



April 12, 2004

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T.R.A. DOCKET ROOM

Tennessee Regulatory Authority
460 James Robertson Pkwy
Nashville, TN 37243-0505

Re: Docket No. 04-00057

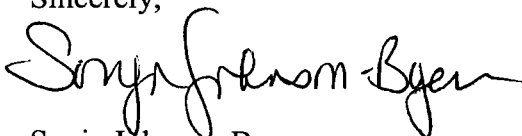
- 1 ComTech21's current business and network plans call for market entry via resold local exchanges services, and local exchange utilizing the UNE-P platform. The Company has no current plans to install facilities in Tennessee unless customer demands warrants. ComTech21, LLC will be relying on the underlying carrier for technical ability.
- 2 Attached
3. Financial Statements are enclosed.
- 4 CT21, LLC will not be deploying equipment in Tennessee at this time.
5. CT21, LLC is currently authorized and has been providing interexchange services throughout the United States. ComTech21 is currently authorized to provide resold and facilities-based UNE-P local exchange service in Connecticut, Georgia, Massachusetts, New York, Alabama, Colorado, Florida, Illinois, Kentucky, Maryland, Missouri, New Hampshire, New Jersey, Ohio, Rhode Island, Texas, Vermont Virginia, Wisconsin and Pennsylvania. ComTech21, LLC plans to offer its customers local calling areas identical to those offered by Bell South.
- 6 Enclosed
7. Notice was served on the 18 incumbent local exchange telephone companies in Tennessee with a statement regarding the company's intention of operating geographically. A written certificate of service was provided in the original January 9th, 2004 filing.
8. Sworn pre-filed testimony is enclosed describing the services to be provided, the applicant's technical, managerial, and financial abilities to provide the services and affirm that all information submitted in the application is true and correct

9. ComTech21, LLC is commonly owned 100% by one individual, there are no mergers or acquisitions associated with ComTech21, LLC
10. Questions 10-12 are not applicable at this time ComTech21, LLC will not be requesting NXX or NPA's nor will we sequentially assign telephone numbers within NXX's.
12. Tennessee Specific Operational Issues
 1. ComTech21, LLC will subscribe to Bell South's Service to insure that the company will not bill for countrywide calls within the State of Tennessee.
 2. ComTech21 is aware of the Tennessee County Wide Calling database maintained by Bell South and the procedure to enter telephone numbers.
 3. It is ComTech21's intention to subscribe and participate in Bell south's TAR Code data base in order to insure compliance with Tennessee's County Wide Calling Stature.
 4. ComTech21 is aware of the local calling areas provided by the Incumbent Local Exchange Carriers in our proposed service areas.
 5. ComTech21 will utilized Bell South's methods and procedures to ensure that customers will not be billed long distance charges for calls within the metro area.
 6. Sonja Johnson-Byers will be the contact person for customer complaints.
 7. ComTech21 does not intend to telemarket its services in Tennessee at this time, and if should do so in the future will abide by the guidelines outlined in T.C.A. 65-4-401 *et seq.* and Chapter 1220-4-11.

I believe the additional information provided will complete the deficiencies and comply with all the Tennessee Public Utilities Commission and FCC Rules.

If you have any additional questions or concerns, please contact me at 203-679-7290, or you may email me at sjohnson-byers@comtech21.com

Sincerely,



Sonja Johnson-Byers

BIOGRAPHY

Guy Drapeau
CPA Controller

Guy Drapeau is the person who will be responsible for financial reporting. Guy has three years experience with Public Accounting and 11 years experience serving as Corporate Controller.

PUBLIC SERVICE COMMISSION
STATE OF TENNESSEE

In the matter of the Application of
COMTECH21, LLC
for a Certificate of
Public Convenience and Necessity to
provide Telecommunications Services

Docket No 04-00057

AFFIDAVIT OF MARIE MARCARELLI

INTRODUCTION

My name is Marie Marcarelli. My business address is One Barnes Park South, Wallingford, Connecticut 06492. I am the Executive Vice-President of COMTECH21, LLC (ComTech21). I am responsible for all regulatory matters.

The purpose of my affidavit is to demonstrate the fitness of the applicant ComTech21 to operate as a facilities-based CLEC in the areas of Tennessee currently served by Bell South. As described in ComTech21's Application, ComTech21's proposes to provide a range of facilities-based, basic and high capacity local exchange services, including but not limited to local dial tone, calling features such as call waiting, data services, switched and dedicated trunks, digital subscriber line, and exchange access services. ComTech21 may also offer local services utilizing the switching and transport capacity of other existing telecommunications providers pursuant to negotiated or tariffed arrangements.

ComTech21 is a Limited Liability Company organized under the laws of the State of Delaware. ComTech21 is qualified to conduct business within the State of Tennessee as a foreign business entity. Applicant is currently authorized to provide and is providing resold interexchange services throughout the United States. Applicant is currently authorized to provide resold and facilities-based/UNE-P local exchange service in Alabama, Colorado, Connecticut, Florida, Georgia, Illinois, Kansas, Kentucky, Maryland, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Texas, Vermont, Virginia and Wisconsin.

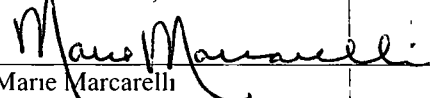
Applicant has not been denied authority for any of the services for which it seeks authority in this Application. ComTech21 is well qualified, managerially, technically and financially to provide the competitive local exchange services for which authority is requested in its Application.

ComTech21 has sufficient financial capability to provide the requested telecommunications services in Tennessee and the financial capability to maintain those services. Applicant's proposed competitive local exchange service is economically feasible and in the public interest.

CONCLUSION

ComTech21's Application and my Affidavit in support thereof demonstrate that ComTech21 possesses all the requisite qualifications to be a competitive local exchange service provider in Tennessee, and that the grant of this request is in the public interest.

COMTECH21, LLC


Marie Marcarelli
Its Executive Vice-President

Comtech 21
Consolidated Balance Sheet
12/31/2003

Statement of Assets

	<u>12/31/2003</u>
Assets	<u>Comtech 21</u>
Cash & Equivalents	\$ 2,070,482
Prepaid Expenses	7,353
Total Cash / AR And Prepaids	2,077,835
Fixed Assets.	
Net Intangibles	907,121
Net Fixed Assets	49,237
Other assets	4,229
Total Assets	\$ 3,038,421

Statement of Liabilities And Capital

	<u>12/31/2003</u>
Accounts Payable And Accrued Expenses	\$ 1,147,272
Notes Payable - LT	43,580
Total Stockholder's Equity	1,847,570
Total Liabilities & Equity	\$ 3,038,421

OCTOBER 31, 2003

Assets

Current Assets

Cash Citizens - 5913	\$40,217.58
Cash - Citizens 5144	60,475.75
Petty Cash	200.00
Cash Zurich MM	1,063.06
Zurich - Money	999.48
C M Life Annuity	1,033,334.46
Ford Money Market Account	227,395.47
Cash Fleet - Tax	23,748.92

TOTAL Current Assets

1,387,434.72

Accounts Receivable & Prepaid

Allowance for Doubtful accts	(200,961.81)
Accounts Receivable - LD	1,557,827.94
Unposted Cash	(361,194.15)
Employee Loans	24,500.00
Prepaid Expenses	11,085.80
Deferred Interest - Current	587.71

TOTAL Accounts Receivable & Prepaid

1,031,845.49

Intangible Assets

MOVING BYTES CUSTOMER LIST	456,733.59
Goodwill EQ Purch	216,000.00
Accum Amort Goodwill EQ	(21,600.00)
Nexel Intangible Asset	157,923.68
Accum Amort - Nxtl	(13,160.35)
ALLIANCE CUSTOMER LIST	102,623.54
SILVERLEAF CUSTOMER LIST	99,210.94

TOTAL Intangible Assets

997,731.40

Fixed Assets

Computer Equipment	75,538.52
Accumulated Deprec - Comp equip	(23,729.35)

TOTAL Fixed Assets

51,809.17

Other Assets

Due To from President	689,610.75
DEPOSITS	3,787.88

TOTAL Other Assets

693,398.63

TOTAL Assets

\$4,162,219.41

OCTOBER 31, 2003

Liabilities AND Equity

rent Liabilities

Accounts Payable - Trade	\$683,182.43	
401K EMPLOYEE LOANS	34.15	
DUE TO/FROM SILVERLEAF	97.67	
Accrued Expenses	70,557.30	
Accrued ARMC Fees	(817.57)	
Manual Payroll Checks	(41.56)	
Sales Tax Payable CT	1,243.74	
Out of State Excise Tax	64,251.27	
Federal Excise Tax Pble	31,604.95	
USF Payable	91,868.88	
TRS Payable	10,113.08	
State Income Tax Payable	5,367.00	
Deferred Federal Income Tax	42,668.42	
Deferred State Income Tax	40,585.19	
Accrued Payroll	7,161.73	
Capital Leases - Current	3,340.68	
Note Payable Equality Inc	246,460.97	
Accrued Interest on EQ Note	24,803.70	
Minervino Loan	26,364.27	
Note payable to FBI	141,149.76	
TOTAL Current Liabilities		1,489,996.06

g-Term Liabilities

Note Payable	43,579.96	
RFC Loan Account	106,955.87	
TOTAL Long-Term Liabilities		150,535.83

TOTAL Liabilities

1,640,531.89

ty

Prescient LLC - Equity	1,128,192.98	
Retained Earnings Prior	552,396.55	
Retained Earnings-Current Year	841,097.99	

TOTAL Equity

2,521,687.52

TOTAL Liabilities AND Equity

\$4,162,219.41

INCOME STATEMENT

FOR THE 10 PERIODS ENDED OCTOBER 31, 2003

	YEAR TO DATE	
	ACTUAL	PERCENT
Revenues		
INTRASTATE LD REVENUES	\$2,111,724.43	31.6 %
INTERSTATE LD REVENUES	2,313,288.58	34.7
INTERNATIONAL LD REVENUES	1,736,815.35	26.0
REPAIR ASSISTANCE LD REVENUES	19,823.42	3
ACCOUNT LEVEL REVENUES	106,992.27	1.6
SERVICE LEVEL REVENUES LD	501,017.70	7.5
STATE FEE REVENUES LD	23,114.27	3
OTHER REVENUES LD	(29,269.49)	(.4)
ADJ. & CREDITS	(31,398.10)	(.5)
SC REVENUES	30,420.03	.5
FUNDS	(8,260.82)	(.1)
SERVE FOR BAD DEBTS	(102,055.99)	(1.5)
TOTAL Revenues	6,672,211.65	100.0
Cost Of Sales		
COMMISSIONS - RETAIL AGENTS	798,725.13	12.0
ARRIER CHARGES - GLOBAL	1,537,097.82	23.0
ARRIER CHARGES - ALLIANCE	204,721.27	3.1
ARRIER CHARGES - QWEST	896,461.75	13.4
ARRIER CHARGES - WILLIAMS	668,372.95	10.0
ARRIER CHARGES - MCI	105,795.41	1.6
SERVICE BUREAU - BILLING	382,167.85	5.7
SERVICE BUREAU - BACK OFFICE	368,762.07	5.5
Advt Agency Charges	15,800.08	.2
TOTAL Cost Of Sales	4,977,913.36	74.6
Gross Profit	1,694,298.29	25.4
Operating Expenses		
Administration Salaries	248,047.92	3.7
Roll Service Charges	3,403.98	.1
Commissions	10,408.25	.2
OT	1,485.10	.0
Employee Benefits	31,736.13	.5
Roll Taxes - FICA	19,600.85	.3
Roll Taxes - SUI	3,045.42	.0
Roll Taxes - FUTA	611.69	.0
Rent Expense	1,730.77	.0
Travel Allowance	43.55	.0
Utilities Expense	9,137.48	.1
Depreciation Expense	1,135.75	.0
Property Tax Expense	1,345.01	.0
AMORTIZATION EXP SOFTWARE	67.81	.0
Depreciation Expense	12,671.47	.2
Advertising & Promotion exp	14,482.18	.2

FOR THE 10 PERIODS ENDED OCTOBER 31, 2003

	YEAR TO DATE	
	ACTUAL	PERCENT
ating Expenses	(Continued)	
Office Expense	\$5 832 90	1 %
censes & Fees	18 290 74	3
Telephone expense	2 258 65	0
Stage Expense	145 656 67	2 2
Press Mail	3 037 73	0
INTERNET SUBSCRIPTION/COST	2 743 25	0
Software Expense	2 256 00	0
ITO EXPENSE	164 90	0
eals	1 838 38	0
avel & entertainment	8 280 26	1
gal Expense	96 269 85	1 4
counting Fees	34 627 79	5
her Professional Fees	34 408 30	5
ollection Agency fees	16 566 14	2
d Debt Expense	18 000 00	3
scellaneous Expenses	19	0
TOTAL Operating Expenses	710 185 11	11 2
Net Income from Operations	945 113 18	14 2
r Income & Expenses		
erest Expense	(14 027 39)	(2)
edit Card Charges	(22 108 11)	(3)
nk Charges	(50 455 83)	(8)
C Finance charges	(20 643 06)	(3)
idend Income	28 822 02	4
erest Income	(205 37)	0
scellaneous Income	1 319 26	0
te & Federal Income Taxes	(805 00)	0
es Tax Expense	4 600 12	1
S excise Taxes	(30 511 83)	(5)
TAL Other Income & Expenses	(104 015 19)	(1 6)
Earnings before Income Tax	841 097 99	12 6
Net Income (Loss)	\$841 097 99	12 6 %

Comtech21 LLC
Estimated Income Statement

Tennessee Pro Forma

Projected - Income Statements

Financial Years Ending 12/31/2006

\$'s in Thousands

	FY 2004		FY 2005		FY 2006	
TOTAL REVENUES	\$ 67,200	100.0%	\$ 388,800	100.0%	\$ 734,400	100.0%
Cost of Goods Sold	\$ 57,456	85.5%	\$ 332,424	85.5%	\$ 627,912	85.5%
OPERATING EXPENSES	\$ 6,720	10.0%	\$ 38,880	10.0%	\$ 73,440	10.0%
OP. INCOME / (LOSS)	\$ 3,024	4.5%	\$ 17,496	4.5%	\$ 33,048	4.5%
Interest Income / (Expense)	\$ -	0.0%		0.0%		0.0%
Income / (Loss) Before Taxes	\$ 3,024	4.5%	\$ 17,496	4.5%	\$ 33,048	4.5%
Provision for Taxes	\$ (1,210)		\$ (6,998)		\$ (13,219)	
NET INCOME / (LOSS)	\$ 1,814	2.7%	\$ 10,498	2.7%	\$ 19,829	2.7%

CONFIDENTIAL

Comtech21 LLC
Estimated Balance Sheet

Utah Pro Forma

Projected - Balance Sheets

	12/31/2004	12/31/2005	12/31/2006
ASSETS			
Cash & Equivalents	\$ 30,014	\$ 11,712	\$ 2,741
Receivables	\$ 16,800	\$ 45,600	\$ 74,400
Other Current Assets	\$ -	\$ -	\$ -
Current Assets	\$ 46,814	\$ 57,312	\$ 77,141
Fixed Assets - Net	\$ -	\$ -	\$ -
Total Assets	<u>\$ 46,814</u>	<u>\$ 57,312</u>	<u>\$ 77,141</u>
LIABILITIES			
Payables + Accrued Liab.	\$ -	\$ -	\$ -
Curr. Portion of Debt	\$ -	\$ -	\$ -
Deferred Revenue	\$ -	\$ -	\$ -
Current Liabilities	\$ -	\$ -	\$ -
LT Debt	\$ -	\$ -	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EQUITY			
Capital Stock	\$ 750	\$ 750	\$ 750
Net Income	\$ 1,814	\$ 10,498	\$ 19,829
Retained Earnings	\$ -	\$ 1,814	\$ 12,312
Total Equity	<u>\$ 2,564</u>	<u>\$ 13,062</u>	<u>\$ 32,891</u>
Total Liabilities & Equity	<u>\$ 2,564</u>	<u>\$ 13,062</u>	<u>\$ 32,891</u>

CONFIDENTIAL

Comtech21 LLC
Estimated Cash Flow Statement

Utah Pro Forma

Projected - Cash Flow
Monthly Forecast - 3 fiscal years

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Collections	\$ 45,000	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400					
Cost of Goods Sold	\$ 2,052	\$ 4,104	\$ 6,156	\$ 8,208	\$ 10,260	\$ 12,312	\$ 14,364					
Expenses	\$ 240	\$ 480	\$ 720	\$ 960	\$ 1,200	\$ 1,440	\$ 1,680					
Taxes	\$ 43	\$ 86	\$ 130	\$ 173	\$ 216	\$ 259	\$ 302					
Net Cash	\$ 42,665	\$ 40,394	\$ 38,189	\$ 36,048	\$ 33,972	\$ 31,961	\$ 30,014					

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05
Collections	\$ 16,800	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200
Cost of Goods Sold	\$ 16,416	\$ 18,468	\$ 20,520	\$ 22,572	\$ 24,624	\$ 26,676	\$ 28,728	\$ 30,780	\$ 32,832	\$ 34,884	\$ 36,936	\$ 38,988
Expenses	\$ 1,920	\$ 2,160	\$ 2,400	\$ 2,640	\$ 2,880	\$ 3,120	\$ 3,360	\$ 3,600	\$ 3,840	\$ 4,080	\$ 4,320	\$ 4,560
Taxes	\$ 346	\$ 389	\$ 432	\$ 475	\$ 518	\$ 562	\$ 605	\$ 648	\$ 691	\$ 734	\$ 778	\$ 821
Net Cash	\$ 28,133	\$ 26,316	\$ 24,564	\$ 22,877	\$ 21,254	\$ 19,697	\$ 18,204	\$ 16,776	\$ 15,413	\$ 14,114	\$ 12,881	\$ 11,712

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
Collections	\$ 45,600	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000
Cost of Goods Sold	\$ 41,040	\$ 43,092	\$ 45,144	\$ 47,196	\$ 49,248	\$ 51,300	\$ 53,352	\$ 55,404	\$ 57,456	\$ 59,508	\$ 61,560	\$ 63,612
Expenses	\$ 4,800	\$ 5,040	\$ 5,280	\$ 5,520	\$ 5,760	\$ 6,000	\$ 6,240	\$ 6,480	\$ 6,720	\$ 6,960	\$ 7,200	\$ 7,440
Taxes	\$ 864	\$ 907	\$ 950	\$ 994	\$ 1,037	\$ 1,080	\$ 1,123	\$ 1,166	\$ 1,210	\$ 1,253	\$ 1,296	\$ 1,339
Net Cash	\$ 10,608	\$ 9,569	\$ 8,594	\$ 7,685	\$ 6,840	\$ 6,060	\$ 5,345	\$ 4,694	\$ 4,109	\$ 3,588	\$ 3,132	\$ 2,741

Comtech21 LLC
Estimated Income Statement by Month

Utah Pro Forma

Projected - Cash Flow
 Monthly Forecast - 3 fiscal years

	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Sales	2,400	4,800	7,200	9,600	12,000	14,400	16,800
Cost of Goods Sold **	2,052	4,104	6,156	8,208	10,260	12,312	14,364
Expenses ***	240	480	720	960	1,200	1,440	1,680
Net Income	108	216	324	432	540	648	756
Taxes	43	86	130	173	216	259	302

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05
Sales	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200	\$ 45,600
Cost of Goods Sold	16,416	18,468	20,520	22,572	24,624	26,676	28,728	30,780	32,832	34,884	36,936	38,988
Expenses	1,920	2,160	2,400	2,640	2,880	3,120	3,360	3,600	3,840	4,080	4,320	4,560
Net Income	\$ 864	\$ 972	\$ 1,080	\$ 1,188	\$ 1,296	\$ 1,404	\$ 1,512	\$ 1,620	\$ 1,728	\$ 1,836	\$ 1,944	\$ 2,052
Taxes	\$ 346	\$ 389	\$ 432	\$ 475	\$ 518	\$ 562	\$ 605	\$ 648	\$ 691	\$ 734	\$ 778	\$ 821

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
Sales	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000	\$ 74,400
Cost of Goods Sold	41,040	43,092	45,144	47,196	49,248	51,300	53,352	55,404	57,456	59,508	61,560	63,612
Expenses	4,800	5,040	5,280	5,520	5,760	6,000	6,240	6,480	6,720	6,960	7,200	7,440
Net Income	\$ 2,160	\$ 2,268	\$ 2,376	\$ 2,484	\$ 2,592	\$ 2,700	\$ 2,808	\$ 2,916	\$ 3,024	\$ 3,132	\$ 3,240	\$ 3,348
Taxes	\$ 864	\$ 907	\$ 950	\$ 994	\$ 1,037	\$ 1,080	\$ 1,123	\$ 1,166	\$ 1,210	\$ 1,253	\$ 1,296	\$ 1,339

Comtech21 LLC
Estimated Accounts Receivable activity

Utah Pro Forma

Projected - Accounts Receivable balances
Monthly Forecast - 3 fiscal years

	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Beginning Balance	\$ -	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400
Net Sales *	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400	\$ 16,800
Collections **	\$ -	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400
Ending A/R Balance	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400	\$ 16,800

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05
Beginning Balance	\$ 16,800	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200
Net Sales *	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200	\$ 45,600
Collections **	\$ 16,800	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200
Ending A/R Balance	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200	\$ 45,600

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
Beginning Balance	\$ 45,600	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000
Net Sales *	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000	\$ 74,400
Collections **	\$ 45,600	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000
Ending A/R Balance	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000	\$ 74,400

Comtech21 LLC
Estimated Accounts Receivable activity

Utah Pro Forma

Projected - Accounts Receivable balances
Monthly Forecast - 3 fiscal years

	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Beginning Balance	\$ -	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400
Net Sales *	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400	\$ 16,800
Collections **	\$ -	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400
Ending A/R Balance	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 14,400	\$ 16,800

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05
Beginning Balance	\$ 16,800	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200
Net Sales *	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200	\$ 45,600
Collections **	\$ 16,800	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200
Ending A/R Balance	\$ 19,200	\$ 21,600	\$ 24,000	\$ 26,400	\$ 28,800	\$ 31,200	\$ 33,600	\$ 36,000	\$ 38,400	\$ 40,800	\$ 43,200	\$ 45,600

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
Beginning Balance	\$ 45,600	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000
Net Sales *	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000	\$ 74,400
Collections **	\$ 45,600	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000
Ending A/R Balance	\$ 48,000	\$ 50,400	\$ 52,800	\$ 55,200	\$ 57,600	\$ 60,000	\$ 62,400	\$ 64,800	\$ 67,200	\$ 69,600	\$ 72,000	\$ 74,400