



Westlaw

TX800190597

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TX800190597

**CORPORATE RECORDS & BUSINESS REGISTRATIONS**

This Record Last Updated: 03/02/2008  
 Database Last Updated: 06-03-2008  
 Update Frequency: DAILY  
 Current Date: 06/03/2008  
 Source: AS REPORTED BY THE SECRETARY OF STATE OR OTHER OFFICIAL SOURCE

**COMPANY INFORMATION**

Name: NATIONAL POWER COMPANY, INC.  
 Address: 616 FM 1960 RD WEST STE 700  
 HOUSTON, TX 77090-3000  
 USA

**FILING INFORMATION**

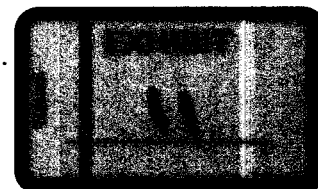
Filing Number: 800190597  
 Filing Date: 04/02/2003  
 State of Incorporation: TEXAS  
 Duration: PERPETUAL  
 Status: IN EXISTENCE  
 Corporation Type: PROFIT  
 Business Type: DOMESTIC FOR-PROFIT CORPORATION  
 State Tax ID: 32011136317  
 Where Filed: SECRETARY OF STATE  
 1019 BRAZOS ST  
 AUSTIN, TX 78701

**REGISTERED AGENT INFORMATION**

Name: RUSSELL E. MACKERT  
 Address: 5555 WEST LOOP SOUTH  
 SUITE 300  
 BELLAIRE, TX 77401  
 USA

**NAME INFORMATION**

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TX800190597

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Legal Name: NATIONAL POWER COMPANY, INC.  
 Status: IN USE  
 Filing Date: 04/21/2006

Legal Name: NATIONAL POWER COMPANY, INC.  
 Status: INACTIVE  
 Filing Date: 04/02/2003  
 Inactive Date: 05/24/2007

Assumed Name: NPC POWER MARKETER  
 Status: ACTIVE  
 Filing Date: 08/24/2007  
 Expiration Date: 08/24/2017  
 Counties: ALL

**PRINCIPAL INFORMATION**

Name: MICHAEL WALLENS JR  
 Title: DIRECTOR  
 Address: 616 FM 1960 RD WEST STE 700  
 HOUSTON, TX 77090  
 USA

Name: MICHAEL WALLENS SR  
 Title: DIRECTOR  
 Address: 616 FM 1960 RD WEST STE 700  
 HOUSTON, TX 77090  
 USA

Name: ADLEY WAHAB  
 Title: DIRECTOR  
 Address: 616 FM 1960 RD WEST STE 700  
 HOUSTON, TX 77090  
 USA

Name: RUSSELLE E MACKERT  
 Title: SECRETARY  
 Address: 5555 WEST LOOP SOUTH STE 300  
 BELLAIRE, TX 77401

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USA

Name: RICHARD HUNTER  
Title: PRESIDENT  
Address: 616 FM 1960 RD WEST STE 700  
HOUSTON, TX 77090  
USA

Name: RUSSELL E MACKERT  
Title: SECRETARY  
Address: 5555 WEST LOOP SOUTH STE 300  
BELLAIRE, TX 77401  
USA

Name: RICHARD HUNTER  
Title: PRESIDENT  
Address: 616 FM 1960 RD WEST STE 700  
HOUSTON, TX 77090  
USA

Name: MICHAEL WALLENS SR  
Title: DIRECTOR  
Address: 616 FM 1960 RD WEST STE 700  
HOUSTON, TX 77090  
USA

Name: MICHAEL WALLENS JR  
Title: DIRECTOR  
Address: 616 FM 1960 RD WEST STE 700  
HOUSTON, TX 77090  
USA

Name: ADLEY WAHAB  
Title: DIRECTOR  
Address: 616 FM 1960 RD WEST STE 700  
HOUSTON, TX 77090  
USA

**AMENDMENT INFORMATION****Amendments:**

03/02/2008 PUBLIC INFORMATION REPORT (PIR); DOCUMENT NUMBER - 206441060001  
02/16/2008 PUBLIC INFORMATION REPORT (PIR); DOCUMENT NUMBER - 203861700001  
12/31/2007 PUBLIC INFORMATION REPORT (PIR); DOCUMENT NUMBER - 199123230001  
08/24/2007 CERTIFICATE OF ASSUMED BUSINESS NAME; DOCUMENT NUMBER - 183365640002  
05/23/2007 CHANGE OF REGISTERED AGENT/OFFICE; DOCUMENT NUMBER - 171635120002  
08/04/2006 PUBLIC INFORMATION REPORT (PIR); DOCUMENT NUMBER - 138979000001  
07/27/2006 PUBLIC INFORMATION REPORT (PIR); DOCUMENT NUMBER - 134770810001  
04/21/2006 REINSTATEMENT; DOCUMENT NUMBER - 126548360002  
02/10/2006 TAX FORFEITURE; DOCUMENT NUMBER - 117352832003  
12/04/2005 PUBLIC INFORMATION REPORT (PIR); DOCUMENT NUMBER - 110566760001  
04/02/2003 ARTICLES OF INCORPORATION; DOCUMENT NUMBER - 31100280002

Call Westlaw CourtExpress at 1-877-DOC-RETR (1-877-362-7387)  
to order copies of documents related to this or other matters.  
Additional charges apply.

THE PRECEDING PUBLIC RECORD DATA IS FOR INFORMATION PURPOSES ONLY AND IS NOT THE OFFICIAL RECORD. CERTIFIED COPIES CAN ONLY BE OBTAINED FROM THE OFFICIAL SOURCE.

END OF DOCUMENT



[UCC](#) | [Business Organizations](#) | [Trademarks](#) | [Account](#) | [Help/Fees](#) | [Briefcase](#) | [Logout](#)

**BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY**

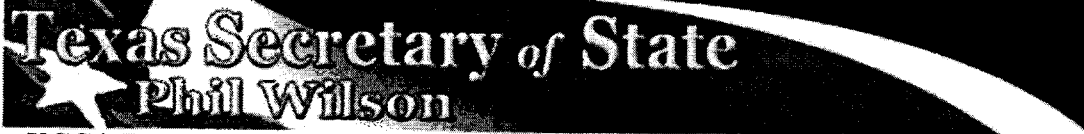
**Filing Number:** 800190597      **Entity Type:** Domestic For-Profit Corporation  
**Original Date of Filing:** April 2, 2003      **Entity Status:** In existence  
**Formation Date:** N/A  
**Tax ID:** 32011136317      **FEIN:**  
**Duration:** Perpetual  
**Name:** NATIONAL POWER COMPANY, INC.  
**Address:** 10850 RICHMOND AVE SUITE 190  
 HOUSTON, TX 77042 USA

<u>REGISTERED</u> <u>AGENT</u>	<u>FILING</u> <u>HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED</u> <u>NAMES</u>	<u>ASSOCIATED</u> <u>ENTITIES</u>
<b>Name</b>		<b>Address</b>			<b>Inactive Date</b>
Russell E. Mackert		5555 West Loop South, Suite 300 Bellaire, TX 77401 USA			

Instructions:

- To place an order for additional information about a filing press the 'Order' button.



[UCC](#) | [Business Organizations](#) | [Trademarks](#) | [Account](#) | [Help/Fees](#) | [Briefcase](#) | [Logout](#)

**BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY**

**Filing Number:** 800190597      **Entity Type:** Domestic For-Profit Corporation  
**Original Date of Filing:** April 2, 2003      **Entity Status:** In existence  
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**Duration:** Perpetual  
**Name:** NATIONAL POWER COMPANY, INC.  
**Address:** 10850 RICHMOND AVE SUITE 190  
 HOUSTON, TX 77042 USA

<u>REGISTERED AGENT</u>	<u>FILING HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED NAMES</u>	<u>ASSOCIATED ENTITIES</u>
<a href="#">View Image</a>	<a href="#">Document Number</a>	<a href="#">Filing Type</a>	<a href="#">Filing Date</a>	<a href="#">Effective Date</a>	<a href="#">Eff. Cond</a> <a href="#">Page Count</a>
<input checked="" type="checkbox"/>	31100280002	Articles of Incorporation	April 2, 2003	April 2, 2003	No 3
<input checked="" type="checkbox"/>	134770810001	Public Information Report (PIR)	December 31, 2005	July 27, 2006	No 1
<input checked="" type="checkbox"/>	110566760001	Public Information Report (PIR)	December 31, 2005	December 4, 2005	No 1
<input checked="" type="checkbox"/>	117352832003	Tax Forfeiture	February 10, 2006	February 10, 2006	No 1
<input checked="" type="checkbox"/>	126548360002	Reinstatement	April 21, 2006	April 21, 2006	No 2
<input checked="" type="checkbox"/>	138979000001	Public Information Report (PIR)	December 31, 2006	August 4, 2006	No 1
<input checked="" type="checkbox"/>	171635120002	Change of Registered Agent/Office	May 23, 2007	May 23, 2007	No 2
<input checked="" type="checkbox"/>	183365640002	Certificate of Assumed Business Name	August 24, 2007	August 24, 2007	No 2

**Instructions:**

- To place an order for additional information about a filing press the 'Order' button.

ARTICLES OF INCORPORATION  
OF  
NATIONAL POWER COMPANY, INC.

FILED  
In the Office of the  
Secretary of State of Texas  
APR 02 2003  
Corporations Section

ARTICLE I

The name of the Corporation is NATIONAL POWER COMPANY, INC.

ARTICLE II

The period of its duration is perpetual.

ARTICLE III

The purpose for which the Corporation is organized is the transaction of any and all lawful business for which corporations may be incorporated.

ARTICLE IV

The aggregate number of shares which the Corporation shall have authority to issue is One Million (1,000,000) shares of common stock with no par value. The Corporation will not commence business until it has received for the issuance of its shares consideration of the value of One Thousand Dollars (\$1,000.00), consisting of money, labor done, or property actually received.

ARTICLE V

The number of directors constituting the initial Board of Directors is one (1) and hereafter the number of directors shall be fixed by the Bylaws. The name and address of the person who is to serve as director, until the first annual meeting of the shareholder, or until his successors are elected and qualified is:

<u>Name</u>	<u>Address</u>
Russell E. Mackert	Three Riverway, Suite 1900, Houston, Texas 77056

ARTICLE VI

The shareholders of the Corporation shall have no preemptive rights. Cumulative voting of shares in the election of directors is hereby prohibited. The power to alter, amend or repeal the Corporation's Bylaws and to adopt new Bylaws shall be vested in the Board of Directors, subject to repeal or amendment by action of the shareholders.



## ARTICLE VII

The street address of the Corporation's initial registered office is Three Riverway, Suite 1900, Houston, Texas 77056 and the name of its initial registered agent at such address is Russell E. Mackert.

## ARTICLE VIII

8.1 Unless otherwise provided in this Article, the Corporation shall, to the fullest extent permitted by the Texas Business Corporation Act, as the same exists or may hereafter be amended, indemnify any and all officers and directors of the Corporation from and against any and all of the expenses, liabilities or other matters referred to in or covered by such Act. Such indemnification may, in the discretion of the Board of Directors, include payment or reimbursement of expenses in advance of final disposition of an action, suit or proceeding, subject to the provisions of applicable law. Such indemnification and advance of reimbursement or expenses shall be provided both as to action in one's director or officer capacity and as to action in another capacity held at the request of the Corporation and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

8.2 If a valid claim under paragraph 8.1 of this Article is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any action (other than an action brought to enforce a claim for payment, advance or reimbursement of expenses incurred in defending any proceeding in advance of its final disposition if the required undertaking under applicable law, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct that make it permissible under the laws of the State of Texas for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the laws of the State of Texas, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its shareholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

8.3 The Corporation may, in the discretion of the Board of Directors and as permitted by applicable law, indemnify and advance or reimburse expenses to persons who are or were employees or agents of the Corporation to the same extent provided for indemnification of officers and directors in this Article.

8.4 In the event this Article is amended, such amendment shall become effective as of the date of the adoption of such amendment by the shareholders of the Corporation and shall be inapplicable to indemnification or advances or reimbursements of expenses related to actions occurring prior to such date.

## ARTICLE IX

A director of the Corporation shall not be liable to the Corporation or its shareholders for monetary damages for an act or omission in the director's capacity as a director, except when exemption from liability or limitation thereof is not permitted under the Texas Miscellaneous Corporation Laws Act as currently in effect or as the same may hereinafter be amended.

No amendment, modification or repeal of this Article shall adversely affect the right or protection of a director that exists at the time of such amendment, modification or repeal.

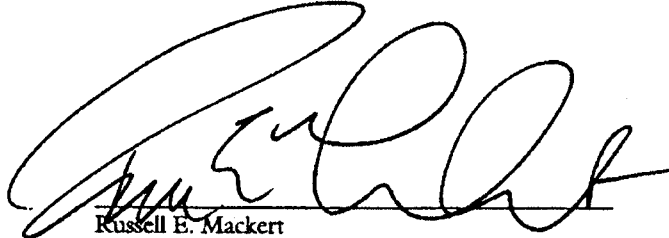
ARTICLE X

Any action required by the Texas Business Corporation Act or other applicable law to be taken at an annual or special meeting of shareholders, or any action that may be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder of holders of shares having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all shares entitled to vote on the action were present and voted, in accordance with an as permitted by applicable law.

ARTICLE XI

The name and address of the incorporator is Russell E. Mackert, Three Riverway, Suite 1900, Houston, Texas 77056.

DATED: March 19, 2003



Russell E. Mackert

Filing Number: 800190597

05117243228

\*\*\* INTERNET \*\*\*



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a T Code

1796

This report MUST be filed to satisfy franchise tax requirements

TEXAS FRANCHISE TAX PUBLIC INFORMATION REPORT

c Taxpayer identification number	d Report year
32011136317	2005

Corporation name and address

NATIONAL POWER COMPANY, INC  
10850 RICHMOND AVE, SUITE 190  
HOUSTON, TX 77042

a PIR/IND  1  4

Secretary of State file number or, if none, Comptroller unchartered number

Item # on Franchise Tax Report, Form 05-142 **800190597**

Please mark through any incorrect information, and type or print the correct information

The following information MUST be provided for the Secretary of State (SOS) by each corporation or limited liability company that files a Texas Corporation Franchise Tax Report Use additional sheets for Sections A, B, and C, if necessary The information will be available for public inspection



\*3201113631705\*

Blacken this circle completely if there are currently no changes to the information preprinted in Section A of this report Then, complete Sections B and C

Please sign below! Officer and director information is reported as of the date a Public Information Report is completed The information is updated annually as part of the franchise tax report There is no requirement or procedure for supplementing the information as officers and directors change throughout the year

Corporation's principal office  
10850 RICHMOND AVE, SUITE 190, HOUSTON, TX 77042

Principal place of business  
10850 RICHMOND AVE, SUITE 190, HOUSTON, TX 77042

SECTION A Name, title, and mailing address of each officer and director

NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
ZAHOO LATEEF	PRESIDENT	<input checked="" type="checkbox"/> YES	
MAILING ADDRESS THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
LIGNA LATEEF		<input checked="" type="checkbox"/> YES	
MAILING ADDRESS THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
RUSSELL MACKERT	SECRE/TREAS	<input checked="" type="checkbox"/> YES	
MAILING ADDRESS THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
SHAHED LATEEF		<input checked="" type="checkbox"/> YES	
MAILING ADDRESS THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
MISBA LATEEF		<input checked="" type="checkbox"/> YES	
MAILING ADDRESS THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			

PHU  
2/30/2005

SECTION B List each corporation or limited liability company, if any, in which this reporting corporation or limited liability company owns an interest of ten percent (10%) or more Enter the information requested for each corporation or limited liability company

Name of owned (subsidiary) corporation or limited liability company	State of inc/organization	Texas SOS file number	Percentage interest

SECTION C List each corporation or limited liability company, if any, that owns an interest of ten percent (10%) or more in this reporting corporation or limited liability company Enter the information requested for each corporation or limited liability company

Name of owning (parent) corporation or limited liability company	State of inc/organization	Texas SOS file number	Percentage interest

Registered agent and registered office currently on file (See instructions if you need to make changes)

Agent  
Office

Blacken this circle if you need forms to change this information Changes can also be made on-line at <http://www.sos.state.tx.us/corp/sosda/index.shtm>

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer or director and who is not currently employed by this, or a related, corporation or limited liability company

sign here	Office, director, or other authorized person	Title The Accountant	Date 4/19/2006	Daytime phone (Area code and number) 713-774-2600
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Filing Number: 800190597

05061170026



05-102

(Rev. 9-07-23)

\*\*\* INTERNET \*\*\*

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b. ■

Do not write in the space above

c. Taxpayer identification number 3-2011-363-7	d. Report year 2004
---	------------------------

a. T Code ■ 1590  
**TEXAS FRANCHISE TAX  
 PUBLIC INFORMATION REPORT**  
 MUST be filed to satisfy franchise tax requirements

Corporation name and address  
 NATIONAL POWER COMPANY, INC.  
 THREE RIVERWAY, SUITE 1900  
 HOUSTON, TX 77056

e. PIR / IND ■  1, 2, 3, 4

Secretary of State file number or, if none, Comptroller uncharted number

Item k on Franchise Tax Report, Form 05-142

If the preprinted information is not correct, please type or print the correct information.

The following information MUST be provided for the Secretary of State (SOS) by each corporation or limited liability company that files a Texas Corporation Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

Blacken this circle completely if there are currently no changes to the information preprinted in Section A of this report. Then, complete Sections B and C.

**Please sign below!** Officer and director information is reported as of the date a Public Information Report is completed. The information is updated annually as part of the franchise tax report. There is no requirement or procedure for supplementing the information as officers and directors change throughout the year.

Corporation's principal office  
 THREE RIVERWAY, SUITE 1900, HOUSTON TX 77056

Principal place of business  
 THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056

SECTION A. Name, title, and mailing address of each officer and director.

NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
ZAHED LATEEF	Pres	<input checked="" type="checkbox"/> YES	
THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
MAILING ADDRESS:			
NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
LJ BNA LATEEF		<input checked="" type="checkbox"/> YES	
THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
MAILING ADDRESS:			
NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
RUSSELL MACKERT	Sec. TREAS	<input checked="" type="checkbox"/> YES	
THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
MAILING ADDRESS:			
NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
SHAHED LATEEF		<input checked="" type="checkbox"/> YES	
THREE RIVERWAY, SUITE 1900 HOUSTON, TX 77056			
MAILING ADDRESS:			
NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
MISBA LATEEF		<input checked="" type="checkbox"/> YES	
THREE RIVERWAY, SUITE 1900 HOUSTON, TX 77056			
MAILING ADDRESS:			

SECTION B. List each corporation or limited liability company, if any, in which this reporting corporation or limited liability company owns an interest of ten percent (10%) or more. Enter the information requested for each corporation or limited liability company.

Name of owned (subsidiary) corporation	State of incorporation	Texas SOS file number	Percentage Interest

SECTION C. List each corporation or limited liability company, if any, that owns an interest of ten percent (10%) or more in this reporting corporation or limited liability company. Enter the information requested for each corporation or limited liability company.

Name of owning (parent) corporation	State of incorporation	Texas SOS file number	Percentage Interest

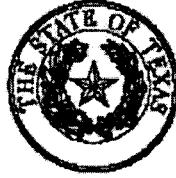
Registered agent and registered office currently on file. (See instructions if you need to make changes.)

Agent: RUSSELL E. MACKERT  
 Office: THREE RIVERWAY, SUITE 1900  
 HOUSTON, TX 77056

Blacken this circle if you need forms to change this information. Changes can also be made on-line at <http://www.sos.state.tx.us/corp/sosda/index.shtml>

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer or director and who is not currently employed by this corporation or limited liability company or a related corporation.

sign here	Officer, director, or other authorized person	Title Secretary	Date 1-14-05	Daytime phone (Area code and number) 713-840-0036
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**Forfeiture pursuant to Section 171.309 of the Texas Tax Code  
of  
NATIONAL POWER COMPANY, INC.**

File Number : 800190597

Certificate / Charter forfeited : February 10, 2006

The Secretary of State hereby determines and finds the following:

1. The Secretary of State has received certification from the Comptroller of Public Accounts under Section 171.302 of the Texas Tax Code that there are grounds for forfeiture of the charter or certificate of authority of the referenced entity.
2. The entity has not revived its forfeited corporate privileges within 120 days after the date that the corporation privileges were forfeited.
3. The Comptroller of Public Accounts has determined that the entity does not have assets from which a judgment for any tax, penalty, or court costs imposed under Chapter 171 of the Code may be satisfied.

It is therefore ordered that the entity's charter or certificate of authority be forfeited without judicial ascertainment and that the proper entry be made upon the permanent files and records of such entity to show such forfeiture as of the date hereof.



A handwritten signature in cursive script that reads "Roger Williams".

Roger Williams  
Secretary of State

Come visit us on the Internet @<http://www.sos.state.tx.us/>



Office of the Secretary of State  
Corporations Section  
P.O. Box 13697  
Austin, Texas 78711-3697

**FILED**  
In the Office of the  
Secretary of State of Texas

APR 21 2006

Corporations Section

**APPLICATION FOR REINSTATEMENT AND  
REQUEST TO SET ASIDE REVOCATION OR FORFEITURE**

Name of entity: NATIONAL POWER COMPANY, INC.

File No.: 0800190597

Taxpayer ID No.: 32011136317

1. The entity named above was forfeited or its certificate of authority was revoked on:

02/10/2006 (date) for the following reason:

(check one)

- (a) failure to maintain a registered agent;
- (b) failure to file a franchise tax return and/or pay state franchise tax;
- (c) other: \_\_\_\_\_

- 2. The entity has corrected the default and has paid all fees, taxes, and penalties due.
- 3. The entity applies for reinstatement and requests that the secretary of state set aside the forfeiture or the revocation of its certificate of authority.

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

(signature)

CEO

(title)

**INSTRUCTIONS FOR FILING APPLICATION FOR REINSTATEMENT**

**1. SIGNATURE: CORPORATIONS** - An application for reinstatement by a corporation forfeited for failure to file a franchise tax return and/or pay state franchise taxes must be signed by an officer, director or shareholder of the corporation. All other applications must be signed by an officer or director of the corporation.

**LIMITED LIABILITY COMPANIES** - An application for reinstatement by a limited liability company must be signed by a manager or member of the limited liability company.

**2. FEES:** The fee for an application for reinstatement is \$75 unless the entity is a nonprofit corporation. The filing fee for the reinstatement of a nonprofit corporation is \$6 unless the corporation was forfeited for reason (b), in which case there is no fee. Fees may be paid by personal checks, money orders, LegalEase debit cards, or MasterCard, Visa, and Discover



**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS**

**AUSTIN, TEXAS 78774-0100**

April 19, 2006

NATIONAL POWER COMPANY INC  
10850 RICHMOND AVE # 190  
HOUSTON, TX 77042-4775

**TAX CLEARANCE LETTER FOR REINSTATEMENT**

To: Texas Secretary of State  
Corporations Section

Re: NATIONAL POWER COMPANY INC  
Taxpayer number: 32011136317  
File number: 0800190597

The above referenced corporation has met all franchise tax requirements and is eligible for reinstatement through May 15, 2006.

VINH PHU  
Enforcement - Houston, SW  
Enforcement  
(713)777-1881

*To reinstate this entity, an application for reinstatement (SOS Form 801), this tax clearance letter, and the appropriate filing fee, if applicable, must be filed with the Texas Secretary of State on or before the expiration date of this letter.*

*An application and instructions for reinstatement can be obtained by visiting <http://www.sos.state.tx.us/corp/forms.shtml> or by calling 512/463-5581.*

*Note: If the entity fails to reinstate on or before the tax clearance date indicated in this letter, additional franchise tax filing requirements must be met and a new request for tax clearance must be submitted prior to reinstatement.*

\*\*\* INTERNET \*\*\*



05-102 (12-05/25)

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b. ■

a. T Code ■ 13196 This report MUST be filed to satisfy franchise tax requirements

c. Taxpayer identification number	d. Report year
32011136317	2006

### TEXAS FRANCHISE TAX PUBLIC INFORMATION REPORT

Corporation name and address

NATIONAL POWER COMPANY, INC  
10850 RICHMOND AVE., SUITE 190  
HOUSTON, TX 77042

e. PIR / IND	1 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
Secretary of State file number or, if none, Comptroller unchartered number	
Item k on Franchise Tax Report, Form 05-142 9. ■ 80190597	

Please mark through any incorrect information, and type or print the correct information.

The following information MUST be provided for the Secretary of State (SOS) by each corporation or limited liability company that files a Texas Corporation Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.



\*3201113631706\*

Blacken this circle completely if there are currently no changes to the information preprinted in Section A of this report. Then, complete Sections B and C.

**Please sign below!** Officer and director information is reported as of the date a Public Information Report is completed. The information is updated annually as part of the franchise tax report. There is no requirement or procedure for supplementing the information as officers and directors change throughout the year.

Corporation's principal office	10850 RICHMOND AVE., SUITE 190 HOUSTON, TX 77042
Principal place of business	10850 RICHMOND AVE., SUITE 190 HOUSTON, TX 77042

#### SECTION A. Name, title, and mailing address of each officer and director.

NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
ZAHEO LATEEF	PRESIDENT	<input checked="" type="checkbox"/> YES	
MAILING ADDRESS: THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
LIGNA LATEEF		<input checked="" type="checkbox"/> YES	
MAILING ADDRESS: THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
RUSSELL MACKERT	SECRE/TREAS	<input checked="" type="checkbox"/> YES	
MAILING ADDRESS: THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
SHAHED LATEEF		<input checked="" type="checkbox"/> YES	
MAILING ADDRESS: THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			
MISBA LATEEF		<input checked="" type="checkbox"/> YES	
MAILING ADDRESS: THREE RIVERWAY, SUITE 1900, HOUSTON, TX 77056			

#### SECTION B. List each corporation or limited liability company, if any, in which this reporting corporation or limited liability company owns an interest of ten percent (10%) or more. Enter the information requested for each corporation or limited liability company.

Name of owned (subsidiary) corporation or limited liability company	State of inc./organization	Texas SOS file number	Percentage Interest

#### SECTION C. List each corporation or limited liability company, if any, that owns an interest of ten percent (10%) or more in this reporting corporation or limited liability company. Enter the information requested for each corporation or limited liability company.

Name of owning (parent) corporation or limited liability company	State of inc./organization	Texas SOS file number	Percentage Interest

Registered agent and registered office currently on file. (See instructions if you need to make changes.)

Agent:  
Office:

Blacken this circle if you need forms to change this information. Changes can also be made on-line at <http://www.sos.state.tx.us/corp/sosda/index.shtml>

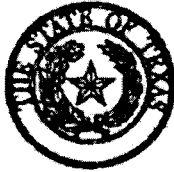
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer or director and who is not currently employed by this, or a related, corporation or limited liability company.

sign here	Official, director, or other authorized person	Title	Date	Daytime phone (Area code and number)
<input checked="" type="checkbox"/>		Tax Acct.	7/19/2006	713-774-2600

05117243225



**Form 401**  
**(Revised 01/06)**  
 Return in duplicate to:  
 Secretary of State  
 P.O. Box 13697  
 Austin, TX 78711-3697  
 512 463-5555  
 FAX: 512/463-5709  
**Filing Fee: See instructions**



This space reserved for office use.  
**FILED**  
 In the Office of the  
 Secretary of State of Texas

MAY 23 2007

**Statement of Change Corporations Section**  
**Registered Office/Agent**

**Entity Information**

The name of the entity is:

NATIONAL POWER COMPANY INC

State the name of the entity as currently shown in the records of the secretary of state.

The file number issued to the filing entity by the secretary of state is: 0800190597

The registered agent and registered office of the entity as currently shown on the records of the secretary of state are: RUSSELL E. MACKERT

THREE RIVERWAY SUITE 1900 HOUSTON, TX 77056

**Change to Registered Agent/Registered Office**

The certificate of formation or registration is modified to change the registered agent and/or office of the filing entity as follows:

**Registered Agent Change**

(Complete either A or B, but not both. Also complete C if the address has changed.)

A. The new registered agent is an organization (cannot be entity named above) by the name of:

**OR**

B. The new registered agent is an individual resident of the state whose name is:

<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>
-------------------	-------------	------------------	---------------

**Registered Office Change**

C. The business address of the registered agent and the registered office address is changed to:

<u>5555 WEST LOOP SOUTH SUITE 300</u>	<u>BELLAIRE</u>	<u>TX</u>	<u>77401</u>
<i>Street Address (No P.O. Box)</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>

The street address of the registered office as stated in this instrument is the same as the registered

agent's business address.

**Statement of Approval**

The change specified in this statement has been authorized by the entity in the manner required by the BOC or in the manner required by the law governing the filing entity, as applicable.

**Effectiveness of Filing** (Select either A, B, or C.)

- A.  This document becomes effective when the document is filed by the secretary of state.
  - B.  This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: \_\_\_\_\_
  - C.  This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90<sup>th</sup> day after the date of signing is: \_\_\_\_\_
- The following event or fact will cause the document to take effect in the manner described below:
- \_\_\_\_\_
- \_\_\_\_\_

**Execution**

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Date: 5-23-2007

Michael Wallens  
DIRECTOR / VP

Signature and title of authorized person (see instructions)

**Form 503  
(Revised 01/06)**

Return in duplicate to:  
Secretary of State  
P.O. Box 13697  
Austin, TX 78711-3697  
512 463-5555  
FAX: 512 463-5709  
**Filing Fee: \$25**



This space reserved for office use.

**FILED**  
In the Office of the  
Secretary of State of Texas  
AUG 24 2007  
Corporations Section

**Assumed Name Certificate**

**Assumed Name**

The assumed name under which the business or professional service is, or is to be, conducted or rendered is: NPC POWER MARKETER

**Entity Information**

The name of the entity filing the assumed name is:

NATIONAL POWER COMPANY, INC.

State the name of the entity as currently shown in the records of the secretary of state or on its certificate of formation, if not filed with the secretary of state.

The filing entity is a: (Select the appropriate entity type below.)

- For-profit Corporation
- Nonprofit Corporation
- Cooperative Association
- Limited Liability Company
- Other
- Professional Corporation
- Professional Limited Liability Company
- Professional Association
- Limited Partnership

Specify type of entity if there is no check box applicable.

The file number, if any, issued to the filing entity by the secretary of state is: 800190597

The state, country, or other jurisdiction of formation is: TEXAS

The registered or similar office of the entity in the jurisdiction of formation is:

616 FM 1960 Rd. West Ste.700 Houston, TX 77090

The entity is required to maintain a registered office and agent in Texas. The address of its registered office in Texas and the name of the registered agent at such address is:  
5555 West Loop South Ste.300 Bellaire, TX 77401      Russell E. Mackert

The address of the principal office of the entity (if not the same as the registered office) is:  
616 FM 1960 Rd. West Ste. 700 Houston, TX 77090

The entity is not required to maintain a registered office and agent in Texas. Its office address in

in Texas is: \_\_\_\_\_

The entity is not incorporated, organized or associated under the laws of Texas. The address of the principal place of business in this state is: \_\_\_\_\_

The office address of the entity is: \_\_\_\_\_

**Period of Duration**

The period during which the assumed name will be used is 10 years from the date of filing with the secretary of state.

OR

The period during which the assumed name will be used is \_\_\_\_\_ years from the date of filing with the secretary of state (not to exceed 10 years).

OR

The assumed name will be used until \_\_\_\_\_ (not to exceed 10 years).  
mm/dd/yyyy

**County or Counties in which Assumed Name Used**

The county or counties where business or professional services are being or are to be conducted or rendered under the assumed name are:

All counties

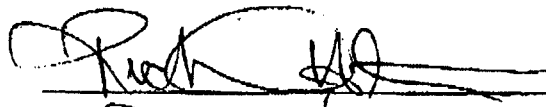
All counties with the exception of the following counties: \_\_\_\_\_

Only the following counties: \_\_\_\_\_

**Execution**

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument. If the undersigned is acting in the capacity of an attorney in fact for the entity, the undersigned certifies that the entity has duly authorized the undersigned in writing to execute this document.

Date: 8-17-2007

  
\_\_\_\_\_  
President

Signature and title of authorized person(s) (see instructions)



Control Number: 30813



Item Number: 1

Addendum StartPage: 0



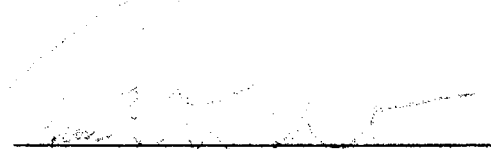
CERTIFICATE OF SECRETARY  
OF  
NATIONAL POWER COMPANY, INC.

The undersigned, Russell E. Mackert, does hereby certify that he is the duly elected and currently acting Corporate Secretary and Treasurer of National Power Company, Inc., a Texas Corporation, and that, as such, he has access to all original records of National Power Company, Inc. and is authorized to make the following representations.


*Shares Held By W Financial Group, LLC:* According to the share register of the corporation, W Financial Group, LLC, as of this date, holds 7,500 shares of the corporation's outstanding and issued stock.

*Percentage of Stock Held By W Financial Group, LLC:* As of this date, W Financial Group, LLC holds 75% of all of the corporation's outstanding and issued stock.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the 12th day of December, 2007.

  
\_\_\_\_\_  
Russell E. Mackert, Secretary/Treasurer  
National Power Company, Inc.

The undersigned, Russell E. Mackert, Secretary and Treasurer of National Power Company, Inc., does hereby certify, as of the 12th day of December, 2007, that Russell E. Mackert is the duly elected and currently acting Secretary and Treasurer of National Power Company, Inc. and the signature appearing over his name is his genuine signature.

  
\_\_\_\_\_  
Russell E. Mackert

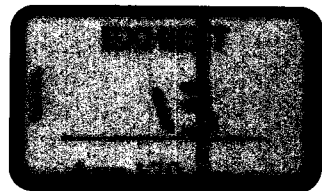






# W Financial Group- Loans & Disbursements

DATE	DESCRIPTION	AMOUNT PAID OUT	AMOUNT PAID IN	INTEREST
10/11/2006	Loan-Adley	\$ 300,000.00		
12/22/2006	Loan-Adley		\$ 100,000.00	\$ 10,000.00
4/2/2007	Loan-Adley		\$ 200,000.00	
9/12/2007	Loan-Adley			
(A)				
1/31/2007	Loan-A&O	\$ 2,000,000.00		
6/26/2007	Loan-A&O		\$ 1,171,095.60	
8/28/2007	Loan-A&O		\$ 610,000.00	
8/28/2007	Loan-A&O		\$ 218,904.40	
8/28/2007	Loan-A&O			\$ 281,095.60
(B)				
10/18/2006	Professional Compensation-Adley Wahab	\$ 50,000.00		
10/18/2006	Professional Compensation-Michael Wallens Sr	\$ 50,000.00		
10/18/2006	Professional Compensation-Michael Wallens Jr	\$ 50,000.00		
1/16/2007	Professional Compensation-Adley Wahab	\$ 100,000.00		
1/16/2007	Professional Compensation-Michael Wallens Sr	\$ 100,000.00		
1/16/2007	Professional Compensation-Michael Wallens Jr	\$ 100,000.00		
(C)				
3/22/2007	Auto-Mike Wallens Jr	\$ 51,750.00	\$ 51,750.00	
3/26/2007	Auto-Mike Wallens Jr		\$ 45,995.00	
11/28/2007	Auto-Mike Wallens Jr			
12/14/2007	Auto-Mike Wallens Jr	\$ 45,995.00		
(D)				
10/3/2006	WFG Purchase of Texas Auto P/tps	\$ 301,054.40		
(E)				





# Business Account Application



## Information About Your Accounts

To help the government fight the funding of terrorism and money laundering activities, U.S. Federal law requires financial institutions to obtain, verify, and record information that identifies each person (individuals and businesses) who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Bank Name  
Wells Fargo Bank, N.A.

COID	Date	Location Number	AU	Officer Name	Officer Number	Phone Number
00808	02/07/2007	02426	6728	SARAH GRUDIER	B0030	281/353-0741
Type of Account(s)		Account Number(s)		Opening Deposit(s)		
ACTIVE BUS CKG CHK		3725317550		\$500.00 INTX		

## Information About Your Business

### Contact Information

Business Name  
W FINANCIAL GROUP LLC

Statement Mailing Address  
616 FM 1960 RD W STE 528  
HOUSTON, TX  
77090-3000  
US

Street Address  
616 FM 1960 RD W STE 528

City  
HOUSTON

State  
TX

Zip  
77090-3000

Country  
US

E-Mail Address

Web Site

Phone  
866/520-9023

Fax

Cellular

Pager

### Business Information

Entity  
Limited Liability Company

Sub Type

Non-Profit  
No

Date Established  
09/05/2006

Current Ownership Since Date  
5

# of Employees  
5

Industry  
Other Services (except Public Administration)

Description of Business  
financial services

Annual Gross Sales	Year Reported	Fiscal Year End	Country of Registration	Primary Financial Institution	# of Locations
\$50,000,000	01/01/2000		US		

Major Suppliers/Customers

Sales Market  
Local

Primary States

Bank Use

Name/Entity Verification  
Articles of Organization

Address Verification

Check Reporting  
NORECORD

Previous Bank Reference

International Transactions

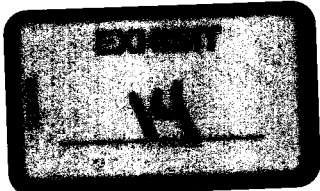
BACC Reference#  
607BAC0113038

## Information About Owners and Key Individuals

Name	ID Type	Number	State/Country	Issue Date	Expiration Date
ADLEY H ABDULWAHAB	Primary	DLIC 07838976	TX	None	07/28/2009
	Secondary	OTHR DC WF		None	11/01/2009
MICHAEL K WALLENS JR	Primary	DLIC 09255408	TX	None	12/14/2012
	Secondary	OTHR DC WACHOVIA		None	02/01/2009
NORECORD					
MICHAEL K WALLENS	Primary	DLIC 09570611	TX	None	05/14/2011
	Secondary	OTHR CC VISA		None	01/01/2009
NORECORD					

BBG2307 (9-05 94025-J)

03166 W Financial  
002863



**Information About Owners and Key Individuals**

Name	ID Type	Number	State/Country	Issue Date	Expiration Date
	Primary				
	Secondary				
	Primary				
	Secondary				
	Primary				
	Secondary				
	Primary				
	Secondary				

**Information About Sole Proprietor**

Date of Birth	Tax Identification Number (TIN)	TIN Type
Residence Address (provide physical address or directional if no physical address exists)	Residence Address Line 2	
City	State/Province	Zip/Postal Code
		Country

**Overdraft Protection Plan from Savings**

For the terms of the Bank's Overdraft Protection Plan from Savings, see the Bank's current Business Account Agreement. Customer desires to link the following accounts for Overdraft Protection:

- Savings account # \_\_\_\_\_ will be linked to checking account # \_\_\_\_\_
- Savings account # \_\_\_\_\_ will be linked to checking account # \_\_\_\_\_
- Savings account # \_\_\_\_\_ will be linked to checking account # \_\_\_\_\_
- Savings account # \_\_\_\_\_ will be linked to checking account # \_\_\_\_\_

**Certificate of Authority Cross Reference - Existing Customers - New Accounts**

For use when persons identified as authorized signers on the Customer's existing Certificate of Authority are identical to the persons designated as authorized signers for the accounts listed on this Business Account Application.

Please refer to Certificate of Authority currently on file for account: \_\_\_\_\_

**Certificate of Authority**

Each person signing this Application certifies that:

- A. The Customer's use of any Bank account, product or service will confirm its receipt of and agreement to be bound by the Bank's applicable account fee schedule and account agreement that includes the dispute resolution program under which any disputes between the Customer and the Bank relating to the Customer's use of any bank account or service will be decided in an arbitration proceeding before a neutral arbitrator and not by a jury or court trial.
- B. Any one of the person(s) who signs this Application or whose name, any applicable title and specimen signature appear in the Signature Capture Section of this Application is authorized on such terms as the Bank may require to:
  - (1) Enter into, modify, terminate and otherwise in any manner act with respect to accounts at the Bank and agreements with the Bank or its affiliates for accounts and/or services offered by the Bank or its affiliates (other than letters of credit or loan agreements);
  - (2) Authorize (by signing or otherwise) the payment of Items from the Customer's account(s) listed on this Business Account Application (including without limitation, any Item payable to (a) the individual order of the person who authorized the Item or (b) the Bank or any other person for the benefit of the person who authorized the Item) and the endorsement of Deposited Items for deposit, cashing or collection (see the Bank's applicable account agreement for the definitions of "Item" and "Deposited Item");
  - (3) Give instructions to the Bank in writing (whether signed manually or by a facsimile or mechanical device with out regard to when or by whom or by what means it may have been made or affixed), orally, by telephone or by any electronic means in regard to any Item and the transaction of any business relating to the Customer's account(s), agreements or services, and the Customers shall indemnify and hold the Bank harmless for acting in accordance with such instructions; and
  - (4) Delegate his or her authority to another person(s) or revoke such delegation, in a separate signed writing delivered to the Bank.
- C. If a code must be communicated to the Bank in order to authorize an Item, and the code is communicated, the Item will be binding on the Customer regardless of who communicated the code.
- D. The information provided in this Application is correct and complete, the person(s) who are signing this Application and the person(s) whose names appear in the Signature Capture Section of this Application hold any positions indicated, and the signatures appearing opposite their names are authentic, official signatures.

- E. The Bank is authorized to inquire at any time about any person whose name appears on this Application with check and/or credit reporting services and to share this information and information about the Customer and the Customer's account(s) with any affiliate of the Bank.
- F. Each transaction described in this Certification conducted by or on behalf of the Customer prior to delivery of this Certification is in all respects ratified.
- G. If the Customer is a tribal government or tribal government agency, the Customer waives sovereign immunity from suit with respect to the Customer's use of any Bank account, product or service directly or indirectly referred to in this Certificate.
- H. The Customer has approved this Certificate of Authority or granted the person(s) signing this Application the authority to do so on the Customer's behalf by
- (1) resolution, agreement or other legally sufficient action of the governing body of the Customer, if the Customer is not a trust or a sole proprietor;
  - (2) the signature on this Application of each of the Customer's trustee(s), if the Customer is a trust; or
  - (3) the signature on this Application of the Customer, if the Customer is a sole proprietor.

**Tax Reporting and Certification (Substitute IRS Form W-9)**

Tax ID and Number

EIN 20-5507904

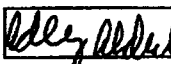
**Certification:** Under penalties of perjury, I certify that:

1. The number shown on this form is my correct Taxpayer Identification Number, and
2. UNLESS I HAVE CHECKED ONE OF THE BOXES BELOW, I am not subject to backup withholding either because I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, the acquisition or abandonment of secured property, contributions to an Individual Retirement Arrangement (IRA), and payments other than interest and dividends), and
3. I am a U.S. person (including a U.S. resident alien).

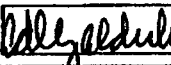


I am subject to backup withholding  I am exempt from backup withholding

**Note: The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding**

**Certified/Agreed to by:**

Certification Signature 1  <input checked="" type="checkbox"/> submit manually <input checked="" type="checkbox"/> signature not required	Printed Name <b>ADLEY H ABDULWAHAB</b>	Date 02/07/2007
	Title/Position	
Certification Signature 2 <input type="checkbox"/> submit manually <input checked="" type="checkbox"/> signature not required	Printed Name	Date
	Title/Position	

**Signature Capture - Authorized Signers**

Authorized Signer 1 - Signature  <input checked="" type="checkbox"/> submit manually <input checked="" type="checkbox"/> signature not required	Printed Name <b>ADLEY H ABDULWAHAB</b>
Authorized Signer 2 - Signature  <input type="checkbox"/> submit manually <input type="checkbox"/> signature not required	Printed Name <b>MICHAEL K WALLENS JR</b>
Authorized Signer 3 - Signature  <input type="checkbox"/> submit manually <input type="checkbox"/> signature not required	Printed Name <b>MICHAEL K WALLENS</b>
Authorized Signer 4 - Signature <input type="checkbox"/> submit manually <input checked="" type="checkbox"/> signature not required	Printed Name  
Authorized Signer 5 - Signature <input type="checkbox"/> submit manually <input checked="" type="checkbox"/> signature not required	Printed Name  
Authorized Signer 6 - Signature <input type="checkbox"/> submit manually <input checked="" type="checkbox"/> signature not required	Printed Name  
Authorized Signer 7 - Signature <input type="checkbox"/> submit manually <input checked="" type="checkbox"/> signature not required	Printed Name  

Mark Turnbull

3725317550

11-13-06 09:44 AM 200605504

TRUPPERT

Mark Turnbull, County Clerk  
MONTGOMERY COUNTY, TEXAS

ASSUMED NAME FOR CORPORATION

THE STATE OF TEXAS  
COUNTY OF MONTGOMERY

THAT, W FINANCIAL GROUP LLC, the undersigned, for the purpose of complying with Chapter 36,  
Title 4, Business and Commerce Code of the State of Texas, do hereby certify to the following facts:

1. W CUSTOM BUILDERS  
is the assumed name under which the business or professional services is or is to be conducted or rendered.

27406 E. BENDERS LANDING BLVD. SPRING, TX 77386  
is the address of the business or professional service.

2. Registrant: LLC

3. Names and Addresses:

MICHAEL WALLENS 27406 E. BENDERS LANDING BLVD,  
Name Address  
PRESIDENT SPRING, TX 77386  
Title Address

Name

Title Address

Name

Title Address

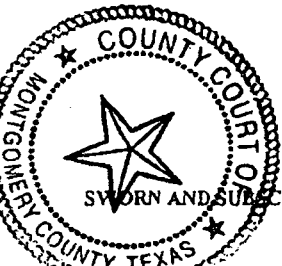
Said Corporation/ Company was duly incorporated/ Associated under the laws of TEXAS  
and its registered or similar office address there is 616 FM 1960 WEST SUITE 528 HOUSTON, TX 77090  
County within the State of Texas where the business or professional services are being or are to be conducted or rendered under said  
assumed name: MONTGOMERY

4. The corporation is a llc

5. The period not to exceed ten (10) years, during which the assumed name will be used is from the 13 day of NOVEMBER  
2006 until the 13 day of November 2016

IN TESTIMONY WHEREOF, I have hereunto set MY hand, this the 13 day of November 2006.

Michael Wallens  
09570611



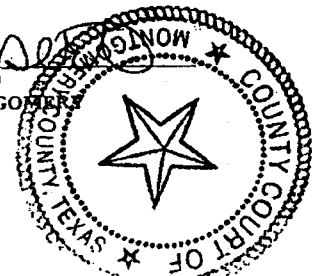
SWORN AND SUBSCRIBED before me this 13 day of November 2006.

A true copy, I hereby certify  
MARK TURNBULL, County Clerk  
Montgomery County, Texas

Issued NOV 13 2006

By Truppert Deputy

Theresa Truppert  
NOTARY PUBLIC/DEPUTY CLERK  
STATE OF TEXAS/COUNTY OF MONTGOMERY



DECLARATION OF  
VERNON JONES

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**SECURITIES AND EXCHANGE COMMISSION,**

Plaintiff,

vs.

**W FINANCIAL GROUP, LLC,  
ADLEY H. ABDULWAHAB a/k/a Adley Wahab,  
MICHAEL K. WALLENS, SR., and  
MICHAEL K. WALLENS, JR.**

Defendants,

Civil Action No.  
**3:08-CV-0499-N**

**DECLARATION OF VERNON T. JONES, JR. IN SUPPORT OF MOTIONS  
FOR APPOINTMENT OF A RECEIVER, ORDER FREEZING ASSETS,  
ORDER REQUIRING ACCOUNTINGS AND OTHER EQUITABLE RELIEF**

I, Vernon T. Jones, Jr., make the following declaration under penalty of perjury.

1. I am over 21 years of age, have never been convicted of a crime involving moral turpitude and am fully competent to make this Declaration. I have personal knowledge of the matters set forth herein, except for those matters stated on information and belief, and as to those matters I believe them to be true, and could and would testify thereto under oath if called upon as a witness.

2. On March 28, 2008, I was appointed by the Court to serve as Special Master in this civil injunctive action filed by the United States Securities and Exchange Commission. Pursuant to the Agreed Order Appointing Special Master to Monitor the Sale of Assets Held by Defendants ("Special Master Order"), among my chief responsibilities are to oversee the defendants' liquidation of certain assets and to preserve the proceeds of these sales to create a pool of funds to provide restitution to investors in securities issued by W Financial Group, Inc. ("WFG").



3. Since my appointment, I have attempted, in good faith, to fulfill the oversight responsibilities assigned to me by the Court. In doing so, I have relied on the defendants' obligations, as set forth in the Special Master Order, to provide me with complete, accurate and timely information about proposed and consummated transactions and to generally cooperate fully with me to assure that the liquidation process provides optimal benefits to investors. Based on the events described in this Declaration, the defendants, rather than providing full and accurate disclosure, have withheld essential information, engaged in a pattern of deception and refused, in some instances, to provide information and documents in response to my direct requests. I have also witnessed defendants needlessly squander funds that might otherwise be available to provide monetary relief to investors. My current powers as a Special Master have not given me the means of dealing adequately with the defendants' conduct. Accordingly, I have concluded that the interests of WFG investors require more stringent equitable relief, including an asset freeze and the appointment of a Receiver over all the defendants' assets.

4. After my appointment as Special Master, I immediately established contact with the defendants and their attorney, David Fielder, and arranged a personal meeting for the purpose of providing me with an overview of the nature and value of the assets to be liquidated and their approximate value. A limited number of documents were supplied to me by the defendants in timely fashion by e-mail.

5. In my initial communications with defendants and David Fielder, I learned that certain assets had already been liquidated. The proceeds of these transactions were, in part, transferred by W Financial to the Special Master account. The defendants, however, insisted that they needed to retain substantial funds to pay the operating expenses of ongoing businesses, including significant expenditures for National Power Company ("NPC"), a retail

marketer of electric power. Defendants were also making periodic transfers from the proceeds of liquidation to Haynes & Boone, defendants' counsel, to pay attorney's fees.

6. The face-to-face meeting I requested was held in the office of NPC in North Houston. The defendants, defendants' counsel, the Special Master, and the Special Master's counsel participated in the meeting. After covering background information on the case with the defendants, we discussed the status of liquidation efforts already in progress. During the meeting, it was established that there were four primary categories of assets to sell: (1) NPC [defendants' estimated value \$5 to 8 million]; (2) a real estate and home building business with one rental and two nearly completed houses as well as seven unimproved lots in a subdivision of North Houston [defendants' estimated value \$2.9 to 3.8 million]; (3) Texas Auto Pros, a low-end car auto dealership on four leased lots in the Dallas area [defendants' estimated value \$2.0 to 2.4 million]; and (4) a death benefit life insurance policy on an unrelated individual [defendants' estimated value \$250,000 to \$350,000].

7. Defendants' representation that NPC was the most valuable W Financial asset comported with information conveyed to me by the SEC, whose belief was also based on statements by defendants and their counsel. Accordingly, many of my initial activities focused on the valuation and liquidation of this asset.

8. Before I became involved in the liquidation process, defendants had already established a bidding process for sale of the electric power company. As bids were due by April 7, I undertook the process of familiarizing myself with NPC's operations. I reviewed and discussed with defendants and others affiliated with NPC, NPC financial reports and offering documents. I reviewed budget reports with David Barrett ("Barrett"), Senior Accountant for NPC, who was presented to me as the person most knowledgeable about the books and records of W Financial entities.

9. Based on my experience in the power retailing industry, it was immediately apparent that there was a lack of industry background and expertise among the persons operating NPC, including Richard Hunter, NPC's President, as well as little understanding of the resources required to manage the operation. The defendants, however, had retained a credible sales representative and the companies purportedly interested in bidding for the company were known industry players. Accordingly, I decided that the bidding process should be completed, and we scheduled a "bid opening" meeting at NPC on Tuesday, April 8.

10. No bids for NPC were submitted on April 7. From my experience, a lack of bids by companies I knew were then making acquisitions of this type of operation indicated likely issues with NPC's sales obligations or possible legal issues. In the April 8 meeting, attended by the company's sales representative, Intelometry, we discussed alternate sales strategies. I emphasized the need for close management of daily operations to ensure that NPC did not lose, or bleed, its remaining cash. In spite of the now-questionable value of NPC, the defendants insisted that additional funds from the sale of WFG assets should be invested in NPC in the form of a "hedge" to lock in the value of the NPC sales contract portfolio. I declined to give my consent, pending a more complete analysis of the value of the company's operations, including detailed budgets for continued operations of the type required to manage the risks in such a company and a current "mark-to-market" calculation of the company's sales portfolio, a key indicator used in the industry to determine value.

11. As NPC did not have the resources or expertise to do the critical mark-to-market analysis, this task was undertaken by Intelometry. Intelometry's report, furnished to me on April 11, 2008, established that the value of NPC's sales portfolio was a negative \$1.75 million. This deficit was the result, in part, of NPC's contracting with customers to provide electric power

at a fixed rate while failing to secure a long-term source of electric power at a cost low enough to make sales to these customers profitable.

12. After studying the mark-to-market report, I concluded that NPC was not salable by industry standards and any additional funds spent to operate the company would result in a net loss to investors. I immediately notified the defendants of my conclusion that NPC close to preserve any investor cash that it might possess. In particular, I emphasized to defendants my concern that neither NPC nor WFG use investor funds to purchase the hedge, estimated by them to cost \$1 million.

13. At the time I received the "mark-to-market" report, I had no meaningful or reliable financial reporting on NPC beyond the status and activity in its bank accounts. According, it was agreed that the defendants would voluntarily turn over \$650,000 to the Special Master, while retaining approximately \$350,000 for working capital for NPC, pending my review of financial reports to determine the appropriate level of funding necessary to operate NPC and to provide defendants with a final opportunity to pursue several non-industry, private equity buyers described by defendants as still interested.

14. Over the next week, defendants did not produce a credible potential purchaser for NPC. Defendants also failed, in spite of numerous requests and promises, to provide financial reports and budgets necessary for the refined determination of required working capital. I continued to express my concern that NPC was bleeding money that otherwise would be available to repay investors.

15. During this period, I repeatedly asked defendants for a shuttering plan for NPC that included an evaluation of liabilities such a shutdown could create. I was told that NPC had asked its regulatory counsel, Brown and McCarroll LLP to provide advice for a plan being developed.

16. On April 25, 2008, I was abruptly informed that David Barrett, the Senior Accountant of NPC, was preparing an offer to purchase NPC. On April 28, Barrett submitted a written offer to purchase 100% of NPC stock for \$1 million.

17. I had concerns about this transaction, given Barrett's close relationship with defendants and the fact that he had been the source of all financial information on NPC provided to the Special Master. It was represented to me, by Barrett and/or the defendants, in response to my question of source of funding for his offer, that he was pooling funds provided by various "friends and family members." I also requested that the defendants quickly provide me with all documents relating to the transaction. Even though I specified the need for all documents relating to the closing of the transaction, defendants failed to provide these documents. Nonetheless, based on the oral representations made to me and the fact that another equally lucrative offer was highly improbable, I consented to the transaction.

18. On May 1, I was informed that the transaction had been consummated and that the title company was holding the funds. A true and correct copy of the sales agreement between Barrett and WFG is attached to this declaration as Exhibit 1. Although I expected to receive funds directly from the title company, I received on May 5 exactly \$1 million from the WFG bank account

19. In the aftermath of the sale of NPC, a number of events occurred that undermined my belief in the good faith, honesty and competence of the defendants. Immediately after the sale, I received calls from third parties about pending lawsuits in Texas state court involving NPC. Although one or more of the defendants must have been aware of these lawsuits, they had not disclosed this material information to me. Instead, I was informed about these lawsuits by counsel for the plaintiffs in these state proceedings.

20. Attached as Exhibit 2 to this Declaration is one of the lawsuits revealed to me by plaintiffs' counsel, Robert Lovell, after the consummation of the sale of NPC to Barrett. Plaintiffs, members of the Lateef family, owned a majority of the stock in NPC prior to its acquisition by WFG. Curiously, this lawsuit alleged that Wahab conspired with the Lateef's counsel to induce the Lateefs to sell their interest in NPC to Wahab a total of \$750,000, consisting of the forgiveness of \$250,000 in debt and a payment of \$500,000. The Lateefs seek, among other relief, to rescind the original sale of NPC.

21. Attached as Exhibit 3 to this Declaration is a second lawsuit disclosed to me by plaintiffs' counsel, Rodney Moton, after the sale of NPC to Barrett. Plaintiffs, R. Dennis Fields and Winfred Fields purport to be minority owners in NPC. The lawsuit seeks actual and punitive damages from NPC's purported failure to adhere to agreements with the Fields and Fast Track Energy, Inc., an entity that appears to be affiliated with the Fields. In a telephone conversation I had with Moton, he asserted that the Fields claimed a minority interest in NCP of as much as 40%, rather than the 15% consistently represented by the WFG defendants.

22. ON May 9, defendants' counsel requested that I transfer \$150,000 of the \$1 million purportedly paid by Barrett, to compensate the minority owners for their interest. I informed the defendants and their counsel that I considered them in violation of the good faith requirement of the order, based on their failure to disclose the existence of lawsuits regarding the minority ownership of NPC, even though this information was responsive to questions I posed to them prior to the NPC transaction.

23. When I recounted to the SEC and to my own counsel the existence of the previously undisclosed lawsuits, both expressed concern that the sale of NPC may have been a sham transaction with the ultimate intent of profiting defendants. Alarming, both Barrett and defendants failed to respond to my requests for basic information about the transaction. On

May 7, David Barrett declined to answer my question as to whether any of the defendants were involved in the financing of his deal. I also requested that Barrett and defendants provide all bank statements for all accounts, including those of NPC, through the closing.

24. When I finally received bank account statements on May 13 and May 15, they raised additional serious questions about defendants' candor and financial responsibility. The statements reflected continued access by the defendants to the accounts of NPC well past the closing date of the alleged transaction to a third party. The statements disclosed that defendants had made undisclosed transfers of substantial amount of money from the liquidation of WFG assets to various WFG-owned enterprises. The statements disclosed transfer of more than \$313,000 from WFG to NPC in the five business days before and including the day of the sale closing. These transfers were never disclosed to me and would have been unacceptable in light of my frequently expressed concern about NPC's continuing losses and the need to recover at closing the company's remaining cash. Additionally, the bank records disclosed the use of a total of approximately \$125,000 of WFG funds in connection with the operation of W Custom Home Builders, significantly more than the \$30-\$50,000 represented to me in my meeting with defendants in early April. There were also discrepancies in amounts apparently received from the sales of Texas Auto Pros assets to the WFG account and the amounts subsequently transferred to the Special Master account.

25. The next few days brought even more disturbing revelations of deception and mismanagement of funds by defendants. In light of the questions raised by defendants' recent conduct, defendants and their counsel agreed to a meeting on May 21, 2008 to discuss these developments and facilitate receipt of the long requested transaction documentation. Just a couple of hours prior to the commencement of the meeting, defendants' counsel, David Fielder, telephoned me to reveal that defendants had just revealed to him that they had, in fact,

financed Barrett's purchase of NPC. During the meeting, defendants admitted that they had not only provided the \$1 million purchase price, but had also, collectively, provided Barrett with additional an additional \$1.25 to \$1.5 million to operate NPC, claiming that these funds constituted "their own money" received from "their other jobs."

26. These revelations were shocking on a number of levels. First, the fact that defendants had financed the purchase of NPC was clearly a material fact that they should have disclosed to me in response to my inquiries before the closing of the transaction. Second, the additional \$1.25 to \$1.5 million supplied by defendants was provided at a time when WFG purportedly no longer had any ownership interest in NPC and, accordingly, this infusion of capital by defendants seems inexplicable. Third, in spite of numerous requests from the Special Master and the SEC, defendants have yet to provide documents that specify the source of the \$2.3 to \$2.5 million they contributed to the sale and subsequent operation of NPC. Accordingly, defendant's claim that the funds are not related to the WFG fraud cannot be substantiated.

27. Fourth, defendants must have been aware that there was a substantial risk that any additional money contributed to NPC would be lost, as I had discussed with them repeatedly that NPC was insolvent and should be shuttered to prevent additional loss. As set forth below, NPC has now closed its doors and defendants' money is not recoverable. Even assuming the truth of defendants' claims that the \$1.25 to 1.5 million came from a source other than WFG, the profligate use of this money was detrimental to investors. As I expressed to defendants, rather than being wasted on an insolvent enterprise, there funds could have been reserved to provide additional restitution to WFG investors.

28. Fifth, while I had never directly inquired about assets under the control of defendants, defendants' ability to produce \$2.2 to 2.5 millions with little or no delay was material to a number of discussions that we had engaged in during the past several weeks. For