

Variables

HARDWARE AMOUNTS	
Basic PC	
486 46 System	
w/ 16 meg RAM	
w/ 426 meg HD	
w/ 15" monitor	
w/ Fax/modem	
Tape Back Up	
Floppy Card	
Total Basic PC	\$0 CIS

TronCom Fiberswitch 2 x 32 port module	\$405	17
TronCom 100 Meg XL 80 Switch	\$4,349	19
em 3		20
em 4		
em 5		21

INSTALLATION AMOUNTS		
Cable Installation - Cost Horizontal	\$100	26
Cable Install - Backbone Riser Cost	\$100	27

Install Service / Maint Cost 1	\$50	29
Install Service / Maint Cost 2	\$100	30
Install Service / Maint Cost 3	\$50	31
Install Service / Maint Cost 4	\$500	32
Install Service / Maint Cost 5	\$600	33
Install Service / Maint Cost 6	\$41	34
Install Service / Maint Cost 7	\$500	35

Startup Content Relationship Cost A	\$50,000	37
Startup Content Relationship Cost B	\$50,000	38
Startup Content Relationship Cost C	\$50,000	39
Startup Content Relationship Cost D	\$50,000	40
Startup Content Relationship Cost E	\$50,000	41

New Connection Installation Revenue 1	\$300	43
New Connection Installation Revenue 2	\$500	44
New Connection Installation Revenue 3	\$300	45
New Connection Installation Revenue 4	\$600	46
New Connection Installation Revenue 5	\$1,000	47
New Connection Installation Revenue 6	\$300	48
New Connection Installation Revenue 7	\$600	49

MISCELLANEOUS AMOUNTS	
Sales Tax Rate	3.25%
Federal Tax Rate	34.00%
State Tax Rate	1.50%

New Connections per year	50
Starting Date (m/d/yyyy)	08/01/96

ANNUAL INDEX ITEMS	
Inflation Rate	5.00%
Annual Index - Capital Cost	1.00%
Annual Index - Installation Cost	2.00%
Annual Index - Service / Maint Cost	5.00%
Annual Index - Installation Rev	2.00%
Annual Index - Monthly Rev	9.00%

LEASING AMOUNTS		
36 Month Lease % of Cost	1.70%	(Leased (Y/N))
Monthly Fiberswitch Module	\$0.00	
Monthly Item 2	\$0.00	
Monthly Item 3	\$0.00	
Monthly Basic PC	\$0.00	
Monthly Item 4	\$0.00	
Monthly Item 5	\$0.00	

FINANCING FACTORS		
Prime Rate	9.50%	
Borrowing Rate Over Prime	1.00%	
Depreciable Life	36	
Working Capital Threshold	\$100,000,000	
Working Capital Buffering	\$	
Discount Rate	12.00%	
Joint Venture Capital (Eq/Inv)	100.00%	(Y/N)
Debt Financed Capital (Debt)	0.00%	

RECURRING AMOUNTS		
Monthly Horiz Cable Maint Cost	\$5	F32
Monthly Riser Cable Maint Cost	\$15	33
Monthly Service / Maint Cost 1	\$22	35
Monthly Service / Maint Cost 2	\$100	36
Monthly Service / Maint Cost 3	\$6	37
Monthly Service / Maint Cost 4	\$130	38
Monthly Service / Maint Cost 5	\$22	39
Monthly Service / Maint Cost 6	\$35	40
Monthly Service / Maint Cost 7	\$600	41
Content Delivery Monthly Cost A	\$7	43
Content Delivery Monthly Cost B	\$250	44
Content Delivery Monthly Cost C	\$60	45
Content Delivery Monthly Cost D	\$25	46
Content Delivery Monthly Cost E	\$200	47
Monthly Connectivity Revenue 1	\$160	49
Monthly Connectivity Revenue 2	\$700	50
Monthly Connectivity Revenue 3	\$10	51
Monthly Connectivity Revenue 4	\$250	52
Monthly Connectivity Revenue 5	\$200	53
Monthly Connectivity Revenue 6	\$10	54
Monthly Connectivity Revenue 7	\$1,500	55
Content Delivery Monthly Revenue A	\$10	57
Content Delivery Monthly Revenue B	\$500	58
Content Delivery Monthly Revenue C	\$100	59
Content Delivery Monthly Revenue D	\$50	60
Content Delivery Monthly Revenue E	\$250	61

AUTOMATIC NEW CONNECTION GROWTH VARIABLES						
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	5-yr Annual Growth
New Connection Annual Growth % 1	10.0%	12.0%	14.0%	16.0%	18.0%	(TRAVEL)
Cumulative Growth % 1		21.0%	35.0%	51.0%	69.0%	(TRAVEL)
New Connections	0.00	0.00	0.00	0.00	0.00	
Manually Entered New Connections	25.00	50.00	75.00	100.00	125.00	300.00

New Connection Annual Growth % 2	10.0%	12.0%	14.0%	16.0%	18.0%	(TRAVEL)
Cumulative Growth % 2		21.0%	35.0%	51.0%	69.0%	(TRAVEL)
New Connections	0.00	0.00	0.00	0.00	0.00	
Manually Entered New Connections	25.00	50.00	75.00	100.00	125.00	300.00

New Connection Annual Growth % 3	10.0%	12.0%	14.0%	16.0%	18.0%	(TRAVEL)
Cumulative Growth % 3		21.0%	35.0%	51.0%	69.0%	(TRAVEL)
New Connections	0.00	0.00	0.00	0.00	0.00	
Manually Entered New Connections	0.00	0.00	0.00	0.00	0.00	0.00

New Connection Annual Growth % 4	10.0%	12.0%	14.0%	16.0%	18.0%	(TRAVEL)
Cumulative Growth % 4		21.0%	35.0%	51.0%	69.0%	(TRAVEL)
New Connections	0.00	0.00	0.00	0.00	0.00	
Manually Entered New Connections	0.00	0.00	0.00	0.00	0.00	0.00

New Connection Annual Growth % 5	10.0%	12.0%	14.0%	16.0%	18.0%	(TRAVEL)
Cumulative Growth % 5		21.0%	35.0%	51.0%	69.0%	(TRAVEL)
New Connections	0.00	0.00	0.00	0.00	0.00	
Manually Entered New Connections	0.00	0.00	0.00	0.00	0.00	0.00

New Connection Annual Growth % 6	10.0%	12.0%	14.0%	16.0%	18.0%	(TRAVEL)
Cumulative Growth % 6		21.0%	35.0%	51.0%	69.0%	(TRAVEL)
New Connections	0.00	0.00	0.00	0.00	0.00	
Manually Entered New Connections	0.00	0.00	0.00	0.00	0.00	0.00

New Connection Annual Growth % 7	10.0%	12.0%	14.0%	16.0%	18.0%	(TRAVEL)
Cumulative Growth % 7		21.0%	35.0%	51.0%	69.0%	(TRAVEL)
New Connections	0.00	0.00	0.00	0.00	0.00	
Manually Entered New Connections	0.00	0.00	0.00	0.00	0.00	0.00

Total New Automatic Connections	0	0	0	0	0
Total New Manual Connections	275	54	25	5	0

CONTENT DELIVERY PERCENTAGES					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Content Delivery % of Connections A	5.00%	15.00%	15.00%	20.00%	20.00%
Content Delivery % of Connections B	1.00%	2.00%	3.00%	1.00%	2.00%
Content Delivery % of Connections C	1.00%	2.00%	3.00%	4.00%	5.00%
Content Delivery % of Connections D	0.50%	1.00%	2.00%	2.00%	3.00%
Content Delivery % of Connections E	0.50%	1.00%	2.00%	2.00%	3.00%

SERVICES	
CONNECTIVITY	
1	Switched LAN/WAN Connections
2	Switched 100 mb Connections
3	Dial Tone per Employee
4	24 hr Emergency Circuits
5	Backup Audio Conferencing
6	Long Distance Per Employee
7	Basic WAN Service
This should equal 100%	
CONTENT	
A	Internet Access
B	Financial System
C	Industry Specific Content
D	Training and Network
E	Server Services
This should equal 100%	

SERVICE RELATIONS	
1	Marketing and Sales Support
2	
3	
4	
5	
6	
7	