

EXHIBIT “C”

FINANCIALS

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EXECUTIVE SUMMARY OF FINANCIALS

365 Wireless, LLC was organized under the laws of the State of Georgia on March 29, 2011 and has been a business entity for just over one year. Consistent with Phase One of its business plan, the Company began seeking certification as a provider of competitive local exchange services in 2011 and is currently authorized to provide such services in the States of New York, Florida, Texas, Washington, Indiana, Oregon, Georgia, Wisconsin, Massachusetts, and North Dakota. Now in Phase Two, 365 is provisioning the facilities necessary to begin offering services to customers in those states and is also working concomitantly to become certified throughout the United States. The operations proposed by the Applicant are economically feasible and Applicant is financially qualified to provide the local exchange and interexchange services requested in this Application.

Applicant is adequately capitalized by a private investor to operate its business and meet all expense obligations through completion of Phase Two of its plan and is on target to reach its breakeven point in 3Q2012 as expressed in the pro forma income statement which is attached hereto. Applicant also has the resources to satisfy any deposits to other telecommunications carriers that it may be required to provide.

In support of its Application, Applicant's financial statements for 2011 are provided as Attachment "D" along with financial statements for 2012 (as of February 15, 2012). The financial statements represent the totality of Applicant's operations and are not based on a specific geographic area. The attached Bank Letter of Deposit and Bank Statement (current at the time of filing this Application) demonstrate that Applicant is adequately capitalized while the pro forma financial statements, heretofore mentioned, show that the Company will achieve its objective to become profitable later this year.



Balance Sheet
365 Wireless, LLC
As of December 31st 2011

Current Assets

Cash in bank
Accounts receivable
Other current assets
Total current assets

December 31, 2011

\$	5,528
	-
	-
	5,528

Fixed Assets

Network equipment
Furniture & fixtures
Other fixed assets
(LESS accumulated depreciation on all fixed assets)
Total Fixed Assets (net of depreciation)

\$	255,650
	8,966
	-
	(9,658)
\$	254,958

Other Assets

Deposits
Other
Total Other Assets

	85,000
	569
\$	85,569

TOTAL Assets

\$	346,055
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Liabilities and Equity

Current Liabilities

Accounts payable
Interest payable
Taxes payable
Notes, short-term (due within 12 months)
Total Current Liabilities

\$	263,805
	-
	125
	-
\$	263,930

Long-term Debt

Note payable to related party
Total Long-term Debt

	-
\$	-

Total Liabilities

\$	263,930
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Owners' Equity

Invested capital
Retained earnings - beginning
Retained earnings - current
Total Owners' Equity

	196,199
	-
	(114,074)
\$	82,125

TOTAL Liabilities & Equity

\$	346,055
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Profit and Loss Statement
365 Wireless, LLC
For the year ended December 31, 2011

	2011 YTD
Sales Revenue	
Network services	\$ -
Other service revenue	\$ -
Total Sales Revenue	\$ -
Cost of Sales	
Interconnection costs	\$ 5,602
Usage costs	\$ -
Total Cost of Sales	\$ 5,602
Gross profit	\$ (5,602)
Operating Expenses	
Advertising and Marketing	
Wages and salaries	\$ 68,533
State registration fees	\$ 5,695
Outside services	\$ 5,500
Supplies	\$ 205
Rent	\$ 7,565
Depreciation	\$ 9,658
Insurance	\$ 8,627
Other expense	\$ 2,688
Total OPEX	\$ 108,471
Net profit (loss)	\$ (114,074)



Balance Sheet

365 Wireless, LLC

As of February 15th, 2012

Current Assets

Cash in bank

Accounts receivable

Other current assets

Total current assets

Fixed Assets

Network equipment

Furniture & fixtures

Other fixed assets

(LESS accumulated depreciation on all fixed assets)

Total Fixed Assets (net of depreciation)

Other Assets

Deposits

Other

Total Other Assets

TOTAL Assets

Liabilities and Equity

Current Liabilities

Accounts payable

Interest payable

Taxes payable

Notes, short-term (due within 12 months)

Total Current Liabilities

Long-term Debt

Note payable to related party

Total Long-term Debt

Total Liabilities

Owners' Equity

Invested capital

Retained earnings - beginning

Retained earnings - current

Total Owners' Equity

TOTAL Liabilities & Equity

As of February 15th,
2012

\$	106,248
	1,026
	-
	107,274

\$	255,650
	8,966
	-
	(9,658)
\$	254,958

	85,000
	569
\$	85,569

\$	447,801
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\$	166,260
	-
	-
	-
\$	166,260

o	
\$	-

\$	166,260
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	441,536
	(114,074)
	(45,921)
\$	281,541

\$	447,801
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Profit and Loss Statement
365 Wireless, LLC
2012 YTD

	2012 YTD
Sales Revenue	
Network services	\$ 2,153
Other service revenue	\$ -
Total Sales Revenue	<u>\$ 2,153</u>
Cost of Sales	
Interconnection costs	\$ 24,698
Usage costs	\$ 1,432
Colocation expense	\$ -
Total Cost of Sales	<u>\$ 26,130</u>
Gross profit	<u>\$ (23,977)</u>
Operating Expenses	
Advertising and Marketing	
Wages and salaries	\$ 15,205
State registration fees	\$ 105
Outside services	\$ 3,525
Supplies	\$ 52
Rent	\$ 1,698
Depreciation	\$ -
Insurance	\$ 1,258
Other expense	\$ 101
Total OPEX	<u>\$ 21,944</u>
Net profit (loss)	<u>\$ (45,921)</u>



Balance Sheet
365 Wireless, LLC
 Proforma Balance Sheet

	As of 12/31/2012	As of 12/31/2013	As of 12/31/2014
<u>Current Assets</u>			
Cash in bank	\$ 456,985	\$ 858,633	\$ 1,569,852
Accounts receivable	365,987	701,548	1,211,659
Prepaid expenses	2,692	16,985	25,691
Other current assets	15,698	30,584	32,504
Total current assets	841,362	1,607,750	2,839,706
<u>Fixed Assets</u>			
Network equipment	\$ 356,587	\$ 705,897	\$ 909,845
Furniture & fixtures	16,851	69,949	70,051
Other fixed assets	2,568	4,598	6,594
(LESS accumulated depreciation on all fixed assets)	(141,152)	(343,407)	(553,092)
Total Fixed Assets (net of depreciation)	\$ 234,854	\$ 437,037	\$ 433,398
<u>Other Assets</u>			
Deposits	85,500	125,000	125,000
Other	569	5,005	83,125
Total Other Assets	\$ 86,069	\$ 130,005	\$ 208,125
TOTAL Assets	\$ 1,162,285	\$ 2,174,792	\$ 3,481,229
Liabilities and Equity			
<u>Current Liabilities</u>			
Accounts payable	\$ 396,976	\$ 559,836	\$ 601,005
Interest payable	6,982	9,852	8,542
Taxes payable	1,134	2,569	3,654
Notes, short-term (due within 12 months)	10,000	10,000	-
Total Current Liabilities	\$ 415,092	\$ 582,257	\$ 613,201
<u>Long-term Debt</u>			
Note payable to related party	150,000	60,000	-
Total Long-term Debt	\$ 150,000	\$ 60,000	\$ -
Total Liabilities	\$ 565,092	\$ 642,257	\$ 613,201
<u>Owners' Equity</u>			
Invested capital	\$ 100,000	\$ 100,000	\$ 100,000
Retained earnings - beginning	-	497,193	1,432,535
Retained earnings - current	497,193	935,342	1,335,493
Total Owners' Equity	\$ 597,193	\$ 1,532,535	\$ 2,868,028
TOTAL Liabilities & Equity	\$ 1,162,285	\$ 2,174,792	\$ 3,481,229



**Profit and Loss Statement
365 Wireless, LLC**

THREE YEAR PROFORMA INCOME STATEMENTS

	2012	2013	2014
Sales Revenue			
Network services	\$ 6,863,598	\$ 9,685,451	\$ 11,596,674
Other service revenue	\$ 4,389	\$ 6,568	\$ 9,006
Total Sales Revenue	<u>\$ 6,867,987</u>	<u>\$ 9,692,019</u>	<u>\$ 11,605,680</u>
Cost of Sales			
Interconnection costs	\$ 656,369	\$ 709,659	\$ 874,526
Bandwidth costs	\$ 205,894	\$ 365,985	\$ 459,633
Colocation costs	\$ 25,367	\$ 45,986	\$ 11,245
Switching costs	\$ 421,888	\$ 605,784	\$ 615,333
Usage costs	\$ 3,968,567	\$ 5,026,558	\$ 5,966,663
Total Cost of Sales	<u>\$ 5,278,085</u>	<u>\$ 6,753,972</u>	<u>\$ 7,927,400</u>
Gross profit	<u>\$ 1,589,902</u>	<u>\$ 2,938,047</u>	<u>\$ 3,678,280</u>
Operating Expenses			
Advertising and Marketing	\$ 36,571	\$ 56,815	\$ 75,012
Wages and salaries	\$ 259,986	\$ 756,892	\$ 805,556
Outside services	\$ 95,862	\$ 75,001	\$ 50,666
Supplies	\$ 12,698	\$ 23,565	\$ 54,874
Rent	\$ 38,974	\$ 38,974	\$ 38,974
Postage	\$ 2,674	\$ 3,025	\$ 5,989
Telephone and Internet	\$ 21,636	\$ 29,632	\$ 36,598
Legal and professional	\$ 50,587	\$ 85,065	\$ 50,058
Consulting fees	\$ 45,036	\$ 50,020	\$ 65,988
Depreciation	\$ 141,152	\$ 202,255	\$ 209,685
Insurance	\$ 44,269	\$ 57,899	\$ 59,058
Other expense	\$ 9,693	\$ -	\$ -
Total Operating Expenses	<u>\$ 759,138</u>	<u>\$ 1,379,143</u>	<u>\$ 1,452,458</u>
Pre-tax Income	<u>\$ 830,764</u>	<u>\$ 1,558,904</u>	<u>\$ 2,225,822</u>
Tax allowance	\$ (332,306)	\$ (623,562)	\$ (890,329)
Other income (expense)	\$ (1,265)	\$ -	\$ -
Net income (loss)	<u>\$ 497,193</u>	<u>\$ 935,342</u>	<u>\$ 1,335,493</u>

BANK LETTER OF DEPOSIT



Your Success is Our Business.

2970 Peachtree Road NW
Suite 100
Atlanta, GA 30305
Phone 404.240.5000
Fax 404.814.9745

May 1, 2012

South Dakota Public Utilities Commission
Capitol Building, 1st floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

Dear Sir/Madam,

Please accept this letter as confirmation that as of today's date, 365 Wireless LLC has on deposit with Georgia Commerce Bank a balance of \$100,000.00 in account #1018316.

Please feel free to contact the bank if you have any further questions.

Thank you,

A handwritten signature in blue ink that reads "B. Berry".

Becky Berry
Banking Officer
Georgia Commerce Bank
2970 Peachtree Road, NW
Suite 100
Atlanta, GA 30305

BANK STATEMENT



Your Success is Our Business.

3625 CUMBERLAND BOULEVARD
BLDG. 2
ATLANTA, GA 30339
678-631-1240

PAGE: 1
ACCOUNT: 1018316 03/30/2012
DOCUMENTS: 0

000184

365 WIRELESS LLC
2970 PEACHTREE RD NW STE 300
ATLANTA GA 30305

BUCKHEAD BRANCH
2970 PEACHTREE RD NW STE 100
ATLANTA GA 30305

Georgia Commerce Bank is now offering eStatements. If you are interested in receiving your Bank Statement electronically, please contact one of our offices: 678-631-1240 Main Office, 678-631-3600 Marietta Branch or 404-240-5000 Buckhead Branch.

BUSINESS CHECKING ACCOUNT 1018316

MINIMUM BALANCE	100,000.00	LAST STATEMENT 02/29/12	100,000.00
AVG AVAILABLE BALANCE	100,000.00	CREDITS	.00
AVERAGE BALANCE	100,000.00	DEBITS	.00
		THIS STATEMENT 03/30/12	100,000.00

- - - ITEMIZATION OF OVERDRAFT AND RETURNED ITEM FEES - - -

*		TOTAL FOR	TOTAL *
*		THIS PERIOD	YEAR TO DATE *

* TOTAL OVERDRAFT FEES:		\$.00	\$.00 *

* TOTAL RETURNED ITEM FEES:		\$.00	\$.00 *



CERTIFICATION OF FINANCIAL STATEMENTS

Clive Marsh, being duly sworn, deposes and says that he is the described Chief Financial Officer of 365 Wireless, LLC, and that for the reporting periods stated in the attached financial reports ending as of December 31, 2011, and February 15, 2012, all the therein described assets were the absolute property of the reporting entity, free and clear of any liens or claims thereon, except as herein stated, and that the statements together with related exhibits, schedules, notes and explanations therein contained, annexed or referred to is a full and true statement of all of its assets and liabilities and of its income and deductions therefrom, and the condition and affairs of the reporting entity as of the reporting period, and have been completed in accordance with generally accepted accounting principles.

[Signature]
Chief Financial Officer

Clive Marsh
Printed Name

Date 5/3/12

STATE OF GEORGIA
COUNTY OF FULTON

Before me on this day personally appeared Clive Marsh
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of this office this 3d day of May,
2012.



[Signature]
Notary Public

T.D. Cash

Printed Name

My commission expires on:

7/21/15