

CPU Solutions Holding Corp.845 86th Avenue North, Saint Petersburg Fl 33702

Tel 727-576-3460 Fax 727-579-1040

July 30, 1999

Florida Public Service Commission
 Division of Communications
 Bureau of Service Evaluation
 2540 Shumard Oak Blvd.
 Tallahassee, Florida 32399-0850

991010 -TX

To Whom It May Concern:

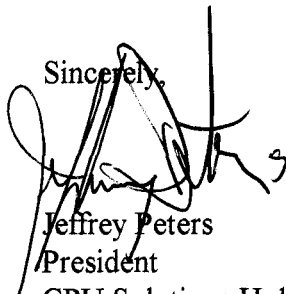
CPU Solutions Holding Corp has the sufficient financial capability to provide, maintain and to meet its lease and ownerships obligation. We are currently generating income from our Cellular Sales and our Asia Sale Divisions, which have projected gross sales of \$28,490,000 with net profits of \$2,852,000 as of December 1999.

Our strategy for the Local Telephone will be to go after the huge minority population in the Dade Broward and the Palm Beach Counties. These minority communities consist of the following groups.

- A. Spanish (Cubans, South Americans)
- B. Haitians
- C. Brazilians (Portuguese)

We will be blitzing the Radio airwaves in their native language with advertising spots that offer our local telephone service. Advertising in their local magazines and newspapers will increase their awareness of our company. We are confident that we can sign-up 100 people per day. Gross sales will be \$13,513,558 with a net profits \$5,467,920 as of December 2000. We have never failed to fulfill our commitments to our suppliers and customers and that we will be able to fulfill our commitment and financial responsibility that are being requested of us.

Sincerely,



Jeffrey Peters
 President
 CPU Solutions Holding Corp

Check received with filing and forwarded to bank for deposit.
 Please to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check:



DOCUMENT NUMBER-DATE

09162 AUG-3 99

FPSC-RECORDS/REPORTING

State of Florida



Department of State

I certify from the records of this office that CPU SOLUTIONS HOLDING CORP., is a corporation organized under the laws of the State of Florida, filed on April 21, 1998.

The document number of this corporation is P98000035928.

I further certify that said corporation has paid all fees due this office through December 31, 1998, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Second day of August, 1999



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

FLORIDA PUBLIC SERVICE COMMISSION

Division of Communication
Bureau of Service Evaluation

CPU SOLUTIONS HOLDING CORP
PRICE LIST

ALTERNATIVE LOCAL EXCHANGE COMPANY

CPU Solutions Holding Corp
845 86 Avenue North
Saint Petersburg, Florida 33702

TITLE SHEET

FLORIDA TELECOMMUNICATIONS PRICE LIST

This price list contains the descriptions, regulations, service standards and rates applicable to the furnishing of service and facilities for telecommunications services provided by CPU Solutions Holding Corp., Inc., with principal offices at 845 86th North, Saint Petersburg, Florida 33702. This price list applies for services furnished within the state of Florida. This price list is on file with the Florida Public Service Commission and copies may be inspected during normal business hours at the Company's principal place of business.

ISSUED: July 20, 1999

EFFECTIVE: _____

By:

Kenneth Jacobi, Regulatory Affairs
845 86th North
Saint Petersburg, Florida 33702

CHECK SHEET

The sheets listed below, which are inclusive of this price list, are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets, as named below, comprise all changes from the original price list and are currently in effect as of the date of the bottom of this page.

<u>SHEET</u>	<u>REVISION</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original

ISSUED: July 20, 1999

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SYMBOLS SHEET

The following are the only symbols used for the purpose indicated below:

- D - Delete or Discontinue
- I - Change resulting in an Increase to a Customer's Bill
- M - Moved from Another Price List Location
- N - New
- R - Change Resulting in a Reduction to a Customer's Bill
- T - Change in Text or Regulation, but no Change in Rate or Charge

ISSUED: July 20, 1999

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PRICE LIST FORMAT SHEETS

- A. **Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the price list. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

- B. **Sheet Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc., the FPSC follows in their price list approval process, the most current sheet number on file with the Commission is not always the price list page in effect. Consult the Check Sheet for the sheet currently in effect.

- C. **Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a). I.
- 2.1.1.A.1.(a). I. (i).
- 2.1.1.A.1. (a). I. (i). (1).

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PRICE LIST FORMAT SHEETS

- D. **Check Sheets** - When a price list filing is made with the FPSC, an updated check sheet accompanies the price list filing. The check sheet lists the sheets contained in the price list, with a cross-reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbol used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The price list user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the FPSC.

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EXCHANGE SERVICE LIST

954

941

352

904

305

407

813

561

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

- Access Line -** An arrangement which connects the customer's location to a CPU Solutions Holding Corp. Corp, Inc, Inc. network switching center.
- Company or Carrier -** CPU Solutions Holding Corp, Inc.
- Customer -** The person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with the Company's price list regulations.
- Day -** From 8:00 A.M. up to, but not including, 5:00 P.M. local time, Saturday through Friday.
- Evening -** From 5:00 P.M. up to, but not including, 11:00 P.M. local time, Saturday through Friday.
- Holidays -** CPU Solutions Holding Corp., Inc. recognized holidays are: New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving, Christmas Day.
- Night/Weekend -** From 11:00 P.M. up to, but not including 8:00 A.M. Saturday through Friday, and 8:00 A.M. Saturday up to, but not including, 6:00 P.M. Saturday.

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SECTION 2 - RULES, REGULATIONS AND SERVICE QUALITY CRITERIA**2.1 Operator Services**

The Company's operator services are provided to residential and business customers who "**presubscribed**" to this service for intrastate calling. Operator services include the completion of collect, station-to-station, person-to-person, third party billing and credit card calls with the assistance of a Carrier operator. Each completed operator assisted call consists of two charge elements (except as otherwise indicated herein): (i) a fixed operator charge, which will be dependent on the type of billing selected (e.g., calling card, collect or other) and/or the completion restriction selected (e.g., station-to-station or person-to-person); and (ii) a measured usage charge dependent upon the duration, distance and/or time of day of the call.

2.2 Operator Dialed Surcharge

This surcharge applies to Operator Station and Person-to-Person rated calls when the customer has the capability of dialing all the digits necessary to complete a call, but elects to dial only the appropriate operator code and requests the operator to dial the called station. The surcharge does not apply to:

- 1) Calls where a customer cannot otherwise dial the call due to defective equipment or trouble on the CPU Solutions Holding Corp., Inc. network; and
- 2) Calls in which a Company operator places a call for a calling party who is identified as being handicapped and unable to dial the call because of his/her handicap.

The Operator Dialed Surcharge applies in addition to any other applicable operator charges.

The Company's services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this tariff.

The Company's installs operate and maintain the communications services provided herein in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Company's network. The customer shall be responsible for all charges due for such service arrangements.

The Company's services and facilities are provided on a monthly basis unless ordered on a longer-term basis, and are available twenty-four hours per day, seven days per week.

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SECTION 2 - RULES AND REGULATIONS (Continue)**2. 3 Limitations.**

- 2. 2. 1 Service is offered subject to the availability of facilities and provisions of this tariff.
- 2. 2. 2 The Company's reserves the right to discontinue furnishing service or limit the use of service necessitated by conditions beyond its control: or when the customer is using service in violation of the law or the provisions of this tariff.

2. 4 Limitations (Cont.)

- 2. 4. 3 All facilities provided under this tariff are directly controlled by the Company and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2. 4. 4 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.
- 2. 4. 5 Customers reselling or rebilling services must have a Certificate of Public Convenience and Necessity an interexchange carrier for the Florida Public Service Commission.

2. 5 Liabilities of the Company.

- 2. 5. 1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.
- 2. 5. 2 The Company shall be indemnified and held harmless by the customer against:
 - (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information or other content transmitted over the Company's facilities.
 - (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by the Company.

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SECTION 2 - RULES AND REGULATIONS (Continue)**2.6 Interruption of Service.**

- 2.6.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence or the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the customer's obligation to notify the Company immediately of any service interruption for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, if any, furnished by the customer and connected to the Company's facilities. No refund or credit will be made for the time that the Company stands ready to repair the service and the subscriber does not provide access to the Company for such restoration work.
- 2.6.2 No credit shall be allowed for an interruption of a continuous duration of less than twenty-four hours after the subscriber notify the Company.
- 2.6.3 The customer shall be credited for an interruption of more than twenty-four hours as follows:

Credit Formula:

$$\text{Credit} = A/B \times C$$

"A" - outage time in hours

"B" - total days in month

"C" - total monthly charge for affected facility

2.7 Disconnection of Service by Carrier.

The company (carrier), upon 5 working days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- 2.7.1 Non-payment of any sum due to carrier for regulated service for more than thirty days beyond the date of rendition of the bill for such service.
- 2.7.2 A violation of any regulation governing the service under this tariff.
- 2.7.3 A violation of any law, rule, or regulation of any government authority having jurisdiction over such service.

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2. 7. 4 The company has given the customer notice and has allowed a reasonable time to comply with any rule, or remedy, and deficiency as stated in Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company.

2. 8 **Deposits**

The Company does not require a deposit from the customer.

2. 9 **Advance Payments**

For customers whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary, a new advance payment will be collected for the next month.

2. 10 **Taxes**

All state and local taxes (i. e., gross receipts tax, sales tax, municipal utilities tax) are listed as a separate line items and is not included in the quoted rates.

2. 11 **Billing of Calls**

All charges due by the subscriber are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

2.12 **Emergency Telephone Number Service (911 Service)**

Emergency Telephone Number Service (911 Service) is an arrangement of Company central office and trunking facilities whereby any telephone use who dials the number 911 will reach the emergency report center for the telephone from which the number is dialed or will be routed to an operator if all lines to an emergency report center are busy. If no emergency report center exists for a central office entity, a telephone user who dials the number 911 will be routed to an operator. The telephone user who dials the 911 numbers will not be charged for the call.

2.13 **Customer Complaints and/or Billing Inquiries**

Customers have the right to refer billing disputes and any other complaints to CPU Solutions Holding Corp., Inc. at 845 86th North, Saint Petersburg, Florida 33702. CPU Solutions Customer Service Department can be reached by dialing 1-888-576-3422 (toll free).

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SECTION 3 - BASIC SERVICE DESCRIPTIONS**3.1 Prepaid Local Exchange Service**

Prepaid Local Exchange Service is provided to business and residential customers for inbound and outbound calling within a local exchange calling area. Service is offered on a prepaid basis only. All charges must be paid prior to activation. Monthly charges must be paid in order for service to continue uninterrupted.

This service allows Customers unlimited calling each month within the local exchange calling area. Service also includes access to emergency agencies through 911, access to toll-free numbers (e.g., 800/888) and access to the local operator by dialing "0"

All other local and long distance services are blocked. Long distance calls placed through an operator may not be billed to the Customer's line directly, on a collect basis or as a third party billing recipient.

3.2 Custom Calling Features

Any CPU Solutions Customer Custom Calling Features, subscribing to Prepaid Local Exchange Service may obtain as listed below, where technically available.

- Call Forwarding: Permits the Customer to automatically transfer all incoming calls to another telephone number of their choice and restore it to normal operation at their discretion. Calls may only be forwarded to other telephone numbers within the same local exchange calling area.
- Busy/No Answer Call Forwarding: Transfers incoming lines when the Customer's line is busy. The numbers calls are transferred to is fixed by the Customer. Calls may be transferred only to other telephone numbers within the same local exchange calling area.
- Call Waiting: Notifies the Customer, engaged in a call, of an incoming call through a tone signal. Customers may place the first call on hold and answer the waiting call by operation of the switchhook, and may alternate between the two calls.

ISSUED: July 20, 1999

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SECTION 3 – BASIC SERVICE DESCRIPTIONS (Continue)

Three-Way Calling: Permits the Customer to add a third party to an established connection. The third party must be within the same local exchange calling area.

Speed Dialing: Permits the Customer to place calls to other telephone numbers by dialing a one or two digit code rather than the complete telephone number

ISSUED: July 20, 1999

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SECTION 4-RATES**4.1 Residential Monthly Charges**

Customers are billed a one-time activation charge for each Account and a monthly recurring charge for usage.

Activation fee: \$69.95

Monthly Usage Charge: \$49.95

Service Connection Charge: \$39.95

Second Line - \$20.00

Custom Calling Features

Call Forwarding: \$6.95

Busy/No Answer \$6.95

Call Waiting \$6.95

Three Way Calling \$6.95

Speed Dialing \$6.95

All Five (5) Features \$29.95

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4.2 Business Monthly Charges

Customers are billed a one-time activation charge for each Account and a monthly recurring charge for usage.

Activation fee:	\$79.95
Monthly Usage Charge:	\$59.95
Service Connection Charge:	\$59.95
Second Lines -	\$20.00 ea

Custom Calling Features

Call Forwarding:	\$6.95
Busy/No Answer	\$6.95
Call Waiting	\$6.95
Three Way Calling	\$6.95
Speed Dialing	\$6.95

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SECTION 5 - NON-BASIC SERVICE DESCRIPTION**5.1 Emergency Services Calling Plan**

Access (at no additional charge) to the local operator or emergency services bureau by dialing 0- or 9-1 - 1 is offered at no charge to the Customer.

Message toll telephone calls, to governmental emergency service agencies as set forth in (A) following, having primary or principal responsibility with respect to the provision of emergency services to persons and property in the area from which the call is made, meeting the definition and criteria of an emergency call as set forth in (B) following are offered at no charge to Customers:

- A) Governmental fire fighting, State Highway Patrol, police, and emergency squad service (as designated by the appropriate governmental agency) qualify as governmental emergency service agencies provided they answer emergency service calls on a personally attended (live) twenty-four (24) hour basis, three hundred sixty-five (365) days a year, including holidays.
- B) An emergency is an occurrence or set of circumstances in which conditions pose immediate life threat to human, property, or both and necessitate that prompt action be taken. An emergency call is an originated call of short duration to a governmental emergency services agency in order to seek assistance for such an emergency.

5.2 Telecommunications Relay Service

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay services calls by 50 percent off of the otherwise applicable rate for a voice nonrelay call except that were either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted 60 percent off of the otherwise applicable rate for a voice nonrelay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit card surcharge.

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SECTION 5 - NON-BASIC SERVICE DESCRIPTION, (Continue)

5.3 **Special Rates For The Handicapped**

A) Directory Assistance

There shall be no charge for up to fifty (50) calls per billing cycle from lines or trunks serving individuals with disabilities. The Company shall charge the prevailing tariff rates for every call in excess of fifty (50) within a billing cycle.

B) Hearing and Speech Impaired Persons

Intrastate toll message rates for TDD users shall be evening rates for daytime calls and night rates for evening and night calls.

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845 86th North
Saint Petersburg, Florida 33702

C. P. U. Solutions Holding Corp.
Balance Sheet
 As of July 29, 1999

07/29/99

Jul 29, '99

ASSETS	
Current Assets	
Checking/Savings	
Cash Withdraw	150.00
Nations Bank	897.12
Petty Cash	208.96
Southtrust Bank	250.00
Total Checking/Savings	1,506.08
Accounts Receivable	
Accounts Receivable	60,744.73
Total Accounts Receivable	60,744.73
Other Current Assets	
Fixtures & Fittings	2,656.38
Inventory Asset- New	95,655.29
Inventory Asset- Used	-38,541.11
Undeposited Funds	15,955.06
Total Other Current Assets	75,725.62
Total Current Assets	137,976.43
TOTAL ASSETS	137,976.43
<hr/>	
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	34,578.91
Total Accounts Payable	34,578.91
Credit Cards	
Visa Card	844.53
Total Credit Cards	844.53
Other Current Liabilities	
Loan - M.J. Peters	5,500.00
Loans	
Repaid	-4,307.69
Staff	1.00
Total Loans	-4,306.69
Payroll Liabilities	836.83
Sales Tax Payable	3,352.26
Total Other Current Liabilities	5,382.40
Total Current Liabilities	40,805.84
Long Term Liabilities	
Proprietors Capital	
Drawings	-23,763.29
Paid In	103.00
Payments Made	17,610.57
Total Proprietors Capital	-6,049.72
Total Long Term Liabilities	-6,049.72
Total Liabilities	34,756.12
Equity	
Opening Bal Equity	26,497.06
Retained Earnings	36,818.77
Net Income	39,904.48
Total Equity	103,220.31

C. P. U. Solutions Holding Corp.
Balance Sheet
As of July 29, 1999

07/29/99

Jul 29, '99

TOTAL LIABILITIES & EQUITY

137,976.43

C. P. U. Solutions Holding Corp.
Profit and Loss
 July 1, 1998 through July 29, 1999

07/29/99

Jul 1, '98 - Jul 29, '99

Income	
Cabling Services	
Labor	7,524.00
Parts	1,706.26
Cabling Services - Other	2,409.00
Total Cabling Services	11,639.26
Computer & Hardware Sales	
New	103,963.17
Used	583,345.24
Computer & Hardware Sales - Other	2,389.00
Total Computer & Hardware Sales	689,697.41
Network Services	
Equipment	59,261.00
Site Work (Labor)	61,387.23
Network Services - Other	1,600.00
Total Network Services	122,248.23
Other Income - Comcast	0.00
Website Services	
Design & Preparation	11,258.95
Storage Fee	809.85
Total Website Services	12,068.80
Total Income	835,653.70
Cost of Goods Sold	
Cost of Goods Sold-Non Hardware	33,595.50
Hardware Costs	
New	75,698.23
Used	362,709.66
Total Hardware Costs	438,407.89
Total COGS	472,003.39
Gross Profit	363,650.31
Expense	
Advertising	194.00
Automobile	
Fuel & Oil	896.00
Leasing	669.73
Service & Supplies	1,326.78
Total Automobile	2,892.51
Bank Charges	16.20
Bank Fee	12.50
Cash Discounts	-24.97
Casual Labor	4,037.00
Commissions	1,509.74
Communications	
ISDN Channels	500.00
Pagers	523.09
Total Communications	1,023.09
Contributions	210.00
Dues & Subscriptions	89.00
Equipment	
Purchase	11,422.39
Rental	200.51
Total Equipment	11,622.90
Freight	
Courier	18,301.76
In	1,494.24

C. P. U. Solutions Holding Corp.
Profit and Loss
 July 1, 1998 through July 29, 1999

07/29/99

	Jul 1, '98 - Jul 29, '99
Out	-9,705.28
Freight - Other	37.00
Total Freight	10,127.72
Insurance	
Business	375.00
Liability	426.58
Insurance - Other	973.16
Total Insurance	1,774.74
Licenses & Permits	735.00
Maintenance	
Building	3,109.04
Equipment	743.00
Grounds	2,284.50
Security	1,664.23
Total Maintenance	7,800.77
Maintenance - Auto	26.11
Miscellaneous	2,937.57
New Building	
Equip.Rental	110.00
Labor	12,041.67
Supplies	23,187.89
New Building - Other	6,620.00
Total New Building	41,959.56
Outside Services	
Water	94.26
Outside Services - Other	450.00
Total Outside Services	544.26
Payroll Expenses	107,146.41
Postage & Delivery	377.63
Printing & Reproduction	930.77
Professional Fees	
Accounting	987.00
Consulting	765.00
Legal Fees	500.00
Total Professional Fees	2,252.00
Promotion	8,009.99
Registration	458.00
Rent	
Office	4,387.10
P.O.Box	137.00
Trailer	957.00
Rent - Other	1,645.00
Total Rent	7,126.10
Sales Tax	107.08
Service Charges	
Amex	3,222.37
ATM	121.49
Bank	684.95
Finance	178.97
Quicken	67.80
Service Charges - Other	1.50
Total Service Charges	4,277.08
Supplies	
Computer	2,768.35
Office	3,605.89
Total Supplies	6,374.24
Suspense	

C. P. U. Solutions Holding Corp.

Profit and Loss

July 1, 1998 through July 29, 1999

07/29/99

	Jul 1, '98 - Jul 29, '99
Payments	10,934.73
Returned checks	2,181.78
Suspense - Other	1,132.70
Total Suspense	14,249.21
Telephones	
Aerial 455-6319	2,041.24
AT&T	3,688.98
GTE	
562-0197	2,044.36
576-3460	3,003.02
Total GTE	5,047.38
IDS	1,127.23
Intercom	331.73
Telephones - Other	510.00
Total Telephones	12,746.56
Travel & Ent	
Entertainment	1,130.00
Hotels	1,168.48
Meals	1,736.47
Misc	2,796.26
Travel	3,996.07
Travel & Ent - Other	952.41
Total Travel & Ent	11,779.69
Uncategorized Expenses	0.00
Utilities	
Gas & Electric	2,298.49
Video	1,568.79
Water & Sewer	612.81
Total Utilities	4,480.09
Warranty	272.85
Write-off	
Bad Debts	18,113.65
Commissions	100.00
Sales tax	124.57
Write-off - Other	136.25
Total Write-off	18,474.47
Total Expense	286,549.87
Net Income	<u>77,100.44</u>

Jeffery A. Peters

Experience

President /CEO

CPU Solutions Holding Corp, Inc

1998-Present

Responsible for developing a regional Telecommunication strategy aligned to the business strategies of 10 countries in the Asia Pacific region. Developed a strategy and then implemented a regional telecom support team whose task it was to carry out the project management and implementations of all regional projects and operational improvements required to achieve the strategies. Analyzed and developed new business initiatives for CPU Solutions. in the Asia Pacific Region, traveling extensively throughout Asia. Efforts resulted in acquiring substantial new business interest. Managed communications, press relations, and advertising through multiple media channels. Acquired extensive knowledge of cultural structure in the Philippines and India and established excellent relationships with Non-Government Organizations, the media, and developed close ties with all levels of government.

President /CEO

TechTel Communication, Inc

1996-1998

Managed sales, marketing, public relations, trade shows, press tours, product development, production, strategic relationships, and contract negotiations, finances. Increased annual revenues from \$0 to \$8.3 Million in 2 years and generated unprecedented publicity. Responsible for long-range strategic planning and new business development for TechTel's telecommunications business. Implemented all aspects of corporate infrastructure to become a CLEC/IXC provider. Developed specialized billing and collection programs/products. Created dealer/agent network for the products. Structured business plan, marketing and all aspects of business administration and service implementation. Responsibilities also included product specification, pricing, new product rollout, competitive analysis, market trend analysis, long-term product planning.

Vice President /EOO

Vianet International L.C

1989-1996

Directed day-to-day operations. Supervises all departments in the company, Sales, Accounting, and Purchasing ect.... developed marketing plans; strategic planning; competitive analysis; Increase revenue to 85 million in 4 years. Acquired, consolidated and rejuvenated three businesses with cash from that operation. Implement training and managed sales and marketing staff while maintaining effective interdepartmental communications. Travel to implement new market development. Extensive trade show and new market experience.

Vice President Marketing/Sales

Computer World, Inc

1986–1989

Marketing in the Pacific Rim, Central America and the United States. Created Successful Marketing groups utilizing marketing strategy generating new customers and increasing revenue. Developed successful business relationships with clients while and increased client data base by implementing effective marketing and selling procedures. Orchestrating a global market expansion; structure/close contracts valued \$30+ million. Other responsibilities included preparing and implementing various marketing strategies to promote new trade areas and increase overall market share.

Education

1980-1986

New York University

New York, NY

BA, MS International Marketing and Finance.

Graduated Summa Cum Laude.

References

On Request

David Ferreira

	1994 - 1996	IDS Communications	Fort Lauderdale, FL
Experience	Area Manager		
	Responsible for the recruiting, hiring, technical training of sales reps that market DS3,OC3, OC12+, Frame Relay and voice to Fortune 100 and Fortune 500 companies.		
	Working as a team with GST Dir. Of Operations, Dir. Of Business Development and legal department in the research, development and installation of a 35 million dollar fiber optic network.		
	Researched and compiled complex, multi million dollar financial justifications for network buildouts and installation of "fiber to the door" of customer sites.		
	Key member of complex negotiations between GST and City Governments, Public Utilities, outside contractors and other Telecom companies to facilitate installation and expansion of the GST network.		
	1992 – 1994	Innovation Computers	Deerfield Beach, FL
	TELECOMMUNICATIONS MANAGER		
	Member of Strategic Planning Team, Administrative Support Team and Technical Support Team in a self managed team environment. Current responsibilities include: Identify, develop and manage telecommunications projects; Audit and analyze telecommunication expenses to ensure recovery of cost, accuracy of charges and optimal solution; Participate in the development of strategic telecommunications direction. Previous responsibilities included the management of the telecommunication expense budget		
Education	1988- 1992	Oklahoma University	Oklahoma City, OK
	■ BA Computer Science & Engineering		
Reference	On Request		

Alex Garcia

Experience

Senior Communication Specialist Sunshine Communications, Inc
1994-1997

Responsibilities included total operation and maintenance of \$4MM telecommunications system (5 PBX's, 11 microwave nodes, multiple telephone circuits and data communication equipment) in Illinois, Indiana, Kentucky and West Virginia. Interacted with vendors for sales and service of state-of-the-art voice and data equipment. Developed a program for systems management for a newly installed telecommunications system

Manager of Information Systems – ETS New York Division
1990-1994

Established an Information Systems department at the operating division level which provided programming assistance, oversaw computer operations, and offered recommendations in purchasing decisions. Coordinated the installation of a DEC computer within the division to serve in a distributed computing environment.

Manager of Information Systems City Communication Corp, NY
1987- 1990

Duties included contracting telemarketing and market research firms to host testing, contracting for temporary personnel to staff testing, coordination of all logistics involved in the testing, and training of all personnel. Position involved extensive travel and complete responsibility for the collection of empirical data. Testing included scheduling up to ninety long distance telephone calls per hour to cities around the world in order to evaluate the quality of the long distance and cellular services. I was involved in the establishment of a 38 node TQMS network (duties included: finding and establishing both MCI and Non-MCI sites for equipment, coordination of efforts with equipment manufacturers., and contract negotiation). This position required knowledge of computer installation and repair, data base and report construction, and the ability to design appropriate testing methodology. I was also responsible for temporary personnel hired to input test results into data base.

Education 1980–1984 Brooklyn College Brooklyn , NY
▪ B.A., Marketing, Computer Science.

Interests Computers, cars.

Bharat Agarwal

Experience

1996-1998

Business Technology Pompano Bch., FL

Technical Corporate Sales Manager

- Increased sales from \$1million to \$ 7million as of Dec. 1997
- Target for current year is \$20 million through Corporate and Export Sales.
- Target Customers: Fortune 500, Fortune 1000, and Fortune 5000 companies. Small to Mid-Sized Companies.
- Job Function: Managing a team of Industry Professionals Providing Value Added Services in the fields of Computer Telephony Integration, Automation, Business Process Re-engineering, System Analysis and design, Large & Small Network Design and Implementation for the Customer as a turn-key project. Providing the Solution by determining the right configuration of hardware which includes High-End Network Servers running on various platforms such as Windows NT, Novell NetWare, Unix etc. I help the software team as to which tools are necessary on a case-specific basis, these include development tools such as Visual C++, Powerbulider, Oracle Forms, SQL, Java Tools, PhotoShop, AutoCAD etc.
- Purchase Consultation: Large corporations now a days have their IT Department which manage and Implement their networks. As I have been trained and certified by Hardware Vendors such as Compaq, IBM, Hewlett Packard, 3COM, Cisco etc. to sell their products I am able to custom configure Servers and Desktops , Notebook Computers, Palmtop Computers, Networking Hardware and Software, build quotes which includes hardware costs, installation, cabling, testing and implementation.
- Design & Maintain Advertisements: Having advertisements in National Publications such as Computer Shopper, Windows Sources and maintain a fully interactive web-store-front. As a technical sales manager it is my responsibility to update and design these ad's. This includes forecasting prices of merchandise as these publications require the ad's at least 2 months in advance. It is my responsibility to maintain our call center with knowledgeable sales representatives and train them with all techniques in selling and product knowledge and providing customers with merchandise within 2-3days of the initial order.

1993–1996

Ganges Printing Ltd.

Bombay, India

General Manager – Tech. & Services

- Provided Advertising agencies, Corporations with printing and services.
- Company was involved with manufacturing of Printing Ink as their primary business. I started their graphics design, type-setting and printing & proofing departments. Used my knowledge and background in computers to design and implement their network of 3 sales offices and graphics design lab. This involved using State of the Art Computers & Software to get an edge over the competition by cutting costs and time to get the job done. Very few companies were using Electronic environments in similar businesses at that time which gave me an advantage by getting hands-on training that formed my backbone in Computers and the Industry and to achieve personal goals. The graphics design department factored in about 50% of the total earnings for the Company during the end of my tenure.

1992–1993

Ganges Printing Ltd.

Bombay, India

Sales Representative -

- Involved in selling Printing services to Corporate Customers and Advertising Agencies and Publications. Worked with a team of 14 sales people. This experience helped me in enhancing my selling skills and to work as a team player. This involved in offering customers have their in-house graphics facility with limited computing necessary. They would then send these for proofing and final output. I was involved in Computing requirements and forecast production estimates for our printing ink part of the business. I was working here part-time as a requisite of the graduating college.

Education

1988-1993

Rizvi College (University of Bombay, India)

- B.Com, Bachelor of Commerce and Business Administration
- Special Subjects: Computer Science and Business Communication

BRIEF BUSINESS PLAN

CPU SOLUTIONS HOLDINGS CORP

CPU Solutions Holdings. will be offering the following discount international and US long distance calling services that deliver some of the best international telephone rates in the telecommunications industry, the best domestic long distance telephone rates, super discount calling cards and toll free 800/888# services.

All of these high quality long distance telephone services have been very carefully selected for value, quality, and broad appeal to the telecommunications services marketplace. We will offer the best prepaid calling cards, monthly billed post paid calling cards, the lowest international telephone rates without switching. It's all right here! You will find that all the long distance telephone services here offer technology which is at the forefront in the telecommunications industry, both in marketing and in Telecom services. Whether you need the lowest international telephone rates, the best US long distance telephone rates, or the best calling card telephone rates and service you have found a useful and true money saving resource!

CPU Solutions Holdings, Inc. is a long distance telephone company, offering a wide variety of communication services to the international and domestic marketplace. CPU Solutions Holdings day to day operation is managed by a core of highly skilled professionals, with a combined experience of 5 years in the US telecommunications industry.

CPU Solutions Holdings has various direct contracts with underlying carriers. CPU Solutions Holdings is constantly upgrading the various platforms offered to overseas and domestic customers. Each customer will be notified when a new or enriched service or feature is made available. CPU Solutions Holdings has worldwide reach to the international marketplace.

Why new phone companies? The recent Telecommunications Act has made it possible for CPU Solutions Holdings to create the kind of phone company you've always wanted for your business and your home. For the first time in the history of the telephone, you will have a choice in local telephone service.

Fifteen years ago, the break-up of AT&T brought choice to long distance. The shock waves rippled through the industry and ushered in an era of sweeping innovation and plunging phone rates. During this time the visionaries who would eventually form CPU Solutions Holdings believed that choice and open competition would eventually come to the local telephone marketplace. Today, history is repeating itself.

Long distance carriers. 1984 Divestiture begins. AT&T spins off seven local service providers and continues to sell long distance service.

Restrictions prevent long distance providers from selling local service; local service providers cannot sell long distance. 1991 The 1984 restrictions are lifted. Competition begins, allowing any company to enter the long distance marketplace. The Telecommunications Act of 1996 is passed. The final barriers to competition are removed, opening the way for CPU Solutions Holdings to offer local, long distance, and Internet service. Local Bell companies and long distance carriers must wait until 1999 to offer both local and long distance service in their "Home" markets.

The Telecommunications Act of 1996 Opens the Window for CPU Solutions, The Telecommunications Act of 1996 creates a new competitive environment that will benefit both consumers and business. The Telecom Act was created by the Federal Communications Commission and the U.S. Congress working in partnership with industry.

In February of 1996, The Telecom Act opened up local markets to competition by removing legal barriers that were prohibiting companies from entering the larger local telephone business on a nationwide basis. Formerly, local service was available only through one of the local Bell companies in a single region – in effect, a regional monopoly.

Importantly for CPU Solutions Holdings, The Telecom Act places some important limitations on local Bell companies and the big three long distance carriers. These limitations restrict them from offering both local and long distance service in their "Home" markets.

This means that your local Bell company cannot be a full-service, single provider probably until 1999. The same is true for AT&T, MCI, and Sprint. CPU Solutions Holdings, however, bring you the convenience and savings of bundled local, long distance, and Internet service today.

During this brief window of opportunity, CPU Solutions Holdings has rolled-out a full range of telecommunications services -- all supported by a commitment to customer satisfaction that is already changing the common perception of what a phone company can be.

CPU Solutions Holdings 's service, CPU Solutions Holdings Calling Card permits a person in over 100 countries to make intercontinental calls at economical US rates, instead of high local monopoly rates. The customer applies for the service by completing a sign-up form, which is then faxed or e-mailed to CPU Solutions Holdings 's order processing department.

The order is processed and the customer's account is ready for use within 48 to 72 hours, weekdays. Ongoing customer support is provided "CPU Solutions Holdings's primary goal of increasing shareholder wealth will continue to lead the Company's efforts in setting objectives and developing strategies. Geographically cluster telephone and wireless markets focus on smaller markets with excellent growth potential Telephone Operations - rural and suburban markets Wireless Operations - second-tier urban, rural and suburban markets Increase market share in geographic clusters Expand products and services offerings Grow customer base. Capitalize on additional revenue opportunities from existing customers.

"CPU Solutions Holdings will deliver a level of personal service that will amaze small- and medium-sized businesses. When I call a company, I expect to speak with a real person who can handle my problem. That's a simple point that we'll deliver on. Customer care will be a primary focus for CPU Solutions Holdings." Jeffery Peters, Chairman and CEO You may never think of your phone company the same way again. The reason is for the first time ever, you have a reliable alternative in local telephone service. What's more, you can now obtain local, long distance, and Internet service from a single phone company. And perhaps best of all, both of these firsts are available at lower prices and with an unprecedented level of customer satisfaction that makes it a pleasure doing business with CPU Solutions Holdings.

Tailored to the needs of small- to medium-sized businesses, CPU Solutions Holdings offers:

- * Local calling, long distance, and Internet access services from one convenient source.
- * The assistance of people totally committed to making your job simpler, your costs lower, and your business stronger.
- * One, easy-to-understand monthly statement for everything.
- * High quality service and features that you can rely on every hour of every day.

CPU Solutions Holdings carefully chose its service offerings to complement each other. The result is a complete resource that can supply businesses with as many or as few services as they require. There's no reason to shop around in order to piece together a solution. CPU Solutions Holdings does it all. Quickly. Simply. Reliably. And, of course, at a lower cost. In addition, CPU Solutions Holdings provides high speed, digital broadband communications to other local, long distance, and mobile telephone carriers. Our Wireless Fiber service provides an affordable way for them to extend their networks and provide sophisticated voice and data services.

Personal Service: The CPU Solutions Holdings Difference

Until now, personal service has been a missing link for most local telephone service customers. CPU Solutions Holdings makes it a top priority.

That's why when you call us, you'll hear a friendly voice eager to help -- not a computer or machine. We do everything in our power to meet your needs, simplify your phone service, and save you money. We're also great listeners. If we don't know your needs, we'll take the time to learn them. So you always get the right help. Every customer can count on CPU Solutions Holdings to be there whenever you need answers.

T2U's products and services are specifically designed to meet the needs of international long distance companies throughout the world. In addition to providing international switched voice service to long distance carriers, CPU Solutions Holdings provides services to prepaid/debit card companies, call back carriers and cellular operators, as well as many data users and Internet Service Providers (ISP's). As a transmission facility provider, virtually all voice and data applications are available. Whether for a small carrier routing selected international destinations to CPU Solutions Holdings or for a major carrier routing millions of minutes per month, the company's commitment is the same, to provide the highest quality service at the best possible price.

In addition to the traditional switched long distance services CPU Solutions Holdings also assists carrier customers by offering co-location space for equipment, partitioning of switches, and contract maintenance services. CPU Solutions Holdings takes great pride in its proprietary information and billing systems. These fully-redundant systems allow the company, on a real-time basis, to monitor customer usage, determine cost-effective routing alternatives, and manage network efficiency. The data necessary to provide detailed management reports for a customer is also inherent in the system.

Simplicity A return to the way it used to be, Simple. You won't have to worry about calling 3 or 4 different telephone companies just to add a new telephone line or make a change in your local telephone service, CPU Solutions Holdings can handle everything for you. **Consolidated Billing** CPU Solutions Holdings will deliver any local telephone all in one easy to read monthly statement. **Local Services** We can do it all! All of your phone numbers, lines and features are available exactly as you have them now. **Savings.** **Customer Service** When you call regarding your account, your call will be answered by one of our Customer Service Representatives. Our Representatives can help you with your local telephone service, with just one telephone call.

It is the strategic vision of the company to take its single Telecom service(block-time long distance to residential user) and leverage its success onto a full service international telecommunications company.

A sale within the competitive arena of local business telephone service is of by nature very competitive and at times difficult. CPU Solutions Holdings has compiled industry sales professionals that know the general workings of Telecom, and more importantly understand the aspects of true Tele-management.

CPU Solutions Holdings have an excess of 30 years of combined local telecommunications experience. Within an industry whose deregulation is more of an adolescent than that of the field of genetic engineering, this much expertise within such a young, vibrant team is unprecedented.

CPU Solutions Holdings is positioning itself as an international telecommunications Company specializing in supplying wholesale long distance services to re-sellers and switch-based carriers throughout the world

To establish our foundation to this market we first identified industry segments, which meet our criteria for participation:

- 1 Exponential growth potential
2. Substantial gross profit margins
3. Very high sales per employee
4. Low maintenance residual sales
5. Identifiable exit strategy

The following segments have been targeted:

1. CLEC pre-paid
2. CIC
3. International wholesales
4. Domestic and Intentional 1+ pre-paid and others
5. Debit cards

Conclusion

As you can see the telecommunications industry has just begun, over the next 5 years our company will expand. The overall telecommunications market grew by more than 11 percent in 1997, generating revenues of \$406.7 billion. The fastest growing segments were emerging technology, which was up 60 percent over 1996.

Over the years, the telecommunications industry has seen some dramatic changes. We've recognized those changes and re-engineered our company to provide competitive services. Our mission is to provide services that are flexible, scalable and competitive to support the multi-service telecommunications industry.

Breakdown of Sales Local Phone Service 1999-2000

Description / Period	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	1/1/200	Feb-00
New Customer Income @39.95	\$1,678	\$14,861	\$32,439	\$54,412	\$80,779	\$111,540	\$159,880
Repeat Customer Income	\$0	\$1,678	\$16,539	\$48,978	\$103,390	\$184,169	\$295,709
Total Income from Customers	\$1,678	\$16,539	\$48,978	\$103,390	\$184,169	\$295,709	\$455,589
New Phone Line Activation @79.95	\$3,358	\$29,741	\$64,919	\$108,892	\$161,659	\$223,220	\$319,960
10% Loss Customer Per Month @\$40	\$0	(\$1,480)	(\$3,240)	(\$5,440)	(\$8,080)	(\$11,160)	(\$16,000)
Gross Sales	\$5,036	\$47,761	\$117,138	\$217,722	\$353,908	\$530,090	\$791,549
Total Customers	42	372	812	1362	2022	2792	4002
Total Customers per Month	42	330	440	550	660	770	1210
Loss Customers per Month (10%)	0	37	81	136	202	279	400
New Customer per Day	0	15	20	25	30	35	55
New Customer Line Charge	\$630	\$5,580	\$12,180	\$20,430	\$30,330	\$41,880	\$60,030
Repeat Line Charge	\$0	\$630	\$6,210	\$18,390	\$38,820	\$69,150	\$111,030
Total Monthly line Charge	\$630	\$6,210	\$18,390	\$38,820	\$69,150	\$111,030	\$171,060
BellSouth Line New line Charge	\$1,638	\$14,508	\$31,668	\$53,118	\$78,858	\$108,888	\$156,078
Total BellSouth Charged	\$2,268	\$20,718	\$50,058	\$91,938	\$148,008	\$219,918	\$327,138
Telecommunication Tax 11%	\$554	\$5,254	\$12,885	\$23,949	\$38,930	\$58,310	\$87,070
Gross Profit	\$2,214	\$21,789	\$54,195	\$101,834	\$166,970	\$251,862	\$377,340
Operating Expenses							
Telemarketing Manager	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Telemarketing/Customer Services	\$8,400	\$8,400	\$8,400	\$9,800	\$9,800	\$15,300	\$15,300
Bookkeeper	\$0	\$0	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Federal Payroll Tax 20%	\$2,280	\$2,280	\$2,880	\$3,160	\$3,160	\$4,260	\$4,260
Depreciation	\$0	\$0	\$100	\$100	\$100	\$100	\$100
Dues & Subscriptions	\$0	\$0	\$0	\$110	\$110	\$110	\$110
Exhibits & Shows	\$0	\$0	\$0	\$500	\$500	\$500	\$500
Equipment - Rental	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Insurance	\$415	\$415	\$415	\$500	\$500	\$500	\$500
Legal & Accounting	\$0	\$1,500	\$1,500	\$2,500	\$2,500	\$3,000	\$3,000
Miscellaneous	\$0	\$0	\$50	\$50	\$50	\$50	\$100
Repairs & Maintenance	\$0	\$0	\$100	\$100	\$200	\$200	\$200
Rent	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Advertising/ Radio Newspapers	\$20,000	\$20,000	\$20,000	\$20,000	\$25,000	\$25,000	\$30,000
Proactive Telemarketing Service	\$0	\$0	\$0	\$0	\$0	\$6,000	\$15,000
Billing Outsource @1.25 per Customer	\$53	\$465	\$1,015	\$1,703	\$2,528	\$3,490	\$5,003
Telephone	\$500	\$500	\$750	\$1,250	\$1,700	\$2,225	\$3,000
Utilities	\$225	\$225	\$225	\$400	\$500	\$500	\$500
Office Expenses	\$0	\$0	\$250	\$250	\$300	\$300	\$500
Traveling Expenses	\$300	\$300	\$750	\$750	\$1,250	\$1,250	\$1,250
Total Expenses	\$38,673	\$40,585	\$45,935	\$50,673	\$57,698	\$72,285	\$88,823
Net Profit /Loss	(\$36,459)	(\$18,796)	\$8,260	\$51,162	\$109,272	\$179,577	\$288,518

Cost for Southern Bell Local Dial Tone is \$15.00 per month. Sold at \$39.95 per Month
 Cost for new Phone installation is \$39.00. Sold for \$79.95
 Misc BellSouth charges are included

Breakdown of Sales Local Phone Service 1999-2000

Mar-00	Apr-00	May-00	Jun-00	Jul-00	Total
\$221,403	\$296,109	\$383,999	\$485,073	\$594,935	\$2,437,110
\$455,589	\$676,992	\$973,101	\$1,357,100	\$1,842,173	\$5,955,418
\$676,992	\$973,101	\$1,357,100	\$1,842,173	\$2,437,108	\$8,392,528
\$443,083	\$592,589	\$768,479	\$970,753	\$1,190,615	\$4,877,270
(\$22,160)	(\$29,640)	(\$38,440)	(\$48,560)	(\$59,560)	(\$243,760)
\$1,142,235	\$1,595,331	\$2,164,020	\$2,861,486	\$3,687,284	\$13,513,558
5542	7412	9612	12142	14892	
1540	1870	2200	2530	2750	
554	741	961	1214	1489	
70	85	100	115	125	
\$83,130	\$111,180	\$144,180	\$182,130	\$223,380	\$915,060
\$171,060	\$254,190	\$365,370	\$509,550	\$691,680	\$2,236,080
\$254,190	\$365,370	\$509,550	\$691,680	\$915,060	\$3,151,140
\$216,138	\$289,068	\$374,868	\$473,538	\$580,788	\$2,379,156
\$470,328	\$654,438	\$884,418	\$1,165,218	\$1,495,848	\$5,530,296
\$125,646	\$175,486	\$238,042	\$314,763	\$405,601	\$1,486,491
\$546,261	\$765,406	\$1,041,560	\$1,381,504	\$1,785,835	\$6,496,770
\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$36,000
\$18,400	\$18,400	\$21,700	\$21,700	\$21,700	\$177,300
\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$30,000
\$4,880	\$4,880	\$5,540	\$5,540	\$5,540	\$48,660
\$100	\$100	\$100	\$100	\$100	\$1,000
\$110	\$110	\$110	\$110	\$110	\$990
\$600	\$600	\$600	\$600	\$600	\$5,000
\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$24,000
\$600	\$600	\$600	\$600	\$600	\$6,245
\$4,000	\$4,000	\$5,000	\$5,000	\$5,000	\$37,000
\$100	\$100	\$100	\$100	\$100	\$800
\$200	\$200	\$200	\$200	\$200	\$1,800
\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$20,500
\$45,000	\$45,000	\$55,000	\$55,000	\$55,000	\$415,000
\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$96,000
\$6,928	\$9,265	\$12,015	\$15,178	\$18,615	\$76,255
\$3,000	\$3,000	\$3,000	\$3,500	\$3,500	\$25,925
\$750	\$750	\$750	\$750	\$750	\$6,325
\$500	\$500	\$500	\$500	\$500	\$4,100
\$1,700	\$1,700	\$2,100	\$2,100	\$2,500	\$15,950
\$111,868	\$114,205	\$132,315	\$135,978	\$139,815	\$1,028,850
\$434,393	\$651,201	\$909,245	\$1,245,527	\$1,646,020	\$5,467,920

C. P. U. Solutions Holding Corp.
Balance Sheet
As of July 29, 1999

07/29/99

Jul 29, '99

ASSETS

Current Assets

Checking/Savings	
Cash Withdraw	150.00
Nations Bank	897.12
Petty Cash	208.96
Southtrust Bank	250.00

Total Checking/Savings 1,506.08

Accounts Receivable

Accounts Receivable 60,744.73

Total Accounts Receivable 60,744.73

Other Current Assets

Fixtures & Fittings	2,656.38
Inventory Asset- New	95,655.29
Inventory Asset- Used	-38,541.11
Undeposited Funds	15,955.06

Total Other Current Assets 75,725.62

Total Current Assets 137,976.43

TOTAL ASSETS**137,976.43****LIABILITIES & EQUITY**

Liabilities

Current Liabilities

Accounts Payable	
Accounts Payable	34,578.91

Total Accounts Payable 34,578.91

Credit Cards

Visa Card 844.53

Total Credit Cards 844.53

Other Current Liabilities

Loan - M.J. Peters 6,500.00

Loans

Repaid -4,307.69

Staff 1.00

Total Loans -4,306.69

Payroll Liabilities 836.83

Sales Tax Payable 3,352.26

Total Other Current Liabilities 5,382.40

Total Current Liabilities 40,805.84

Long Term Liabilities

Proprietors Capital

Drawings -23,763.29

Paid In 103.00

Payments Made 17,610.57

Total Proprietors Capital -6,049.72

Total Long Term Liabilities -6,049.72

Total Liabilities 34,756.12

Equity

Opening Bal Equity 26,497.06

Retained Earnings 36,818.77

Net Income 39,904.48

Total Equity 103,220.31

C. P. U. Solutions Holding Corp.
Balance Sheet
As of July 29, 1999

07/29/99

Jul 29, '99

TOTAL LIABILITIES & EQUITY

137,976.43

C. P. U. Solutions Holding Corp.
Profit and Loss
 July 1, 1998 through July 29, 1999

07/29/99

Jul 1, '98 - Jul 29, '99

Income	
Cabling Services	
Labor	7,524.00
Parts	1,706.26
Cabling Services - Other	2,409.00
Total Cabling Services	11,639.26
Computer & Hardware Sales	
New	103,963.17
Used	583,345.24
Computer & Hardware Sales - Other	2,389.00
Total Computer & Hardware Sales	689,697.41
Network Services	
Equipment	59,261.00
Site Work (Labor)	61,387.23
Network Services - Other	1,600.00
Total Network Services	122,248.23
Other Income - Comcast	0.00
Website Services	
Design & Preparation	11,258.95
Storage Fee	809.85
Total Website Services	12,068.80
Total Income	835,653.70
Cost of Goods Sold	
Cost of Goods Sold-Non Hardware	33,595.50
Hardware Costs	
New	75,698.23
Used	362,709.66
Total Hardware Costs	438,407.89
Total COGS	472,003.39
Gross Profit	363,650.31
Expense	
Advertising	194.00
Automobile	
Fuel & Oil	896.00
Leasing	669.73
Service & Supplies	1,326.78
Total Automobile	2,892.51
Bank Charges	16.20
Bank Fee	12.50
Cash Discounts	-24.97
Casual Labor	4,037.00
Commissions	1,509.74
Communications	
ISDN Channels	500.00
Pagers	523.09
Total Communications	1,023.09
Contributions	210.00
Dues & Subscriptions	89.00
Equipment	
Purchase	11,422.39
Rental	200.51
Total Equipment	11,622.90
Freight	
Courier	18,301.76
In	1,494.24

C. P. U. Solutions Holding Corp.
Profit and Loss
 July 1, 1998 through July 29, 1999

07/29/99

	Jul 1, '98 - Jul 29, '99
Out	-9,705.28
Freight - Other	37.00
Total Freight	10,127.72
Insurance	
Business	375.00
Liability	426.58
Insurance - Other	973.16
Total Insurance	1,774.74
Licenses & Permits	735.00
Maintenance	
Building	3,109.04
Equipment	743.00
Grounds	2,284.50
Security	1,664.23
Total Maintenance	7,800.77
Maintenance - Auto	26.11
Miscellaneous	2,937.57
New Building	
Equip. Rental	110.00
Labor	12,041.67
Supplies	23,187.89
New Building - Other	6,620.00
Total New Building	41,959.56
Outside Services	
Water	94.26
Outside Services - Other	450.00
Total Outside Services	544.26
Payroll Expenses	107,146.41
Postage & Delivery	377.63
Printing & Reproduction	930.77
Professional Fees	
Accounting	987.00
Consulting	765.00
Legal Fees	500.00
Total Professional Fees	2,252.00
Promotion	8,009.99
Registration	458.00
Rent	
Office	4,387.10
P.O.Box	137.00
Trailer	957.00
Rent - Other	1,545.00
Total Rent	7,126.10
Sales Tax	107.08
Service Charges	
Amex	3,222.37
ATM	121.49
Bank	684.95
Finance	178.97
Quicken	67.80
Service Charges - Other	1.50
Total Service Charges	4,277.08
Supplies	
Computer	2,768.35
Office	3,605.89
Total Supplies	6,374.24
Suspense	

C. P. U. Solutions Holding Corp.
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	Jul 1, '98 - Jul 29, '99
Payments	10,934.73
Returned checks	2,181.78
Suspense - Other	1,132.70
Total Suspense	14,249.21
Telephones	
Aerial 455-6319	2,041.24
AT&T	3,688.98
GTE	
562-0197	2,044.36
576-3460	3,003.02
Total GTE	5,047.38
IDS	1,127.23
Intercom	331.73
Telephones - Other	510.00
Total Telephones	12,746.56
Travel & Ent	
Entertainment	1,130.00
Hotels	1,168.48
Meals	1,736.47
Misc	2,796.26
Travel	3,996.07
Travel & Ent - Other	952.41
Total Travel & Ent	11,779.69
Uncategorized Expenses	0.00
Utilities	
Gas & Electric	2,298.49
Video	1,568.79
Water & Sewer	612.81
Total Utilities	4,480.09
Warranty	272.85
Write-off	
Bad Debts	18,113.65
Commissions	100.00
Sales tax	124.57
Write-off - Other	136.25
Total Write-off	18,474.47
Total Expense	286,549.87
Net Income	<u>77,100.44</u>