GERRY, FRIEND & SAPRONOV, LLP

ATTORNEYS AT LAW

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THREE RAVINIA DRIVE

ATLANTA, GEORGIA 30346-2117

(770) 399-9500

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EMAIL: gfslaw@gfslaw.com

March 28, 2000

DEPOSIT

D272

DATE

MAR 3 1 2000

VIA OVERNIGHT DELIVERY

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

000384-TX

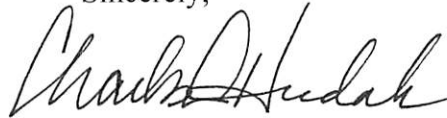Re: Application of DV2, Inc. for a Certificate of Authority to Provide Local Exchange Service ("Application")

Dear Sir or Madam:

Enclosed are the original and seven (7) copies of the Application. Please file the Application in your usual fashion and return one (1) file-stamped copy to us in the enclosed envelope.

Also enclosed is a check in the amount of $250.00 to cover the cost of filing the Application.

If you have any questions or comments, please call the undersigned.

Sincerely,

Charles A. Hudak

CAH/jh

Enc.
cc: DV2, Inc.
(with enclosure)

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2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

000384-TX

Re: Application of DV2, Inc. ("DV2") for a Certificate of Authority to Provide Local Exchange Service ("Application")

Dear Sir or Madam:

Enclosed are the original and three (3) copies of the financial statements of DV2 ("Financial Statements"), which are being filed in connection with the Application. Three (3) copies of the Financial Statements are redacted and "CONFIDENTIAL" is prominently displayed on each page thereof. Pursuant to Florida Statute 364.183(1) and Section 25-22.0065(5)(a) of the Florida Public Service Commission's rules, DV2 requests confidential treatment of the Financial Statements.

Please file the Financial Statements in your usual fashion and return one (1) file-stamped copy of the document to us in the enclosed envelope.

If you have any questions or comments, please call the undersigned.
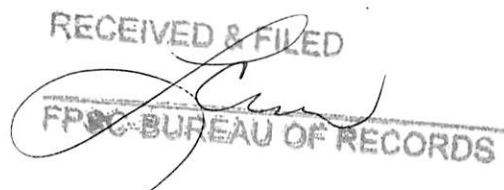
Sincerely,

Charles A. Hudak

CAH/jh

Enc.
cc: DV2, Inc.
      (with enclosure)

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

03968 MAR 30 8

FPSC-RECORDS/REPORTING

CONFIDENTIAL

DRAFT

Assets

Current Assets
   Cash - Bank of North Georgia
   Money Market-Bank of N. Georgia
   Accounts Receivable
   Work-in-Progress

     Total Current Assets

Property and Equipment
   Computer Equipment
   Capital Leases
   Accumulated Depreciation

     Net Property and Equipment

Other Assets
   Deposits

     Total Other Assets

Total Assets

DV2, Inc.
Statement of Income -
For the Period Ended October 31, 1999

CONFIDENTIAL

DRAFT

Year-to-Date

Revenues
  Revenues - Hourly Network Engineering
  Revenues - Contract Network Engineering
  Revenues - Equipment Resale

  Total Revenues

Operating Expenses
  Salaries - Officers
  Salaries - Consultants
  Salaries - Sales
  Commissions-Work-C. Price
  Commissions-Work-K. Hawkins
  Commissions-Work-A. Stovall
  Commissions-Sales-B. Mosher
  Commissions-Work-B. Mosher
  Salaries-Techs
  Outside Services
  Outside Consultants
  Marketing/Printing
  Auto Lease Expense
  Auto Reimbursement Expense
  Bank Charges
  Business Gifts
  Employment Expense
  Depreciation Expense
  Dues and subscriptions
  Entertainment and Meals
  Equipment Rental
  Computer Lease
  Computer Expense
  Insurance - Auto
  Insurance - General
  Insurance - Group/Medical
  Insurance-Gen. Liab. & W Comp
  Interest Expense
  Office Supplies
  Postage
  Payroll Service Fees
  Legal & Accounting Fees
  Taxes and Licenses
  Payroll Taxes
  Telephone & Communications
  Education/Training
  Seminars
  Travel & Lodging - Unbillable
  Travel & Lodging - Billable
  Materials - Billable

  Total Operating Expenses

See Accompanying Accountants' Compilation Report

DV2, Inc.
Balance Sheet
October 31, 1999

Liabilities and
Stockholders' Equity

Current Liabilities
  Accounts Payable
  Sales Tax Payable
  Deferred Revenue
  Current Portion of Cap. Leases

    Total Current Liabilities

Long Term Liabilities
  Capital Lease Obligation-Cisco
  Capital Lease Obligation-Compaq
  Less Curr. Maturity-Cap. Leases

    Total Long Term Liabilities

Total Liabilities

Stockholders' Equity
  Common Stock
  Retained Earnings - Beginning
  Net Income (Loss)

Total Stockholders' Equity

Total Liabilities and
  Stockholders' Equity

DV2, Inc.
Statement of Income
For the Period Ended October 31, 1999

Year-to-Date

%

Net Operating Income (Loss)

Other Income
   Other Income-ST Discount
   Interest Earned

   Total Other Income

Other Expense
   Provision for Bad Debts

   Total Other Expense

     Net Income (Loss)

Pro Forma Income Statement

Expected growth model
Projected in black actual in blue

Revenue

	2000 January	February	March	April	May	June	July	August	September	October	November	December	Total

Hosting Services
Managed Firewall Service
Integrated Access ATM
ISP Connections
DSL Connections
Integration / services
Integration Hardware
local service - PRI
Leasing of Equipment
Frame resel
Server Co Location
Ecommerce Development
Disk Mirroring
Network Management
Long distance revenue

Total Revenue

Costs of Sales

Loop
frame relay
dsl loop
pri port cost
Equipment
Long Distance

Total Cost of Sales
Number of Markets

Overhead

Colocation
Rent telecom
rent corporate
Rent - City Sales and engineering support
Equipment Maintenance Charges
Equipment Lease payments
Internet Connections
Bell Tandem Interconnect
remote node - perimeter interconnect
DSL interconnect
Frame interconnect
Corporate Salaries
 ity Salaries
 enefits
Marketing
Miscelaneous
commissions
Consultants
travel

Total

NIBT

Income Tax

NIAT

Pro Forma Consolidated Statement of Cashflows

1999

Cash Inflows	January	February	March	April	May	June	July	August	September	October	November	December	Total

A/R Receipts

Total

Cash Outflows
Equipment Investment
POP Buildout
Pathstar deployment
pathstar card cost
Packet star deployment
NOC
Billing System
Overhead
Cost of Sales
Revolver Repayment
Total Cash Outflow

Net Cash Contribution (USE)
Cumulative Net Cash Flow
Borrowings
Investment Inflow
Lease Financing
Cumulative lease financing
Ending cash