Box 9004  
 Gurnee, IL 60031-9004