



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: November 2, 2001

TO: Blanco Bayo, Director, Division of Commission Clerk and Administrative Services

FROM: Toni J. McCoy, <sup>dm</sup>Regulatory Analyst, Division of Regulatory Oversight

SUBJECT: Open Docket No. 010979-TI; Circlenet.Communications, Inc.

Please add the attached supplemental documentation to the interexchange application docket file.

Call me if you have any questions, I can be reached at 850/413-6532.

Thank you.

- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- EGR \_\_\_\_\_
- LEG \_\_\_\_\_
- OPC \_\_\_\_\_
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- SEC I
- SER \_\_\_\_\_
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DOCUMENT NUMBER-DATE  
13952 NOV-5 01  
FPSC-COMMISSION CLERK

**Toni McCoy**

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**From:** lwinans [lwinans@regnumgroup.com]  
**Sent:** Friday, November 02, 2001 11:26 AM  
**To:** Toni McCoy  
**Subject:** Docket No. 010979-TI

Revised Circlenet Tariff

10-31... Toni,

Please find attached the tariff - I re-read the email and corrected the requested corrections myself, please review and advise if you find everything in order.

You should have the following:

1. Paragraph resumes
2. Letters stating financial capability - plus supplemental bank statements, balance sheets.
3. Revised tariff with clerical changes added.
4. 4 pages of application with signatures.

Regards,

--

Lisette V. Winans  
Office Manager  
Regnum Group, Inc.  
305-468-1645 Tel  
305-468-8509 Fax  
lwinans@regnumgroup.com

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**THIS PAGE MUST BE COMPLETED AND SIGNED**

**APPLICANT ACKNOWLEDGMENT STATEMENT**

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

**UTILITY OFFICIAL:**

EL HASSEN ENNAHOU  
**Print Name**

  
**Signature**

**PRESIDENT**  
**Title**

**Date July 5, 2001**

305-371-8646      305-371-4850  
**Telephone No.**                      **Fax No.**

**Address:**    1428 BRICKELL AVE SUITE 600, MIAMI, FLORIDA 33131

**THIS PAGE MUST BE COMPLETED AND SIGNED**

**CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be provided in one of the following ways (applicant, please \_ check one):

- (  ) The applicant will **not** collect deposits nor will it collect payments for service more than one month in advance.
  
- (  ) The applicant intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month.  
(The bond must accompany the application.)

**UTILITY OFFICIAL:**

EL HASSEN ENNAHOU  
**Print Name**

  
**Signature**

**PRESIDENT**  
**Title**

**July 5, 2001**  
**Date**

**305-371-8646**  
**Telephone No.**

**305-371-4850**  
**Fax No.**

**Address:** 1428 BRICKELL AVE SUITE 600, MIAMI, FLORIDA 33131

**THIS PAGE MUST BE COMPLETED AND SIGNED**

**AFFIDAVIT**

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide interexchange telecommunications service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

**Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."**

**UTILITY OFFICIAL:**

EL HASSEN ENNAHOU

**Print Name**



**Signature**

**PRESIDENT**

**Title**

**July 5, 2001**

**Date**

**305-371-8646**

**Telephone No.**

**305-371-4850**

**Fax No.**

**Address:** 1428 BRICKELL AVE SUITE 600, MIAMI, FLORIDA 33131

**CURRENT FLORIDA INTRASTATE SERVICES**

Applicant **has** ( ) or **has not** ( X ) previously provided intrastate telecommunications in Florida.

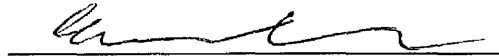
If the answer is has, fully describe the following:

- a) What services have been provided and when did these services begin?
  
  
  
  
  
  
  
  
  
  
- b) If the services are not currently offered, when were they discontinued?

**UTILITY OFFICIAL:**

EL HASSEN ENNAHOU

**Print Name**



**Signature**

**PRESIDENT**

**Title**

**July 5, 2001**

**Date**

**305-371-8646**

**Telephone No.**

**305-371-4850**

**Fax No.**

**Address:** 1428 BRICKELL AVE SUITE 600, MIAMI, FLORIDA 33131

**CERTIFICATE TRANSFER, OR ASSIGNMENT STATEMENT**

N/A

I, (Name) \_\_\_\_\_,

(Title) \_\_\_\_\_ of  
(Name of Company)

and current holder of Florida Public Service Commission Certificate Number

# \_\_\_\_\_, have reviewed this application and join in the petitioner's request  
for a:

( ) transfer

( ) assignment

of the above-mentioned certificate.

UTILITY OFFICIAL:

**Print Name**

**Signature**

**Title**

**Date**

**Telephone No.**

**Fax No.**

**Address:**

El Hassen Ennahou has served as our *Chief Executive Officer since* October 2, 2000. Mr. Ennahou was the President, CEO and a Director of Stellar Corporation, one of the largest Telecom rental companies in the United States from July 1995 to June 2000. He has been a Director of Sullair from 1998 through 1999, one of the largest Telecom rental companies in Argentina and Supercanal, Argentina's third-largest cable TV provider. Mr. Ennahou also serves on the Boards of Latin Broadband Group, a fixed wireless provider in Argentina, Geoworks Corporation a wireless technology company and TeleServices Group, a telecommunications interconnect company. From 1991 to July 1995, he was a Senior Vice President for the investment banking firm of Houlihan Lokey Howard and Zukin. Ennahou holds an M.B.A. in Finance from Fordham University and a B.S. in Electrical Engineering from Carnegie Mellon University.

**FEDERICO FUENTES, CTO and Director of Network Planning**, possess more than 25 years of experience with PIT's, Carriers and Multinational Companies:

The development of Virtual Private Networks (VPN for Bank Institutions in Venezuela, Mexico, Central and South America); CANTV; Ameritech; Telscape; Iridium, and personal Venture with prepaid cellular System; and implementing a GSM network in the Eastern of Venezuela. Mr. Fuentes moves into the International arena with StartCom as V.P of international Operation to become later StartCom's. Mr. Fuentes represents a fundamental pillar in our Network Development for its invaluable knowledge on the Market, Infrastructure and the Telecommunication Network Systems of the Caribbean, Andean Region, central and South America.



John Zderic *Director Network Provisioning*. Mr. Zderic joined Circlenet.Communications in November of 1999 as Director of Network Provisioning. His responsibilities will include the coordination for provisioning of Circlenet.Communications's network and the implementation and operation of Circlenet.Communications's Network Operations Center (NOC). He spent 9 years on Southern Bell's Network Staff coordinating with the Southern Bell State staffs regarding Network operations and switching systems. Since 1993 he has worked for several IXC/CLECs in the Miami area. His most recent job assignment was with Pointe Communications.

# Circlenet. Communications

1428 Brickell Ave Suite 600  
Miami, Florida 33131  
305-908-7777 Fax 305-908-7722

November 1, 2001

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

To Whom It May Concern:

Circlenet. Communications, Inc has the sufficient financial capability to provide, maintain and to meet its lease and ownerships obligation. We are currently generating income from our other divisions, which have a projected gross sale of \$35,000,000 with net profits of \$5,000,000 as of December 2002.

Circlenet. Communications, Inc. is a full service telecommunications company offering bundled services. The concept is simple, one point of contact for all services, and one invoice. Circlenet. Communications, Inc meets the requirements of customer needs by consolidating services and providing true 'Communications Management' i.e., quality products and services at competitive prices within targeted markets. The Company is developing a wide range of marketing and distribution channels in order to expand its customer base, particularly in its target market of small to medium-sized businesses and residential market. The Company will markets its products and services through (i) its direct sales forces; (ii) networks of independent agents and distributors; and (iii) telemarketing organizations.

The existing market opportunity for Circlenet. Communications, Inc continues to be bright. With its operation already profitable, revenues and earnings are forecasted to continue and grow at above average rates. With a clearly defined acquisition strategy, targeting small and fast growing businesses in the communications industry, Circlenet. Communications, Inc ability to continue to grow rapidly into a \$100+ million dollar corporation within the first 36 months of its corporate life is a goal well within its grasp.

We are confident gross sales will be \$3,883,000 with a net profits \$1,150,000 as of December 2001. 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,

El Haassen Ennahou - President  
Circlenet. Communications Inc

# Circlenet. Communications

1428 Brickell Ave Suite 600  
Miami, Florida 33131  
305-908-7777 Fax 305-908-7722

November 1, 2001

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

To Whom It May Concern:

As majority shareholder in Circlenet. Communications, Inc I have the sufficient financial capability to provide, maintain and to meet its lease and ownerships obligation. I have been in the Telecommunications field for the last 15 years and have always fulfilled my responsibility.

We have never failed to fulfill our commitments to our suppliers and customers and we will be able to fulfill our commitment and financial responsibility that are being requested of us.

Sincerely Yours



El Hassan Ennahou - President  
Circlenet. Communications Inc.

**Circlenet Communication, Inc**  
**Profit & Loss**  
 January through December 1999

	Jan - Dec '99
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4000 - Revenue	
4010 - Long Distance Carrier	17,322.18
4000 - Revenue - Other	11,514.26
<b>Total 4000 - Revenue</b>	<b>30,838.65</b>
7000 - Interest Income	23.87
<b>Total Income</b>	<b>29,860.42</b>
<b>Gross Profit</b>	<b>29,860.42</b>
<b>Expense</b>	
5000 - Advertising & Promotion	14,179.56
5010 - Bank Service Charges	2,560.90
5080 - Computer Supplies & Support	5,444.61
5070 - Delivery & Postage	393.16
5100 - Employees Benefits	
5100-01 - Employee Dental	400.89
5100-02 - Employee Health	320.00
<b>Total 5100 - Employees Benefits</b>	<b>720.89</b>
5105 - Extraor FINOVA	70.88
5140 - Meals & Entertainment	3,049.98
5150 - Miscellaneous	0.00
5180 - Office Rental	
5180-00 - Office Rental 444	22,582.64
5180-01 - Office Rental-DP	8,405.25
5180-03 - Office Rental 438.4	14,840.00
<b>Total 5180 - Office Rental</b>	<b>43,878.79</b>
5180 - Outside Services	
5180-01 - Accounting/Bookkeeping	2,432.00
5180-02 - Office Help & Security	5,400.00
5180 - Outside Services - Other	9,658.00
<b>Total 5180 - Outside Services</b>	<b>17,490.00</b>
5500 - Payroll Expenses	
5550-01 - Employee Salaries	29,215.80
5580 - Payroll Tax Expenses	2,130.97
5580-01 - Payroll Taxes, 940 & UCT-9	298.29
<b>Total 5580 - Payroll Expenses</b>	<b>31,645.06</b>
6000 - Professional Fees	
6100-06 - Technical Support	18,750.00
6000-01 - Accounting	6,250.00
6000-02 - Legal Fees	20,822.50
6500-03 - Marketing Support	50,000.00
<b>Total 6500 - Professional Fees</b>	<b>95,822.50</b>
6610 - Office Expense & Supplies	
6600-01 - Party Cash Expenses	3,400.00
6610 - Office Expense & Supplies - Other	4,486.83
<b>Total 6610 - Office Expense &amp; Supplies</b>	<b>7,886.83</b>
6815 - Repairs & Maintenance	29,231.31
6820 - Satellite Expenses	
6820-01 - Connection Fee	10,462.00
6820 - Satellite Expenses - Other	16,745.00
<b>Total 6820 - Satellite Expenses</b>	<b>27,207.00</b>
6925 - Shipping	3,908.47
6930 - Switch Expense	36,084.00
6932 - T-1 & FTS Carriers	21,180.00
6940 - Telco Equipment Lease	4,600.00

Circlenet Communication, Inc  
**Profit & Loss**  
 January through December 1999

07/28/01

Jan - Dec '99

6650 - Telephone Expense	
6650-02 - Nextel Phones	12,838.72
6650-03 - Telephone Expense-DR	2,985.00
6650-04 - Telephone Expense-1717	4,547.21
6650-05 - Telephone Expense-Office	528.43
6650 - Telephone Expense - Other	5,931.18
<b>Total 6650 - Telephone Expense</b>	<b>27,225.54</b>
6670 - Transfers to DR	173,000.00
6700 - Travel	
6700-01 - Airline Tickets	18,723.33
6700-02 - Lodging	33,813.74
6700 - Travel - Other	18,200.00
<b>Total 6700 - Travel</b>	<b>69,837.07</b>
6750 - Utilities	4,400.00
6889 - Unclassified Expenses	27,500.00
<b>Total Expenses</b>	<b>652,573.95</b>
Net Ordinary Income	-623,713.53
<b>Net Income</b>	<b>-623,713.53</b>

No. 0925 P. 5

Oct. 23. 1996 1:11AM

07/16/01

**Circenet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 1999

	Dec 31, 99
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1010 - Checking - Citibank (Illam)	808.51
1020 - Checking - City National	155,314.32
1000 - Money Market - City National	1,493.47
1060 - Payroll - City National	307.00
1090 - Suspense Acct	1,000.00
<b>Total Checking/Savings</b>	158,824.00
<b>Other Current Assets</b>	
1750 - Employee Advances	1,279.50
<b>Total Other Current Assets</b>	1,279.50
<b>Total Current Assets</b>	140,103.50
<b>Fixed Assets</b>	
1500 - Computer Equipment	92,004.34
1515 - Furniture & Fixtures	34,206.87
1520 - LDCS Licenses	
1521 - DR License	100,000.00
<b>Total 1520 - LDCS Licenses</b>	100,000.00
1560 - Office Equipment	2,902.58
<b>1570 - Telco Equipment</b>	
1570-01 - DSU/CBU	3,000.00
1570-02 - EMD Station	61,150.00
1570-03 - Fiberoptic Cables	24,264.00
1570-04 - General Equipment	6,996.25
1570-05 - Hubs	1,570.00
1570-06 - IP Wireless Bridges	90,000.00
1570-07 - Max 6000 Gateway	182,000.00
1570-08 - Power Controllers	1,731.00
1570-09 - Routers	47,295.00
1570-10 - Software	48,500.00
1570-11 - Spectrum Analyzer	5,500.00
1570-12 - Switching Equipment	89,210.89
1570-13 - T1 Lines	69,000.00
1570 - Telco Equipment - Other	15,379.90
<b>Total 1570 - Telco Equipment</b>	654,867.04
<b>Total Fixed Assets</b>	781,983.23
<b>Other Assets</b>	
<b>1700 - Deposits</b>	
1700-01 - Citicorp Office	3,060.00
1700-03 - Cofdata-DR	150,000.00
1700-05 - Telephone Lines	
1705-03 - PIP-T1	4,900.00
<b>Total 1700-05 - Telephone Lines</b>	4,900.00
<b>Total 1700 - Deposits</b>	157,960.00
<b>1790 - Transfers to Pakistan</b>	
1800 - Travel Advances	40,000.00
1800-05 - Elias Akar	1,000.00
<b>Total 1800 - Travel Advances</b>	41,000.00
<b>Total Other Assets</b>	198,960.00
<b>TOTAL ASSETS</b>	1,122,046.73

070501

**Cirienet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 1999

	<u>Dec 31, '99</u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	20,666.75
2000 - Accounts Payable	<u>20,666.75</u>
Total Accounts Payable	20,666.75
Other Current Liabilities	
2100 - Payroll Liabilities	494.76
Total Other Current Liabilities	<u>494.76</u>
Total Current Liabilities	21,161.51
<b>Long Term Liabilities</b>	
2300 - Capital Lease Finova-CPU Equip	47,623.33
Total Long Term Liabilities	<u>47,623.33</u>
<b>Total Liabilities</b>	68,784.84
<b>Equity</b>	
0000 - Opening Bal Equity	600.00
3200 - Common Stock	
3200-01 - Class A - Investors	400,000.00
3210-01 - Class A & B - El Hassan Ennathou	590,378.00
3210-02 - Class A & B - Elias Aizer	236,625.90
3210-03 - Class A & B - Evelyn Ollas	-52,704.53
3210-04 - Class A & B - Jean Medici	166,894.88
3210-05 - Class A & B - Sara Dreyfus	287,080.00
3220-01 - PKC - Rodrigo Vera	-61,880.04
3200 - Common Stock - Other	<u>314,845.50</u>
Total 3200 - Common Stock	1,676,763.42
Net Income	<u>-623,713.53</u>
<b>Total Equity</b>	<u>1,053,049.89</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,122,898.73</u></u>

07/06/01

**Circenet Communication, Inc**  
**Profit & Loss**  
 January through December 2000

	<u>Jan - Dec '00</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4000 - Revenue	
4010 - Long Distance Carrier	1,618.88
<b>Total 4000 - Revenue</b>	<u>1,618.88</u>
7000 - Interest Income	2,624.24
<b>Total Income</b>	<u>4,243.12</u>
<b>Gross Profit</b>	4,243.12
<b>Expense</b>	
6000 - Advertising & Promotion	6,693.54
6010 - Bank Service Charges	3,048.38
6040 - Charges and Fees	277.77
6060 - Courier Services	3,358.50
6080 - Computer Supplies & Support	43,377.50
6070 - Delivery & Postage	57,672.67
6090 - Employee Training Course	8,885.50
6100 - Employee Benefits	
6100-01 - Employee Dental	1,133.57
6100-02 - Employee Health	28,399.92
<b>Total 6100 - Employee Benefits</b>	<u>29,533.49</u>
6106 - Escrow /N/O/A	206.80
6110 - Insurance	
6110-01 - Property & Gtl. Liab.	51,297.47
6110 - Insurance - Other	39.00
<b>Total 6110 - Insurance</b>	<u>51,336.47</u>
6120 - Lease Expenses	11,531.86
6140 - Meals & Entertainment	5,744.12
6180 - Miscellaneous	25,496.94
6160 - Office Rental	
6160-00 - Office Rental 440	68,482.56
6160-01 - Office Rental-01	6,226.00
6160-03 - Office Rental-03/4	4,760.00
<b>Total 6160 - Office Rental</b>	<u>79,468.56</u>
6170 - Officers Advance	329,000.00
6180 - Outside Services	
6180-01 - Accounting/Bookkeeping	3,378.40
6180-02 - Office Help & Security	8,645.73
6180 - Outside Services - Other	275.00
<b>Total 6180 - Outside Services</b>	<u>12,300.13</u>
6500 - Payroll Expenses	
6500-01 - Employee Salaries	114,197.87
6520 - Payroll Tax Expenses	10,681.89
6590-01 - Payroll Taxes, 940 & UC1-3	7,197.69
6590 - Payroll Expenses - Other	19,120.00
<b>Total 6500 - Payroll Expenses</b>	<u>151,197.45</u>
6900 - Professional Fees	
6190-04 - Technical Support	0.00
6680-01 - Accounting	10,700.00
6590-02 - Legal Fees	25,024.18
6690-03 - Marketing Support	1,800.00
6690-05 - SEC Filing	7,000.00
4590 - Professional Fees - Other	0.00
<b>Total 6900 - Professional Fees</b>	<u>44,524.18</u>



**Circlinet Communication, Inc**  
**Profit & Loss**  
 January through December 2000

	Jan - Dec '00
6610 - Office Expense & Supplies	
6600-01 - Petty Cash Expenses	3,800.00
6610 - Office Expense & Supplies - Other	37,835.00
<b>Total 6610 - Office Expense &amp; Supplies</b>	<b>41,735.00</b>
6625 - Repairs & Maintenance	6,860.31
6620 - Satellite Expenses	
6620-01 - Connection Fee	26,800.00
6620-02 - Connection Fee-London	18,400.00
<b>Total 6620 - Satellite Expenses</b>	<b>45,200.00</b>
6625 - Shipping	18,477.24
6630 - Switch Expense	13,000.00
6632 - T-1 & M5 Cables	137,809.57
6640 - Telco Equipment Lease	753.87
6650 - Telephone Expense	
6650-01 - MCI WorldCom	2,260.18
6650-02 - Nextel Phones	34,713.15
6650-03 - Telephone Expense-OR	2,820.00
6650-04 - Telephone Expense-T717	8,086.66
6650-05 - Telephone Expense-Office	16,043.98
6650 - Telephone Expense - Other	10,800.83
<b>Total 6650 - Telephone Expense</b>	<b>74,730.20</b>
6700 - Travel	
6700-01 - Airline Tickets	54,804.22
6700-02 - Lodging	32,588.18
6700-03 - Other	4,553.28
6700 - Travel - Other	1,560.00
<b>Total 6700 - Travel</b>	<b>93,475.68</b>
6730 - Utilities	5,341.65
6900 - Uncategorized Expenses	0.00
<b>Total Expense</b>	<b>1,332,272.06</b>
<b>Net Ordinary Income</b>	<b>-1,328,028.94</b>
<b>Other Income/Expense</b>	
Other Expense	
8000 - Loss on J. Masaki buyout	282,067.81
8010 - Loss on R. Vera Buyout	61,886.04
<b>Total Other Expense</b>	<b>343,953.85</b>
<b>Net Other Income</b>	<b>-343,953.85</b>
<b>Net Income</b>	<b>-1,671,982.79</b>

02/08/01

**Circlenet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 2000

	Dec 31, '00
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000 - Checking - Citibank ( DR)	8,000.00
1010 - Checking - Citibank (MIMM)	1,772.51
1020 - Checking - City National	1,127.33
1050 - Money Market - City National	1,584.23
1080 - Suspense Acct	1,000.00
<b>Total Checking/Savings</b>	<b>13,484.07</b>
<b>Other Current Assets</b>	
1210 - Employee Receivable-RI Contri	50,000.00
1750 - Employee Advance	1,279.50
<b>Total Other Current Assets</b>	<b>51,279.50</b>
<b>Total Current Assets</b>	<b>73,773.57</b>
<b>Fixed Assets</b>	
1500 - Computer Equipment	187,879.56
1510 - Computer Software	3,085.25
1515 - Furniture & Fixtures	55,815.38
1520 - LDCS Licenses	
1521 - DR Licenses	100,000.00
<b>Total 1520 - LDCS Licenses</b>	<b>100,000.00</b>
1540 - Bio Systems Equipment	
1541 - Software	29,157.60
1540 - Bio Systems Equipment - Other	19,438.40
<b>Total 1540 - Bio Systems Equipment</b>	<b>48,596.00</b>
1550 - Licensed Equipment-capital leases	3,095,405.08
1560 - Office Equipment	3,488.72
1565 - Telecommunications Equipments	268,302.82
1570 - Telco Equipment	
1570-01 - DSU/CSLU	3,600.00
1570-02 - Earth Station	81,150.00
1570-03 - Fiberoptic Cables	24,854.00
1570-04 - General Equipment	6,906.25
1570-05 - Hubs	1,570.00
1570-06 - IP Wireless Bridges	30,000.00
1570-07 - Max 8000 Gateway	182,000.00
1570-08 - Power Controllers	1,751.00
1570-09 - Routers	62,795.00
1570-10 - Software	57,199.12
1570-11 - Spectrum Analyzer	5,500.00
1570-12 - Switching Equipment	88,210.89
1570-13 - T1 Lines	152,253.75
1570 - Telco Equipment - Other	15,379.90
<b>Total 1570 - Telco Equipment</b>	<b>674,329.91</b>
<b>Total Fixed Assets</b>	<b>4,386,652.00</b>
<b>Other Assets</b>	
<b>1650 - Start-up expenses</b>	
1650-01 - Marketing Development Fees	197,855.40
1650-02 - Technical Development Fees	190,434.48
<b>Total 1650 - Start-up expenses</b>	<b>378,289.88</b>
<b>1700 - Deposits</b>	
1700-01 - Caracas OffiCe	3,050.00
1700-03 - Cocktail-OR	150,000.00

07/06A1

**Circlenet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 2000

	Dec 31, '00
1700-05 - Telephone Lines 1705-03 - PIP-T1	
<b>Total 1700-05 - Telephone Lines</b>	<u>4,300.00</u>
<b>Total 1700 - Deposits</b>	<u>4,300.00</u>
1780 - Transfers to Pakistan	157,350.00
1791 - Transfers to Trinidad-Tobago	628,006.48
1800 - Travel Advances	44,912.00
1800-03 - Derrick Jones	5,000.00
1800-04 - El Hassan Ennahou	5,000.00
1800-07 - Robert Curran	4,000.00
<b>Total 1800 - Travel Advances</b>	<u>14,000.00</u>
<b>Total Other Assets</b>	<u>1,222,357.34</u>
<b>TOTAL ASSETS</b>	<u><u>5,682,785.81</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
2000 - Accounts Payable	409,785.52
<b>Total Accounts Payable</b>	<u>409,785.52</u>
Other Current Liabilities	408,795.62
2100 - Payroll Liabilities	-218.50
2250 - Due to SH - Elias Akar	-15,000.00
<b>Total Other Current Liabilities</b>	<u>-45,216.50</u>
<b>Total Current Liabilities</b>	<u>394,579.62</u>
<b>Long Term Liabilities</b>	
2300 - Capital Lease Fibra-CMU Equip	37,047.73
2310 - Capital Lease GE-Acc001-05	1,715,104.63
2320 - Capital Lease GE-Acc002	1,065,721.01
2330 - Loan Payable-RAD Network Serv.	56,000.00
<b>Total Long Term Liabilities</b>	<u>2,873,873.37</u>
<b>Total Liabilities</b>	<u>3,258,452.99</u>
<b>Equity</b>	
3000 - Opening Bal Equity	500.00
3200 - Common Stock	
3200-01 - Class A Investors	3,264,881.07
3210-01 - Class A & B - El Hassan Ennahou	500,978.00
3210-02 - Class A & B - Elias Akar	239,425.50
3210-03 - Class A & B - Evello Othya	-117,812.53
3210-05 - Class A & B - Sara Dreyfus	548,000.00
3200 - Common Stock - Other	314,849.50
<b>Total 3200 - Common Stock</b>	<u>4,749,321.54</u>
3900 - Retained Earnings	-623,713.63
Net Income	-1,681,776.59
<b>Total Equity</b>	<u>2,444,331.42</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>5,682,785.81</u></u>

07/06/01

**Circenet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 1999

	Dec 31, '99
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1010 - Checking - Citibank (Miami)	908.91
1020 - Checking - City National	135,314.32
1050 - Money Market - City National	1,483.47
1080 - Payroll - City National	307.30
1090 - Suspense Acct	1,000.00
<b>Total Checking/Savings</b>	<b>139,024.00</b>
<b>Other Current Assets</b>	
1750 - Employee Advance	1,279.50
<b>Total Other Current Assets</b>	<b>1,279.50</b>
<b>Total Current Assets</b>	<b>140,303.50</b>
<b>Fixed Assets</b>	
1500 - Computer Equipment	92,004.34
1515 - Furniture & Fixtures	34,208.87
1520 - LDCS Licenses	
1521 - DR Licenses	100,000.00
<b>Total 1520 - LDCS Licenses</b>	<b>100,000.00</b>
1560 - Office Equipment	2,902.98
1570 - Telco Equipment	
1570-01 - DSL/ACSU	3,500.00
1570-02 - Earth Station	61,130.00
1570-03 - Fiberoptic Cables	24,954.00
1570-04 - General Equipment	9,896.25
1570-05 - Hubs	1,570.00
1570-06 - IP Wireless Bridges	30,000.00
1570-07 - Max 8000 Gateway	162,000.00
1570-08 - Power Controllers	1,731.00
1570-09 - Routers	47,295.00
1570-10 - Software	46,600.00
1570-11 - Spectrum Analyzer	5,500.00
1570-12 - Switching Equipment	89,210.89
1570-13 - T1 Lines	59,000.00
1570 - Telco Equipment - Other	15,378.80
<b>Total 1570 - Telco Equipment</b>	<b>654,267.04</b>
<b>Total Fixed Assets</b>	<b>783,983.23</b>
<b>Other Assets</b>	
<b>1700 - Deposits</b>	
1700-01 - Caracas Office	3,050.00
1700-03 - Codetele-DR	150,000.00
1700-05 - Telephone Lines	
1706-03 - PIP-T1	4,300.00
<b>Total 1700-05 - Telephone Lines</b>	<b>4,300.00</b>
<b>Total 1700 - Deposits</b>	<b>157,350.00</b>
1790 - Transfers to Pakistan	40,000.00
1800 - Travel Advances	
1800-05 - Elias Abon	1,000.00
<b>Total 1800 - Travel Advances</b>	<b>1,000.00</b>
<b>Total Other Assets</b>	<b>188,350.00</b>
<b>TOTAL ASSETS</b>	<b>1,122,636.73</b>

070501

**Circlenet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 1999

	Dec 31, '99
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	20,666.75
2000 - Accounts Payable	20,666.75
Total Accounts Payable	20,666.75
Other Current Liabilities	494.76
2100 - Payroll Liabilities	494.76
Total Other Current Liabilities	494.76
<b>Total Current Liabilities</b>	21,161.51
<b>Long Term Liabilities</b>	47,823.33
2300 - Capital Lease Minova-CPU Equip	47,823.33
<b>Total Long Term Liabilities</b>	47,823.33
<b>Total Liabilities</b>	69,084.84
<b>Equity</b>	
3000 - Opening Bal Equity	500.00
3200 - Common Stock	
3210-01 - Class A - Investors	400,000.00
3210-01 - Class A & B - El Hassan Elnelou	380,878.00
3210-02 - Class A & B - Elms Aljar	239,425.50
3210-03 - Class A & B - Evelto Olyvt	-62,704.53
3210-05 - Class A & B - Jean Madici	169,894.89
3210-06 - Class A & B - Sara Drayka	267,000.00
3220-01 - PUC - Rodrigu Vera	-61,650.04
3220 - Common Stock - Other	314,248.50
<b>Total 3200 - Common Stock</b>	1,678,765.42
<b>Net Income</b>	-823,713.33
<b>Total Equity</b>	1,053,549.89
<b>TOTAL LIABILITIES &amp; EQUITY</b>	1,122,634.73

070601

**Circlenet Communication, Inc**  
**Profit & Loss**  
 January through December 2000

	<u>Jan - Dec '00</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4000 - Revenue	
4010 - Long Distance Carrier	1,518.88
<b>Total 4000 - Revenue</b>	<u>1,518.88</u>
7000 - Interest Income	2,624.24
<b>Total Income</b>	<u>4,243.12</u>
<b>Gross Profit</b>	4,243.12
<b>Expense</b>	
6000 - Advertising & Promotion	6,843.54
6010 - Bank Service Charges	3,944.38
6040 - Charges and Fees	277.77
6060 - Codelist Services	3,354.50
6060 - Computer Supplies & Support	43,877.50
6070 - Delivery & Postage	57,672.87
6080 - Employee Training Course	3,095.60
6100 - Employee Benefits	
6100-01 - Employee Dental	1,136.57
6100-02 - Employee Health	28,386.92
<b>Total 6100 - Employee Benefits</b>	<u>29,523.49</u>
6106 - Escrow FDC/VA	706.90
6110 - Insurance	
6110-01 - Property & Car L.I.D.	51,207.47
6110 - Insurance - Other	38.00
<b>Total 6110 - Insurance</b>	<u>51,245.47</u>
6120 - Lease Expenses	11,531.85
6140 - Meals & Entertainment	5,744.12
6150 - Miscellaneous	25,695.94
6160 - Office Rental	
6160-00 - Office Rental 044	68,482.55
6160-01 - Office Rental-DI	8,220.00
6160-03 - Office Rental-KS&S4	4,758.00
<b>Total 6160 - Office Rental</b>	<u>77,462.55</u>
6170 - Officers Advance	329,000.00
6180 - Outside Services	
6180-01 - Accounting/Bookkeeping	3,378.00
6180-02 - Office Help & Security	6,606.73
6180 - Outside Services - Other	275.00
<b>Total 6180 - Outside Services</b>	<u>12,162.73</u>
6550 - Payroll Expenses	
6550-01 - Employee Salaries	114,197.67
6550 - Payroll Tax Expenses	10,581.89
6550-01 - Payroll Taxes, 940 & UCT-6	1,187.58
6550 - Payroll Expenses - Other	18,120.00
<b>Total 6550 - Payroll Expenses</b>	<u>145,107.15</u>
6590 - Professional Fees	
6590-06 - Technical Support	0.00
6590-01 - Accounting	10,700.00
6590-02 - Legal Fees	75,024.18
6590-03 - Marketing Support	1,800.00
6590-05 - SEC Filing	7,000.00
6590 - Professional Fees - Other	0.00
<b>Total 6590 - Professional Fees</b>	<u>95,324.18</u>

07/06/01

**Circlenet Communication, Inc**  
**Profit & Loss**  
 January through December 2000

	Jan - Dec '00
6610 - Office Expense & Supplies	
6600-01 - Petty Cash Expenses	3,806.89
6610 - Office Expense & Supplies - Other	37,935.00
<b>Total 6610 - Office Expense &amp; Supplies</b>	<b>41,736.00</b>
6615 - Repairs & Maintenance	6,650.21
6620 - Satellite Expenses	
6620-01 - Connection Fee	28,600.00
6620-02 - Connection Fee-London	16,400.00
<b>Total 6620 - Satellite Expenses</b>	<b>45,000.00</b>
6625 - Shipping	18,477.24
6630 - Switch Expenses	13,000.00
6632 - I-T & HS Carriers	131,909.57
6640 - Telco Equipment Lease	753.87
6650 - Telephone Expenses	
6650-01 - eccl WorldCall	2,286.18
6650-02 - Model Phones	34,719.16
6650-03 - Telephone Expense-0A	2,820.00
6650-04 - Telephone Expense 1717	8,065.06
6650-05 - Telephone Expense Other	13,043.85
6650 - Telephone Expense - Other	10,806.83
<b>Total 6650 - Telephone Expense</b>	<b>74,730.29</b>
6700 - Travel	
6700-01 - Airline Tickets	54,804.22
6700-02 - Lodging	32,838.18
6700-03 - Other	4,833.28
6700 - Travel - Other	1,500.00
<b>Total 6700 - Travel</b>	<b>93,675.68</b>
6260 - Utilities	5,341.85
6300 - Uncategorized Expenses	0.00
<b>Total Expense</b>	<b>1,332,272.06</b>
<b>Net Ordinary Income</b>	<b>-1,328,028.84</b>
Other Income/Expense	
Other Expense	
8020 - Loss on J. Medical buyout	282,067.61
8020 - Loss on R. Vera buyout	81,880.04
<b>Total Other Expense</b>	<b>363,747.65</b>
<b>Net Other Income</b>	<b>-363,747.65</b>
<b>Net Income</b>	<b>-1,691,776.49</b>

07/15/97

**Circlenet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 2000

	<u>Dec 31, '00</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000 - Checking - Citibank (DR)	8,000.00
1010 - Checking - Citibank (W&M)	1,772.51
1020 - Checking - City National	1,127.39
1030 - Money Market - City National	1,594.25
1090 - Suspense Acct	1,000.00
<b>Total Checking/Savings</b>	<u>13,494.15</u>
<b>Other Current Assets</b>	
1210 - Employee Receivable-R. Corrao	59,000.00
1790 - Employee Advances	1,279.60
<b>Total Other Current Assets</b>	<u>60,279.60</u>
<b>Total Current Assets</b>	<u>73,773.57</u>
<b>Fixed Assets</b>	
<b>1500 - Computer Equipment</b>	
1510 - Computer Software	3,895.25
1515 - Furniture & Fixtures	55,815.06
1520 - LDCS Licenses	
1521 - DR Licenses	100,000.00
<b>Total 1520 - LDCS Licenses</b>	<u>100,000.00</u>
<b>1540 - Bio Systems Equipment</b>	
1541 - Software	28,157.80
1540 - Bio Systems Equipment - Other	19,438.40
<b>Total 1540 - Bio Systems Equipment</b>	<u>48,596.20</u>
<b>1550 - Lucent Equipment-capital leases</b>	
1560 - Other Equipment	3,095,405.08
1565 - Telecommunications Equipments	3,488.72
1570 - Telco Equipment	269,322.82
1570-01 - DSXMGSL1	3,800.00
1570-02 - Earth Station	41,130.00
1570-03 - Fiberoptic Cables	24,854.00
1570-04 - General Equipment	6,894.25
1570-05 - Hubs	1,570.00
1570-05 - IP Wireless Bridges	80,000.00
1570-07 - Max 6000 Gateway	162,000.00
1570-08 - Power Controllers	1,781.00
1570-09 - Routers	82,795.00
1570-10 - Software	57,188.12
1570-11 - Spectrum Analyzer	5,500.00
1570-12 - Switching Equipment	39,210.88
1570-13 - T1 Lines	152,263.75
1570 - Telco Equipment - Other	15,379.80
<b>Total 1570 - Telco Equipment</b>	<u>874,529.91</u>
<b>Total Fixed Assets</b>	<u>4,386,652.00</u>
<b>Other Assets</b>	
<b>1600 - Start-up expenses</b>	
1620-01 - Marketing Development Fees	197,855.40
1620-02 - Technical Development Fees	180,434.48
<b>Total 1600 - Start-up expenses</b>	<u>378,289.88</u>
<b>1700 - Deposits</b>	
1700-01 - Caracas Office	3,050.00
1700-02 - CoDelnet-DR	150,000.00



**Circlenet Communication, Inc**  
**Balance Sheet**  
 As of December 31, 2000

	Dec \$1, '00
1700-05 - Telephone Lines	
1708-03 - PLP-T1	4,300.00
Total 1700-05 - Telephone Lines	<u>4,300.00</u>
Total 1700 - Deposits	157,550.00
1700 - Transfers to Pakistan	628,005.48
1791 - Transfers to Trinidad-Tobago	44,912.00
1800 - Travel Advances	
1800-03 - Derick Jones	5,000.00
1801-04 - El Hassan Enshouh	5,000.00
1800-07 - Robert Correa	4,000.00
Total 1800 - Travel Advances	<u>14,000.00</u>
Total Other Assets	<u>1,222,357.24</u>
<b>TOTAL ASSETS</b>	<b><u>5,682,793.81</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
2000 - Accounts Payable	409,795.52
Total Accounts Payable	<u>409,795.52</u>
Other Current Liabilities	
2100 - Payroll Liabilities	-218.50
2260 - Due to SH - Elias Akar	-45,000.00
Total Other Current Liabilities	<u>-45,218.50</u>
Total Current Liabilities	<u>364,577.02</u>
<b>Long Term Liabilities</b>	
2300 - Capital Lease Finco-CPU Equip	37,047.73
2310 - Capital Lease GE-App#1-05	1,715,104.83
2320 - Capital Lease GE-App#2	1,065,721.01
2330 - Loan Payable-R&D Network Serv.	59,029.00
Total Long Term Liabilities	<u>2,877,902.57</u>
Total Liabilities	<u>3,232,479.59</u>
<b>Equity</b>	
3000 - Opening Bal Equity	500.00
3200 - Common Stock	
3200-01 - Class A - Investors	3,294,861.07
3210-01 - Class A & B - El Hassan Enshouh	596,576.00
3210-02 - Class A & B - Elias Akar	238,426.60
3210-03 - Class A & B - Evelyn Oliva	-117,612.53
3210-06 - Class A & B - Sam Dreyfus	546,000.00
3200 - Common Stock - Other	314,849.50
Total 3200 - Common Stock	<u>4,749,221.54</u>
3900 - Retained Earnings	-629,713.53
Net Income	-1,891,776.69
Total Equity	<u>2,444,331.42</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>5,682,793.81</u></b>