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June 8, 2000

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Public Service Commission
State of Missouri
P.O. Box 360
Jefferson City, Missouri 65102

FILED

JUN 12 2000

Missouri Public
Service Commission

Re: Application for Certificate of Service Authority and for Competitive Classification of Universal Telecom, Inc. TA-2000-598

Dear Judge Roberts:

Pursuant to the correspondence from John Van Eschen, Manager, Telecommunications Department for the Missouri Public Service Commission, dated May 2, 2000, enclosed please find an original and eight (8) copies of Applicant Universal Telecom, Inc.'s ("UTI") additional and revised financial information. The enclosed financial information, should be substituted for the previously filed financial information (Ex. D of the Application) and includes UTI's Profit & Loss Statement January through May 2000, UTI's Balance Sheet as of May 31, 2000, UTI's Missouri Proforma June 2000 through May 2001, and a bank reference letter.

We believe that the attached financial information will satisfy the financial tests set forth in the Commission's letter. As you can see from the Missouri Proforma, the four months estimated operating expenses would total 21,520.63, an amount significantly below UTI's \$80,000 line of credit with Stock Yards Bank and Trust Company. The bank reference letter is a copy of a letter previously submitted by UTI in its application before the Georgia Public Service Commission. We are attempting to obtain one specifically addressed to the Missouri Public Service Commission and will file it with you upon receipt. The information contained in the letter, however, should remain consistent. Additionally, please feel free to call the Senior Vice President of Stock Yards Bank and Trust Company, Mark George, to verify UTI's current credit facility with the bank. Based upon the enclosed documents, we believe that the enclosed information clearly establishes UTI has sufficient financial resources to provide basic local telecommunications service.

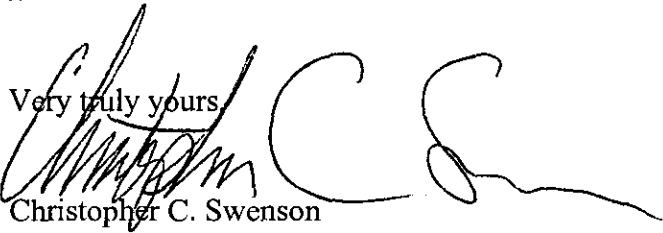
LEWIS, RICE & FINGERSH, L.

June 8, 2000

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If you need any additional information, please do not hesitate to contact me at the above-listed number. Thank you for your assistance.

Very truly yours,


Christopher C. Swenson

CCS/lal

Enclosures

cc: Attorneys of Record
Kerry Ingle (w/ Enclosures)
Thomas P. Berra, Esq. (w/out Enclosures)

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Universal Telecom, Inc.
Profit & Loss
January through May 2000

	<u>Jan '00</u>	<u>Feb '00</u>	<u>Mar '00</u>	<u>Apr '00</u>	<u>May '00</u>	<u>TOTAL</u>
Income						
4000 · RAC Revenue	27.00	0.00	0.00	-190.64	292,835.45	292,671.81
4100 · Monthly Service Revenue	128,674.16	132,586.96	243,279.35	253,875.36	16,475.78	774,891.61
4400 · New Sales Revenue	65,564.12	87,400.83	42,421.87	41,407.86	260.56	237,055.24
4900 · Other Revenue	335.00	200.00	250.00	185.19	958.38	1,928.57
4950 · Sales/Excise Tax Adjustment	0.00	0.00	0.00	0.00	-8,530.17	-8,530.17
Total Income	<u>194,600.28</u>	<u>220,187.79</u>	<u>285,951.22</u>	<u>295,277.77</u>	<u>302,000.00</u>	<u>1,298,017.06</u>
Cost of Goods Sold						
5000 · Cost of Goods Sold	114,283.30	127,436.66	159,915.67	175,664.85	198,733.10	776,033.58
Total COGS	<u>114,283.30</u>	<u>127,436.66</u>	<u>159,915.67</u>	<u>175,664.85</u>	<u>198,733.10</u>	<u>776,033.58</u>
Gross Profit	80,316.98	92,751.13	126,035.55	119,612.92	103,266.90	521,983.48
Expense						
6200 · Income Taxes	0.00	0.00	0.00	0.00	339.00	339.00
6000 · Prepaid Expenses (Platinum)	0.00	0.00	0.00	0.00	0.00	0.00
6015 · Customer Refund	861.75	1,572.25	2,233.14	1,615.69	1,206.25	7,489.08
6020 · Payroll Expenses	23,152.92	25,526.77	39,667.39	33,088.53	30,218.65	151,654.26
6040 · Marketing & Advertising	15,230.16	15,619.43	15,740.12	15,687.85	11,022.40	73,299.96
6050 · Travel & Entertainment	4,780.55	11,593.93	11,066.66	9,041.45	8,052.33	44,534.92
6060 · General & Administration	5,410.70	7,062.22	7,896.33	7,108.59	5,350.24	32,828.08
6080 · Rent	1,675.00	1,675.00	1,675.00	1,675.00	1,675.00	8,375.00
6070 · Professional Fees	639.90	7,089.94	7,552.76	5,099.88	3,684.97	24,067.45
6085 · Utilities	0.00	0.00	36.50	89.57	0.00	126.07
6090 · Telephone	1,613.41	6,681.45	4,918.36	5,286.40	5,148.69	23,648.31
6115 · Interest Expense	1,316.98	1,893.64	1,340.61	1,432.74	1,354.62	7,338.59
6120 · Insurance	0.00	155.20	205.50	324.41	1,369.23	2,054.34
Total Expense	<u>54,681.37</u>	<u>78,869.83</u>	<u>92,332.37</u>	<u>80,450.11</u>	<u>69,421.38</u>	<u>375,755.06</u>
Net Income	<u>25,635.61</u>	<u>13,881.30</u>	<u>33,703.18</u>	<u>39,162.81</u>	<u>33,845.52</u>	<u>146,228.42</u>

UNIVERSAL TELECOM, INC.

Balance Sheet

As of May 31, 2000

May 31, '00

ASSETS**Current Assets****Checking/Savings**

1060 - Operating Account (PNC) 18,031.16

1050 - Clearing Account (PNC) 2,642.60

1080 - Checking - Stockyards Bank 282.00

Total Checking/Savings 20,935.78**Accounts Receivable**

1100 - Accounts Receivable 238,142.41

Total Accounts Receivable 238,142.41**Other Current Assets**

1180 - Prepaid Expense 6,779.85

1260 - Accounts in Collections 2,049.05

1160 - Returned Checks & ACH 57.01

Total Other Current Assets 8,885.91**Total Current Assets** 287,964.08**Other Assets**

1200 - Office Equipment 60,892.09

1201 - Accumulated Depreciation -5,171.00

Total Other Assets 55,721.09**TOTAL ASSETS** 323,685.17**LIABILITIES & EQUITY****Liabilities****Current Liabilities****Accounts Payable**

2050 - Accounts Payable 152,402.83

Total Accounts Payable 152,402.83**Other Current Liabilities**

2060 - Payroll Liabilities 9,623.10

2200 - Other Taxes & Charges 19,349.81

2300 - Line of Credit 100,000.00

Total Other Current Liabilities 128,972.91**Total Current Liabilities** 281,375.74**Long Term Liabilities**

2530 - Loan Iva Reis 35,000.00

2500 - Loan Stockholder - EH 51,500.00

2510 - Loan Stockholder - TP 51,500.00

2520 - Loan Stockholder - JH 51,500.00

Total Long Term Liabilities 189,500.00

UNIVERSAL TELECOM, INC.

Balance Sheet
As of May 31, 2000May 31, '00

Total Liabilities 470,875.74

Equity

3602 - Retained Earnings -293,418.99

Net Income 146,228.42

Total Equity -147,190.57TOTAL LIABILITIES & EQUITY 323,685.17



STOCK YARDS BANK
AND TRUST COMPANY

March 2, 2000

Georgia Public Service Commission
244 Washington Street
Atlanta, Georgia 30334-5701

RE: Universal Telecom, Inc.

Ladies and Gentlemen:

I have been asked to provide a banking reference on behalf of the above referenced company. Universal Telecom has been banking with us since August 30, 1999 and has opened loans and deposit accounts with us.

Their Line of Credit is currently \$100,000.00 and is being fully used at present. Universal has the capacity to borrow more upon request and in fact did have a temporary overline of \$80,000.00 that has been fully paid off and terminated. The depository account has an average balance in the moderate four figures. All of Universal's accounts, both loans and deposits, have been handled in a very satisfactory manner since inception.

If you have any questions or require further information, please call me at (502)625-9164.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Mark N. George', written over a horizontal line.

Mark N. George
Senior Vice President

Universal Telecom, Inc.
Missouri Proforma
June 2000 through May 2001

	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01
Income												
4000 - RAC Revenue												
4100 - Monthly Service Revenue	0.00	3,450.00	4,657.50	6,287.63	8,488.29	11,459.20	15,469.92	17,790.40	20,458.96	23,527.81	27,056.98	31,115.53
4400 - New Sales Revenue	1,750.00	3,500.00	4,375.00	5,468.75	6,835.94	8,544.92	10,681.15	12,496.95	14,621.43	17,107.07	20,015.27	23,417.87
4900 - Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	1,750.00	6,950.00	9,032.50	11,756.38	15,324.23	20,004.12	26,151.07	30,287.35	35,080.39	40,634.88	47,072.25	54,533.40
Cost of Goods Sold												
5000 - Cost of Goods Sold	3,150.00	3,550.00	3,976.00	4,572.40	5,395.43	6,366.61	7,639.93	9,167.92	11,001.50	13,201.80	15,842.16	18,693.75
Total COGS	3,150.00	3,550.00	3,976.00	4,572.40	5,395.43	6,366.61	7,639.93	9,167.92	11,001.50	13,201.80	15,842.16	18,693.75
Gross Profit	-1,400.00	3,400.00	5,056.50	7,183.98	9,928.80	13,637.51	18,511.14	21,119.43	24,078.89	27,433.08	31,230.09	35,839.65
Expense												
6200 - Income Taxes	16.95	23.73	30.51	33.90	37.29	37.29	40.68	44.07	47.46	50.85	54.24	57.63
6000 - Prepaid Expenses (Platinum)	0.00	0.00	0.00	0.00	0	0	0.00	0	0.00	0.00	0.00	0
6016 - Customer Refund	60.31	84.44	108.56	120.63	132.6875	132.6875	144.75	156.8125	168.88	180.94	193.00	205.0625
6020 - Payroll Expenses	1,510.93	2,115.31	2,719.68	3,021.87	3,324.05	3,324.05	3,626.24	3,928.42	4,230.61	4,532.80	4,834.98	5,137.1705
6040 - Marketing & Advertising	551.12	771.57	992.02	1,102.24	1,212.464	1,212.464	1,322.69	1,432.912	1,543.14	1,653.36	1,763.58	1,873.808
6050 - Travel & Entertainment	402.62	563.66	724.71	805.23	885.7563	885.7563	966.28	1,046.8029	1,127.33	1,207.85	1,288.37	1,368.8961
6060 - General & Administration	267.51	374.52	481.52	535.02	588.5264	588.5264	642.03	695.5312	749.03	802.54	856.04	909.5408
6080 - Rent	83.75	117.25	150.75	167.50	184.25	184.25	201.00	217.75	234.50	251.25	268.00	284.75
6070 - Professional Fees	184.25	257.95	331.65	368.50	405.3467	405.3467	442.20	479.0461	515.90	552.75	589.60	626.4449
6086 - Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0
6090 - Telephone	257.43	360.41	463.38	514.87	566.3559	566.3559	617.84	669.3297	720.82	772.30	823.79	875.2773
6116 - Interest Expense	67.73	94.82	121.92	135.46	149.0082	149.0082	162.55	176.1006	189.65	203.19	216.74	230.2854
6120 - Insurance	68.46	95.85	123.23	136.92	150.6153	150.6153	164.31	177.9999	191.69	205.38	219.08	232.7691
Total Expense	3,471.07	4,859.50	6,247.92	6,942.14	7,636.35	7,636.35	8,330.57	9,024.78	9,718.99	10,413.21	11,107.42	11,801.63
Net Income	-4,871.07	-1,459.50	-1,191.42	241.84	2,292.46	6,001.16	10,180.57	12,094.65	14,369.90	17,019.87	20,122.67	24,038.01