

**Status of the operation.**

Established Regulated Telephone Company

Established Regulated CATV Company utilizing a headend with 190+ video, 45 digital music channels, Video On Demand, High Definition, and Digital Video Recorder

Built an Internet Services Company

Built a Fiber to the Home organization that Received National Recognition by the Fiber To The Home Council for being one of 34 certified all fiber networks.

Provide service to Burlington International Airport and its tenants

Wi-Fi Hot Spots

Include wireless router with new bundles

BT currently has over 4,600 customers more than doubling our subscriber base since Dec. 2007.

Consolidated Take Rate for Burlington in excess of 32%, over 46% Take Rate in areas where BT has been selling services for over 2 years.

**Viability**

As of end of 1qtr consolidated revenues are approx. \$7,000,000 this is within 4% of the target set in the Dec.2007 Assessment. Forecasted rev. for end of FY10 is approx. \$8M.

Operating Expenditures came in a 1.8% below budget for FY09. (running the business)

We have limited Capital Expenditures to revenue generating build pending the refinancing and the completion of the proceedings before the PSB

BT will pay in FY10 approx. \$500,000 in taxes to the City of Burlington.

BT saves the City of Burlington over \$600,000 annually in expenses associated for data and internet services.

Our Service Goals have met or exceeded those set by the Department of Public Service.  
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BT experiences very low churn (disconnects) due to the competition despite a recessionary economy.

BT has been able to achieve these milestones in just 3.5 years as a start up organization. Fiber To The Home networks generally require 5 to 7 years of operations to become profitable. Although BT is not at that point yet, BT is meeting the financial targets within our business plan and we are well on our way to achieving our goal.