

Attachment A
Grant Application Cover Sheet

Respondent Information	
Primary Respondent – Organization	MID HUDSON DATA CORP
DUNS Number 624368093	Respondent Taxpayer ID# and jurisdiction (e.g., "a Massachusetts corporation") 20-1179068 "A NY CORPORATION"
Mailing Street Address: 200 JEFFERSON HEIGHTS CATSKILL, NY 12414	Total Funding Requested 260,000.00
State: NEW YORK	City/ Town: CATSKILL
Website WWW.MIDHUDSONDATA.COM	Zip Code: 12414
Brief Summary of Project: PROVIDE INTERNET SERVICES TO RESIDENTS IN TYKOMBHAM, MA.	

Point of Contact Information	
Respondent's Designated Representative: Authorized to commit organization; notified upon decision of grant award	
Name: STEPHEN SOUKY	Title: CFO
Organization: If different from Respondent	Phone: 518-219-8114
Email Address: STEPHEN@MID-HUDSON.COM	Fax:
Mailing Street Address: If different from Respondent	City/ Town: If different from Respondent
State: If different from Respondent	State: Zip +4 Code: If different from Respondent
Respondent's Project Manager: Contact over course of project	
Name: ANNIE CAVALIERO	Title: OPERATIONS MANAGER
Organization: MID HUDSON DATA CORP	Phone: 518-965-9299
Email Address: ANNIE@MID-HUDSON.COM	Fax:
Mailing Street Address:	City/ Town:
State:	State: Zip +4 Code:

Attachment B**RFP for Last Mile Grants to Provide Broadband Service to
Unserved Towns in Western Massachusetts****Authorized Respondent's Signature and Acceptance Form**

The undersigned is a duly authorized representative of the Respondent listed below. The Respondent has read and understands the requirements of this RFP.

The Respondent specifically acknowledges the application of the procedures regarding submission of sensitive information as set forth in this RFP, and specifically agrees that it shall be bound by those procedures. The Respondent understands that all materials submitted as part of the grant application are subject to disclosure under the Massachusetts Public Records Law unless an exemption applies as determined in writing by the Mass Tech Collaborative's General Counsel. Respondent acknowledges that the statutory exemptions from the Massachusetts public records law are very limited and agrees that Mass Tech Collaborative shall not be liable under any circumstances for any disclosure of materials submitted to in connection with this RFP that is required by law.

Respondent acknowledges and agrees that the Mass Tech Collaborative has no obligation, and retains the sole discretion to fund or choose not to fund the application set forth herein, and that Mass Tech Collaborative's receipt of a grant application does not imply any promise of funding at any time.

The Respondent understands that, if selected by the Mass Tech Collaborative, the Respondent and the Mass Tech Collaborative will negotiate a written agreement specifying the terms of the grant funding and the respective rights and obligations of each party.

I certify that Respondent is in compliance with any and all corporate filing requirements and State tax laws.

I certify that the statements made in this application, including all attachments and exhibits, are true and correct to the best of my knowledge.

Respondent: MID HUDSON DATA CORP
(Printed Name of Respondent)

By: [Signature]
(Signature of Authorized Representative)

Name: STEVEN SARKIS

Title: CFO

Date: 1/9/17

Attachment C
Officer's Certificate

The following questions must be answered by the Respondent.

1. Is your organization in compliance with all its obligations under all bank lending and other credit (e.g., equipment leases) arrangements and has it been in compliance with these requirements during the past 12 months?
Yes ☒ No ☐
2. During the past 5 years has your organization filed for bankruptcy or has any Principal (more than 5% stockholder or other type of ownership) or officer been an officer or Principal of another firm that filed for or been the subject of any bankruptcy or insolvency proceeding?
Yes ☐ No ☒
3. Has your organization complied with all of its obligations to federal, state and local taxing authorities over the past three years?
Yes ☒ No ☐
4. Has your organization been a named party (either voluntarily or involuntarily) in any legal proceedings, administrative proceedings or arbitrations initiated by a local, state or federal governmental body within the past 5 years that resulted in your organization being sanctioned or ordered to pay fines or penalties in excess of \$10,000?
Yes ☐ No ☒
5. Has your organization or any officer or Principal been convicted in any criminal proceeding (other than minor traffic and other non-felony offenses) during the past 7 years or currently the subject of any similar criminal proceeding?
Yes ☐ No ☒
6. Are your organization's financial statements audited? and,
Yes ☐ No ☒
7. If so, have you received a "going concern" opinion from such audit firm during the past three years?
Yes ☐ No ☒
8. Are more than 25% of your revenues derived from any single customer?
Yes ☐ No ☒
9. Did your organization have positive net income in each of the three most recent fiscal years?
Yes ☒ No ☐
10. Do your organization's tangible current assets (current assets less goodwill) exceed its current liabilities?"
Yes ☒ No ☐
11. Has your organization been terminated or failed to complete work within the past 5 years on a project funded in whole or in part with public funds (local, state or federal).
Yes ☐ No ☒
12. Certify your organization has internal accounting controls as required by Massachusetts General Laws Chapter 30, Section 39R(c).
Yes ☒ No ☐

If you have answered 'Yes' to questions 2, 7 or 8 please explain.

If you answered 'Yes' to questions 4 or 5 please provide appropriate details.

If you answered 'Yes' to question 11 please provide appropriate details.

If you have answered 'No' to questions 1, 3, 6, 9, 10, or 12 please explain.

Attach additional sheets if necessary.

Certification

The undersigned, STEPHEN SORLEY - CFO, hereby certifies
(Name and Title)

that I am a duly authorized representative of MID HUDSON DATA Corp
(Organization Name)

and that all of the foregoing answers and all statements contained in any explanation are complete, true and correct. Providing false or misleading information or failure to provide all required information will be considered grounds for disqualification. I attest to the accuracy of all information contained in this application and verify that the information submitted is in fact complete, accurate and true.

Signed and sworn under the penalties of perjury

Dated at: CATSKILL, NY
(Location)

This 9th day of January, 2017.

By: [Signature]
(Signature)

Name: STEPHEN SORLEY
(Printed or Typed)

Title/Position: CFO

ATTACHMENT F**Grant Proposal Form**

Note: Respondent should indicate N/A for any Town that Respondent does not propose to serve.

Municipality	Proposed Grant Funding (Does Not Exceed MBI Grant Allocation)	Proposed Grant Funding (Exceeds MBI Grant Allocation)	Proposed Level of Residential Coverage
ALFORD	N/A		
ASHFIELD			
BECKET			
BLANDFORD			
CHARLEMONT			
CHESTERFIELD			
COLRAIN			
CUMMINGTON			
EGREMONT			
FLORIDA			
GOSHEN			
HANCOCK			
HAWLEY			
HEATH			
LEYDEN			
MIDDLEFIELD			
MONROE			
MONTEREY			
MONTGOMERY			
NEW ASHFORD			
NEW BRAINTREE			
NEW MARLBOROUGH			
NEW SALEM			
OTIS			
PERU			
PETERSHAM			
PLAINFIELD			
PRINCETON			
ROWE			
ROYALSTON			
SANDISFIELD			
SAVOY			
SHUTESBURY			
TOLLAND			
TYRINGHAM	260,000.00		97%
WARWICK	N/A		
WASHINGTON	✓		
WENDELL			
WINDSOR			
WORTHINGTON			

3.4 a & b

Mid-Hudson Data ("MHD") provides fixed wireless internet services and VOIP to subscribers in Greene, Columbia and Albany counties as well as several communities located Massachusetts. MHD has approximately 1,000 subscribers as of the date of this application. MHD provides the VOIP platform to MHC for MHC VOIP business. MHD looks to extend services in areas not suitable for fiber/HFC extension in MHC footprint. MHD intends to partner with MHC to connect certain residents in Tyringham, MA with direct fiber connection and fixed wireless internet service. The details of this plan are highlighted further in this application.

Mid-Hudson Cablevision has been providing video, internet and phone services to residents of Colombia, Greene and Southern Albany counties for more than 45 years. The company offers a complete suite of telecommunication services that its customers have come to rely on. Its management team of 85 technical and service staff has extensive experience in the management of cable systems and fiber data networks. The company was started in 1971 by George I. Reynolds. Its current President, James M. Reynolds, has served as President since 1978. On his watch, the company has developed from a community antenna television business into a telecommunications company which now provides digital television, high speed internet, FTTH, voice over internet phone service (cable phone), high def television, digital video recording (DVR), video on demand, home monitoring, and TV Everywhere. Mid-Hudson Cablevision serves over 19,000 customers located in Greene, Colombia and Southern Albany Counties.

As one of the few remaining independent Cable TV companies, Mid-Hudson has distinguished itself for deploying state of the art services comparable to the major companies in the industry. On three different occasions, the company has received the Gilbert Award, the highest award granted by the Cable Television and Telecommunications Association of New York for outstanding community service. Mid-Hudson understands the significance of deploying telecommunications infrastructure throughout the region in support of initiatives to encourage economic development.

The company has completed a rebuild of more than 1,000 miles of Hybrid Fiber Coax infrastructure throughout the region to support these initiatives. Mr. Reynolds has been involved in the development of several other related companies and serves as President of Catskill Mountain Construction and Mid-Hudson Data. Mr. Reynolds is a valuable member of the Columbia Memorial Hospital Board of Trustees. In addition, he serves as Director of the Cable Television and Telecommunications Association of New York, and was a member of the Columbia Economic Development Corporation. He has also served on the local level as the former President of Friends of Olana, and the Columbia-Greene Community College Foundation.

Catskill Mountain Construction (CMC) has provided a full complement of turnkey services including wireline, underground construction and fiber splicing for more than 30 years. CMC has been actively deploying Fiber infrastructure for more than 20 years. Headed up by Founder Tom Colangelo CMC has worked for many companies rebuilding facilities as well as new build FTTH projects. CMC rebuilt 1400 miles of hybrid fiber coax plant serving nodes of 100 homes for Telemedia in the Naugatuck River Valley in the year 2000. CMC rebuilt systems with Fiber for Time Warner in Goshen, Kent, Cornwall and Torrington CT and also constructed Fiber Plant for Charter both in CT and NYS. CMC Also provided emergency crews for Charter's system in Worchester Mass after they were hit with major storm damage in 2008. CMC also provided Construction services for Century Communications back in the 1990's in Great Barrington and other Towns served by Century at the time in Western MA.

For more than 25 years CMC has provided all construction services for Mid-Hudson Cablevision in Columbia-Greene and Southern Albany Counties in NYS. CMC was responsible for rebuilding more than 1,000 miles of hybrid fiber plant in Mid Hudson's service area and in recent years have constructed more than 150 miles of FTTH plant similar to the system proposed for Tyringham. These FTTH projects incorporate the latest technology and provide service to Greenville, Ashland, Taghkanic, Claverack, Craryville and Gallatin NY. CMC also provided construction services to build FTTH systems for Camphill Village Copake and Camphill Ghent NY. Both of these projects were built with underground duct facilities.

In addition CMC has provided support construction services to MH Data and its operating entities NYAir and Wispring in Western MA. These wireless networks require Fiber network backhaul from various towers in order to support their networks and CMC has been involved with all of those projects including the Wispring wireless service which currently provides service to some of the residents of Mount Washington. CMC has also participated in connecting cell towers within the Mid-Hudson footprint and constructing fiber plant to provide back haul for these towers. CMC brings special value to a rural marketplace due to high demand for line extensions and direct fiber connections for residential and commercial customers.

3.4 c

Passive optical network Fiber to the premises:

Fiber to the x Passive optical networks do not use electrically powered components to split the signal. Instead, the signal is distributed using beam splitters. Each splitter typically splits the signal from a single fiber into 16, 32, or 64 fibers, depending on the manufacturer, and several splitters can be aggregated in a single cabinet. A beam splitter cannot provide any switching or buffering capabilities and doesn't use any power supply; the resulting connection is called a point-to-multipoint link. For such a connection, the optical network terminals on the customer's end must perform some special functions which would not otherwise be required. For example, due to the absence of switching, each signal leaving the central office must be broadcast to all users served by that splitter (including to those for whom the signal is not intended). It is therefore up to the optical network terminal to filter out any signals intended for other customers. In addition, since splitters have no buffering, each individual optical network terminal must be coordinated in a multiplexing scheme to prevent signals sent by customers from colliding with each other. Two types of multiplexing are possible for achieving this: wavelength-division multiplexing and time-division multiplexing. With wavelength-division multiplexing, each customer transmits their signal using a unique wavelength. With time-division multiplexing (TDM), the customers "take turns" transmitting information. TDM equipment has been on the market longest. Because there is no single definition of "WDM-PON" equipment, various vendors claim to have released the 'first' WDM-PON equipment, but there is no consensus on which product was the 'first' WDM-PON product to market. Passive optical networks have both advantages and disadvantages over active networks. They avoid the complexities involved in keeping electronic equipment operating outdoors. They also allow for analog broadcasts, which can simplify the delivery of analog television. However, because each signal must be pushed out to everyone served by the splitter (rather than to just a single switching device), the central

office must be equipped with a particularly powerful piece of transmitting equipment called an optical line terminal (OLT). In addition, because each customer's optical network terminal must transmit all the way to the central office (rather than to just the nearest switching device), reach extenders would be needed to achieve the distance from central office that is possible with outside plant based active optical networks. Optical distribution networks can also be designed in a point-to-point "homerun" topology where splitters and/or active networking are all located at the central office, allowing users to be patched into whichever network is required from the optical distribution frame.

See attachment A.1 for our network diagram.

Maximum bandwidth capacity is 100 GB +. The MHC/MHD network includes a 40GB connection to Albany, NY via Firstlight and a 10GB connection to New York City via Lighttower.

MHC/MHD continually upgrades its network to provide the most reliable broadband connections to its customers. MHC/MHD deploys the most current Arriss E-6000 DOCSIS 3.1 platform for its coax cable customers and deploys the most current electronics, specifically Calix E series modular network access equipment for its fiber customer base.

MHC/MHD continually upgrades its network to ensure its customer base is provided the best broadband service. MHC recently deployed a 2+ million upgrade of its DOCSIS platform and customers can get speeds of up to 100mb. The platform is scalable to 1GB. MHD has recently upgraded its fixed wireless technology to a new LTE platform whereby customers were previously receiving top speeds of 7mb and now can get speeds of up to 25mb. We offer fiber speeds of 200mbx200mb and have the ability to provide 1GB capacity if needed. MHC/MHD strategically reserves profits and maintains a strong maintenance capital budget annually to ensure our network can provide the best service.

MHD will review its options and will consider utilizing the MassBroadband 123 infrastructure for backhaul and interconnect if it makes a strong business case.

3.4 d

See attached coverage map.

There are an estimated 308 premises located in Tyringham, MHD will provide a fiber connection to 279 premises and provide a fixed wireless solution to 20 premises. 9 premises will not be served due to the low number of homes per mile, please see the attached coverage map for the number of homes not served. The numbers of homes not served is below the 4% threshold set forth by the MBI for this RFP.

In order to move the project forward, the Town of Tyringham will need to commit to building 1.4 miles of utility poles and strand on George Cannon Road which will link the two sections of the town together. The estimated cost of this build is approximately 800,000 (excluding make ready). The Town of Tyringham will incur this project cost and this will be independent of the \$260,000 committed to the Town of Tyringham through the MBI. In addition it is our understanding that the Town of Tyringham will commit to allowing residents of the town to assess the cost of installation whereby the Town of

Tyringham will pay MHD for the installations and assess the resident through a structure approved by the Town.

The Town of Tyringham engaged MHD to perform a design study for the Town and CMC has reviewed each premise in the Town and has provided MHD an estimate for the cost of construction to build the infrastructure to provide service to the Town. The final cost will be based on the final assessment of coverage.

3.4 e

Residential Fiber Pricing

	Internet Only	With Phone
25x5	\$89.95	\$109.95
35x10	\$109.95	\$129.95
50x10	\$135.90	\$155.90
75x15	\$165.90	\$185.90
100x20	\$199.90	\$219.90

Standard install fee for 250 feet aerial drop is \$149.95. \$1 per foot charged in excess of 250 feet aerial. \$1 per foot for underground conduit access. \$2 per foot for underground with no conduit access.

\$5.95 monthly charge for wi-fi.

Long distance charges for VOIP.

We offer solutions for business customers.

3.4 f

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3.4 g

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3.4 h

1. Planning and Design – Most of this work is complete, once we receive approval to move forward we expect 1-2 weeks to finalize planning and design.
2. Make Ready – The Town has begun the make ready process – we have in depth experience in dealing with make ready process and this typically takes 4 – 6 months to complete for a 25 mile build.
3. Construction – Once make ready is complete and the pole licenses are secured the construction phase will take approximately 24 weeks to complete.
4. Network Turn-Up and Provisioning of Service – Once construction is complete network turn-up is a fast process – no longer than a week and provisioning of service will be completed in the ordinary course of business – we have numerous resources from MHC to assist in rapid deployment.

The overall timeline should be 10 to 12 months – the only caveat is any unforeseen issues with pole owners delaying the project.

3.4 i

See Attachment F

3.4 j

As noted previously, MHC has over 1,000 miles of plant – recent fiber builds include 30 miles in the Town of Greenville NY, 25 miles in Windham/Ashland NY and we provide fiber services to Camphill Village Communities located in Copake and Ghent NY and we recently finalized the installation of a 116 unit high end luxury apartment housing facility located in Stockport NY. We also provide specialized point to point connections to Columbia Memorial Hospital and its various out-patient locations located throughout Columbia and Greene County. A list of specific references can be provided upon request.

3.4 k

Mid-Hudson Data Corp. does not have audited statements as it has a low level of debt. Mid-Hudson Cable does not provide audited results to third parties as it is a privately held company. MHC generates over \$32 million in revenues and has projected EBITDA of \$9.7 million for 2016. MHC has invested \$22 million in its network from 2016 to 2012. See the attached income statements and balance sheets for Mid-Hudson Data Corp. for the periods requested.

3.4 l

N/A

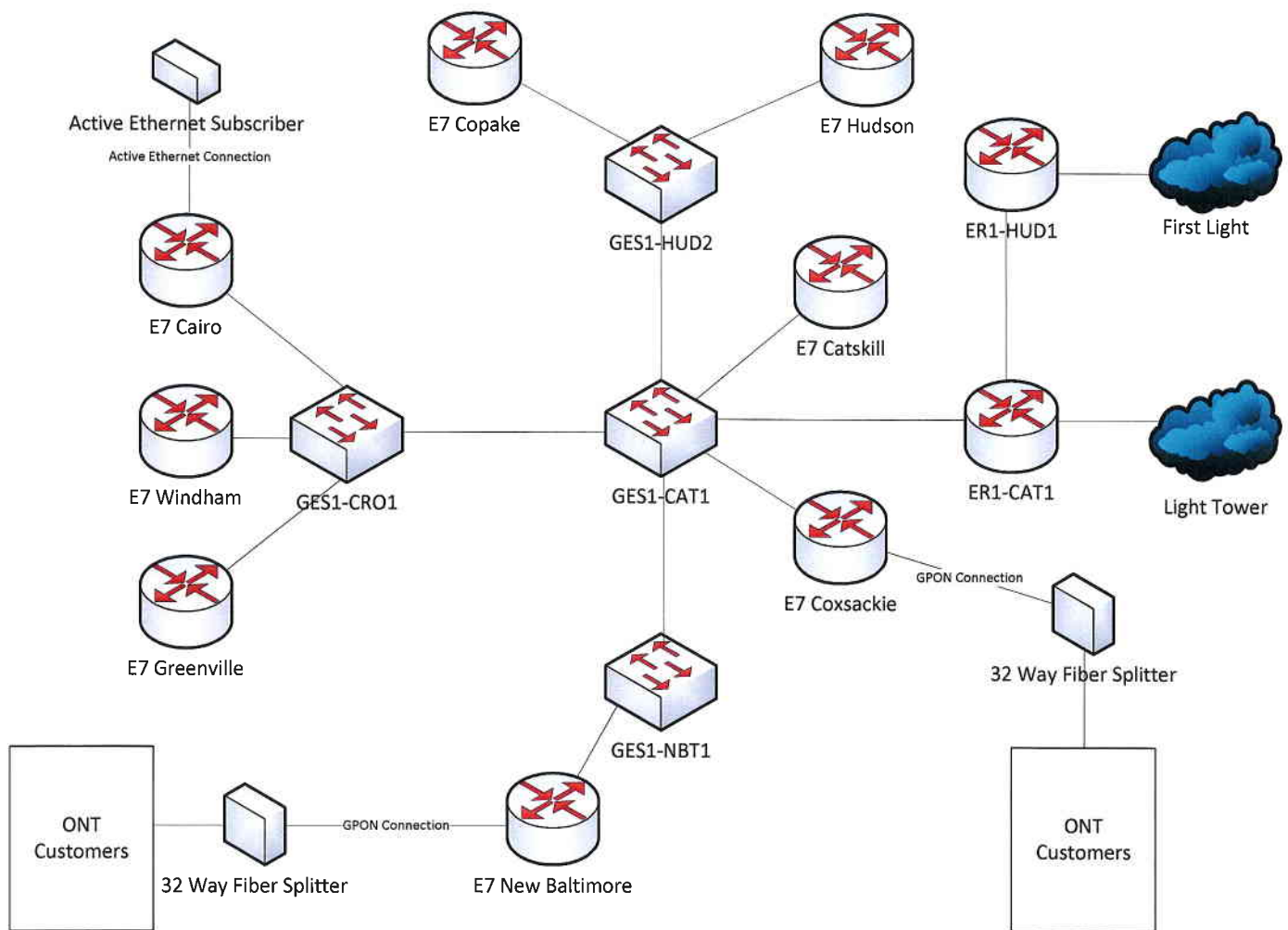
3.4 m

MHD has a CPCN in the state of New York and MHC has been dealing with right of way access and pole attachments for over 40 years. The CPCN enables us to attach to poles in the state of Massachusetts.

3.4 n

See attached administrative forms

MID-HUDSON GPON NETWORK



MID-HUDSON DATA
MHData Income Statement LY Comp
For the Twelve Months Ending Thursday, December 31, 2015

	December 2015	December 2014	Variance	YTD 2015	LYTD 2014	Variance
Income						
Installation Revenue	\$1,999.70	\$1,814.50	\$185.20	\$16,247.30	\$13,027.45	\$3,219.85
Maintenance Fee Revenue	43,238.65	32,703.50	10,535.15	175,238.65	197,344.85	(22,106.20)
Holding Charge	314.95	299.40	15.55	3,107.02	3,277.49	(170.47)
Hourly Rate for Service Call	260.00	0.00	260.00	1,235.00	3,195.20	(1,960.20)
Fiber Lease Revenue	3,100.00	2,200.00	900.00	35,400.00	26,400.00	9,000.00
Customer Refunds	0.00	(200.10)	200.10	(4,025.07)	(2,238.42)	(1,786.65)
Customer Adjustments	(358.31)	(601.41)	243.10	(10,933.94)	(17,252.31)	6,318.37
Customer Finance Charges	104.28	76.95	27.33	3,809.49	3,136.49	673.00
Web Host Revenue	27.50	59.95	(32.45)	747.50	1,361.85	(614.35)
Dedicated Wireless	1,900.00	2,150.00	(250.00)	24,050.00	22,400.00	1,650.00
Networking Revenue	10,194.90	582.25	9,612.65	52,578.20	23,389.45	29,188.75
Router Revenue	0.00	0.00	0.00	0.00	538.90	(538.90)
Dial Up Revenue	15.00	15.00	0.00	414.90	4,763.01	(4,348.11)
Wireless Internet Service Rev	52,256.18	50,728.62	1,527.56	613,499.80	634,218.82	(20,719.02)
VOIP Revenue	569.00	598.95	(29.95)	6,947.80	7,636.55	(688.75)
Project Revenue	0.00	0.00	0.00	53,630.00	112,922.60	(59,292.60)
Other Income	3,399.67	0.00	3,399.67	3,452.07	2,599.40	852.67
Total Income	117,021.52	90,427.61	26,593.91	975,398.72	1,036,721.33	(61,322.61)
Cost of Goods Sold						
Bandwidth	1,000.00	1,000.00	0.00	11,400.00	11,700.00	(300.00)
System Power	108.60	93.17	15.43	1,563.05	902.03	661.02
Supplies and Materials	1,833.10	2,288.49	(455.39)	34,251.60	21,466.21	12,785.39
Repairs - System	0.00	0.00	0.00	0.00	825.00	(825.00)
Rent - Co-Location	5,000.00	5,000.00	0.00	60,000.00	60,000.00	0.00
Rent - Tower	4,755.79	3,662.80	1,092.99	53,007.01	45,673.34	7,333.67
Rent - Space	0.00	5,000.00	(5,000.00)	5,000.00	60,000.00	(55,000.00)
Answering Service Expense	23.93	44.19	(20.26)	528.95	921.84	(392.89)
Project Costs	0.00	0.00	0.00	4,006.95	86,755.10	(82,748.15)
Wireless Salaries	12,534.94	10,730.05	1,804.89	115,123.77	82,537.64	32,586.13
VOIP - Line Costs	350.00	350.00	0.00	4,200.00	4,200.00	0.00
Bonus	19,359.75	3,100.00	16,259.75	19,359.75	3,100.00	16,259.75
Overtime	427.50	60.00	367.50	3,022.82	592.83	2,429.99
Vacation Pay	0.00	0.00	0.00	4,898.10	5,745.38	(847.28)
Personal/Sick Pay	161.28	225.29	(64.01)	2,834.58	1,840.49	994.09
Holiday Pay	1,261.47	534.24	727.23	3,245.07	1,705.44	1,539.63
Employee Benefits - Health Ins	3,973.79	1,964.23	2,009.56	30,714.31	35,089.05	(4,374.74)
Employee Benefits - Disability	33.89	33.23	0.66	460.43	521.69	(61.26)
Employee Benefits - Life Insur	33.15	32.80	0.35	633.91	512.62	121.29
Employee Benefits - Dental Ins	(171.73)	(125.98)	(45.75)	(1,039.85)	230.98	(1,270.83)
Employee Benefits - Uniforms	120.00	0.00	120.00	818.97	1,000.97	(182.00)
Total Cost Of Goods Sold	50,805.46	33,992.51	16,812.95	354,029.42	425,320.61	(71,291.19)
GROSS PROFIT	66,216.06	56,435.10	9,780.96	621,369.30	611,400.72	9,968.58
Expenses						
Commission	137.50	125.00	12.50	575.00	879.80	(304.80)
Employee Training	0.00	0.00	0.00	0.00	299.00	(299.00)
Accounting Fees	0.00	0.00	0.00	1,000.00	0.00	1,000.00
Advertising Expense	0.00	65.00	(65.00)	325.00	780.00	(455.00)
Travel	12.00	0.00	12.00	2,839.39	3,152.39	(313.00)
Entertainment	0.00	0.00	0.00	0.00	25.92	(25.92)
Contributions	0.00	0.00	0.00	0.00	100.00	(100.00)

MID-HUDSON DATA
MHDData Income Statement LY Comp
For the Twelve Months Ending Thursday, December 31, 2015

Legal Fees	0.00	0.00	0.00	3,500.00	0.00	3,500.00
Bad Debts	0.00	0.00	0.00	5,278.90	2,002.61	3,276.29
Bank Service Charges	176.27	0.00	176.27	488.34	153.00	335.34
Billing Charges	516.73	525.80	(9.07)	6,032.29	5,695.89	336.40
Credit Card Expense	922.19	65.00	857.19	5,246.82	6,057.13	(810.31)
Permits	0.00	0.00	0.00	65.00	0.00	65.00
Licenses & Fees	0.00	0.00	0.00	380.00	0.00	380.00
Subscriptions	0.00	0.00	0.00	325.00	704.00	(379.00)
Vehicle - Repairs	500.00	1,545.22	(1,045.22)	10,681.94	11,438.62	(756.68)
Vehicle - Gasoline	300.00	300.00	0.00	3,600.00	3,600.00	0.00
Vehicle - Expense	1,411.33	0.00	1,411.33	14,439.19	8,954.06	5,485.13
Telephone - Cellular	0.00	0.00	0.00	26.94	0.00	26.94
Repairs - Building	0.00	0.00	0.00	31.27	417.33	(386.06)
Insurance - W/C	150.00	150.00	0.00	1,800.00	1,800.00	0.00
Insurance - Bus and Liab	150.00	150.00	0.00	1,800.00	1,800.00	0.00
Insurance - Vehicle	2,469.00	2,474.00	(5.00)	2,469.00	5,847.00	(3,378.00)
Computer Software Expense	0.00	0.00	0.00	0.00	642.54	(642.54)
Computer Expense	0.00	0.00	0.00	2,299.54	(198.75)	2,498.29
Technical/Computer Support	0.00	0.00	0.00	10.99	0.00	10.99
Consulting	4,600.00	4,600.00	0.00	55,200.00	55,200.00	0.00
Sales Tax Expense	0.00	135.87	(135.87)	527.48	1,726.47	(1,198.99)
Freight	0.00	269.07	(269.07)	3,715.55	3,549.18	166.37
Postage	0.00	0.00	0.00	1,400.00	1,304.00	96.00
Office Expense	0.00	0.00	0.00	182.98	9.00	173.98
Other Expense	1,096.50	0.00	1,096.50	1,096.50	0.00	1,096.50
Total Expenses	12,441.52	10,404.96	2,036.56	125,337.12	115,939.19	9,397.93
OPERATING PROFIT	53,774.54	46,030.14	7,744.40	496,032.18	495,461.53	570.65
Other Income and Expenses						
Depreciation Exp-Building	7,477.83	7,477.83	0.00	89,733.96	89,733.96	0.00
Amortization Expense	2,500.00	2,500.00	0.00	30,000.00	30,000.00	0.00
Interest Expense - SH	801.10	(111,779.13)	112,580.23	9,636.14	(75,645.00)	85,281.14
Interest Expense-Cavallaro In	459.70	459.70	0.00	5,516.40	5,538.65	(22.25)
Interest Expense Bank	0.00	7.94	(7.94)	0.00	2,804.03	(2,804.03)
Total Other Income and Expense	11,238.63	(101,333.66)	112,572.29	134,886.50	52,431.64	82,454.86
Profit Before Taxes	42,535.91	147,363.80	(104,827.89)	361,145.68	443,029.89	(81,884.21)
Taxes						
Tax Penalties	0.00	0.00	0.00	700.00	0.00	700.00
Federal Income Tax Expense	0.00	0.00	0.00	0.00	250.00	(250.00)
NYS Income Tax	0.00	0.00	0.00	0.00	300.00	(300.00)
Total Taxes	0.00	0.00	0.00	700.00	550.00	150.00
NET PROFIT	42,535.91	147,363.80	(104,827.89)	360,445.68	442,479.89	(82,034.21)

MID-HUDSON DATA
MHData Income Statement LY Comp
For the Twelve Months Ending Tuesday, December 31, 2013

	December 2013	December 2012	Variance	YTD 2013	LYTD 2012	Variance
Income						
Installation Revenue	\$1,993.00	\$1,583.73	\$409.27	\$34,437.56	\$41,765.10	(\$7,327.54)
Maintenance Fee Revenue	12,000.00	12,000.00	0.00	182,060.57	144,000.00	38,060.57
Activation Fee	0.00	0.00	0.00	0.00	49.95	(49.95)
Holding Charge	119.40	254.70	(135.30)	2,325.91	2,139.20	186.71
Hourly Rate for Service Call	0.00	130.00	(130.00)	3,276.60	5,187.50	(1,910.90)
Fiber Lease Revenue	2,200.00	2,200.00	0.00	26,400.00	23,400.00	3,000.00
Customer Refunds	0.00	(35.00)	35.00	(159.50)	(983.00)	823.50
Customer Adjustments	(1,010.88)	(150.43)	(860.45)	(11,079.82)	(3,028.22)	(8,051.60)
Customer Finance Charges	554.93	93.49	461.44	9,162.39	2,434.32	6,728.07
Web Host Revenue	107.45	139.95	(32.50)	1,399.91	2,107.60	(707.69)
Dedicated Wireless	1,800.00	1,550.00	250.00	22,600.00	8,250.00	14,350.00
Networking Revenue	(38.80)	0.00	(38.80)	29,410.15	0.00	29,410.15
Router Revenue	0.00	1,244.90	(1,244.90)	5,701.05	7,121.80	(1,420.75)
Dial Up Revenue	531.75	943.35	(411.60)	10,369.08	15,282.55	(4,913.47)
Wireless Internet Service Rev	53,408.14	52,696.80	711.34	646,745.10	595,759.02	50,986.08
VOIP Revenue	788.60	718.55	70.05	9,911.15	9,374.11	537.04
Other Income	0.00	0.00	0.00	6,000.00	0.00	6,000.00
Total Income	72,453.59	73,370.04	(916.45)	978,560.15	852,859.93	125,700.22
Cost of Goods Sold						
Bandwidth	1,000.00	1,000.00	0.00	12,000.00	12,000.00	0.00
System Power	73.81	19.13	54.68	585.38	19.13	566.25
Supplies and Materials	16,501.01	(2,045.16)	18,546.17	26,696.94	15,394.13	11,302.81
Repairs - System	0.00	0.00	0.00	0.00	24.90	(24.90)
Rent - Co-Location	5,000.00	5,000.00	0.00	65,636.54	70,000.00	(4,363.46)
Rent - Tower	3,562.81	3,465.75	97.06	43,256.87	42,335.79	921.08
Rent - Space	5,000.00	5,000.00	0.00	60,600.00	60,830.00	(230.00)
Rent - Equipment	0.00	0.00	0.00	264.08	88.37	175.71
Answering Service Expense	40.41	21.30	19.11	481.42	128.51	352.91
Wireless Salaries	5,442.00	4,420.00	1,022.00	72,095.61	111,937.88	(39,842.27)
VOIP - Line Costs	350.00	1,325.00	(975.00)	2,800.00	15,900.00	(13,100.00)
Dial Up Line Expenses	0.00	0.00	0.00	3,350.00	0.00	3,350.00
Bonus	3,000.00	3,000.00	0.00	15,316.20	23,509.61	(8,193.41)
Overtime	0.00	175.57	(175.57)	317.79	544.92	(227.13)
Vacation Pay	144.24	0.00	144.24	5,347.20	6,721.44	(1,374.24)
Personal/Sick Pay	90.16	0.00	90.16	1,340.36	7,493.80	(6,153.44)
Holiday Pay	144.24	0.00	144.24	1,281.60	5,933.00	(4,651.40)
Employee Benefits - Health Ins	3,901.95	1,558.56	2,343.39	46,485.23	39,329.24	7,155.99
Employee Benefits - Disability	33.11	77.32	(44.21)	199.64	799.53	(599.89)
Employee Benefits - Life Insur	40.19	66.34	(26.15)	691.48	1,059.82	(368.34)
Employee Benefits - Dental Ins	102.61	11.96	90.65	962.49	364.98	597.51
Employee Benefits - Uniforms	0.00	0.00	0.00	0.00	434.97	(434.97)
Employee Benefits - Daycare	0.00	0.00	0.00	0.00	1,265.00	(1,265.00)
Total Cost Of Goods Sold	44,426.54	23,095.77	21,330.77	359,708.83	416,115.02	(56,406.19)
GROSS PROFIT	28,027.05	50,274.27	(22,247.22)	618,851.32	436,744.91	182,106.41
Expenses						
Commission	75.00	0.00	75.00	380.00	245.00	135.00
Regulatory Fees	0.00	0.00	0.00	(8,106.97)	0.00	(8,106.97)
Employee Training	0.00	0.00	0.00	0.00	1,735.46	(1,735.46)
Administrative Fees	0.00	500.00	(500.00)	3,000.00	6,000.00	(3,000.00)
Advertising Expense	65.00	65.00	0.00	1,096.00	1,886.00	(790.00)
Marketing Materials	0.00	0.00	0.00	0.00	5.40	(5.40)

MID-HUDSON DATA
MHDData Income Statement LY Comp
For the Twelve Months Ending Tuesday, December 31, 2013

Travel	0.00	0.00	0.00	1,967.10	7,945.97	(5,978.87)
Legal Fees	0.00	0.00	0.00	725.00	(792.00)	1,517.00
Bad Debts	0.00	0.00	0.00	10,265.73	0.00	10,265.73
Bank Service Charges	0.00	0.00	0.00	95.00	254.50	(159.50)
Billing Charges	568.05	0.00	568.05	6,432.87	7,912.62	(1,479.75)
Credit Card Expense	669.88	1,232.13	(562.25)	8,360.42	7,955.86	404.56
Permits	0.00	0.00	0.00	0.00	1,628.04	(1,628.04)
Licenses & Fees	0.00	0.00	0.00	210.00	165.00	45.00
Subscriptions	0.00	0.00	0.00	0.00	574.40	(574.40)
Vehicle - Repairs	1,013.00	1,669.94	(656.94)	7,634.51	4,812.16	2,822.35
Vehicle - Gasoline	300.00	300.00	0.00	3,696.00	3,739.36	(43.36)
Vehicle - Expense	955.68	718.68	237.00	10,032.98	9,869.65	163.33
Building - Grounds	0.00	0.00	0.00	616.00	0.00	616.00
Building - Alarm	0.00	0.00	0.00	77.60	0.00	77.60
Telephone - Cellular	0.00	0.00	0.00	0.00	1,719.67	(1,719.67)
Repairs - Building	0.00	0.00	0.00	186.29	210.01	(23.72)
Insurance - W/C	150.00	150.00	0.00	1,800.00	1,800.00	0.00
Insurance - Bus and Liab	150.00	150.00	0.00	1,800.00	1,800.00	0.00
Insurance - Vehicle	0.00	0.00	0.00	3,259.00	2,963.00	296.00
Office Supplies	0.00	0.00	0.00	(34.57)	107.17	(141.74)
Computer Expense	0.00	140.39	(140.39)	0.00	291.51	(291.51)
Consulting	4,600.00	4,600.00	0.00	55,200.00	55,348.00	(148.00)
Sales Tax Expense	3,185.21	138.14	3,047.07	3,799.57	179.16	3,620.41
Freight	58.01	23.96	34.05	1,453.74	737.74	716.00
Postage	0.00	6.05	(6.05)	1,224.00	1,257.59	(33.59)
Office Expense	74.29	0.00	74.29	99.19	292.50	(193.31)
Late Payment Fees	0.00	10.10	(10.10)	25.00	20.31	4.69
Total Expenses	11,864.12	9,704.39	2,159.73	115,294.46	120,664.08	(5,369.62)
OPERATING PROFIT	16,162.93	40,569.88	(24,406.95)	503,556.86	316,080.83	187,476.03
Other Income and Expenses						
Depreciation Exp-Building	7,477.83	7,477.83	0.00	89,733.96	89,733.96	0.00
Amortization Expense	2,500.00	2,500.00	0.00	30,000.00	30,000.00	0.00
Miscellaneous	0.00	108.62	(108.62)	0.00	117.62	(117.62)
Interest Expense - SH	104,912.55	0.00	104,912.55	104,912.55	0.00	104,912.55
Interest Expense-Cavallaro In	481.95	570.92	(88.97)	6,280.12	7,340.40	(1,060.28)
Interest Expense Bank	515.64	1,131.93	(616.29)	9,756.54	17,417.14	(7,660.60)
Total Other Income and Expense	115,887.97	11,789.30	104,098.67	240,683.17	144,609.12	96,074.05
Profit Before Taxes	(99,725.04)	28,780.58	(128,505.62)	262,873.69	171,471.71	91,401.98
Taxes						
Corporations Taxes	0.00	0.00	0.00	0.00	1,287.54	(1,287.54)
Total Taxes	0.00	0.00	0.00	0.00	1,287.54	(1,287.54)
NET PROFIT	(99,725.04)	28,780.58	(128,505.62)	262,873.69	170,184.17	92,689.52

MID-HUDSON DATA
Balance Sheet LY Comp
For the Twelve Months Ending Thursday, December 31, 2015

	2015	2014	Variance
ASSETS			
Current Assets:			
Legacy Bank	\$67,793.72	\$14,866.49	\$52,927.23
BOGC	184,064.26	113,956.94	70,107.32
InterCo. Rec-CMC	0.00	(2,658.60)	2,658.60
Petty Cash	50.00	50.00	0.00
Accounts Receivable - Subscri	82,568.50	27,258.91	55,309.59
Accounts Receivable - Other	0.00	26,600.33	(26,600.33)
TOTAL Current Assets	334,476.48	180,074.07	154,402.41
Other Assets:			
Prepaid Other	4,600.00	0.00	4,600.00
Buildings	453.65	453.65	0.00
Engineering & Design	1,700.00	0.00	1,700.00
Fiber Plant	5,924.41	5,924.41	0.00
Software Development	2,400.00	2,400.00	0.00
Tools & Test Equipment	2,505.24	2,505.24	0.00
Vehicles	11,473.60	11,473.60	0.00
Customer Prem Equipment	92,714.62	92,714.62	0.00
Access Points	198,387.95	164,070.40	34,317.55
Equipment - Servers	43,360.63	42,920.89	439.74
Wireless Internet Equipment	950,033.05	880,628.76	69,404.29
Customer Lists	150,000.00	150,000.00	0.00
Office Equipment	3,149.28	3,149.28	0.00
Accumulated Depreciation	(678,611.10)	(588,877.14)	(89,733.96)
Accumulated Amortization	(181,299.67)	(151,299.67)	(30,000.00)
Acquisition Costs	25,201.96	25,201.96	0.00
Capitalized Labor	310,424.02	269,355.58	41,068.44
Deposits	250.00	250.00	0.00
TOTAL Other Assets	942,667.64	910,871.58	31,796.06
TOTAL ASSETS	1,277,144.12	1,090,945.65	186,198.47
LIABILITIES			
Current Liabilities:			
Intercompany Payable MHC	244,342.52	54,288.18	190,054.34
Accounts Payable-Trade	37,704.67	38,675.15	(970.48)
NYS Corporation Tax Payable	(600.00)	(300.00)	(300.00)
CT 186e Tax Payable	(1,481.00)	(1,481.00)	0.00
Notes Payable - Officers ST	219,252.17	329,616.03	(110,363.86)
Notes Payable Data - Cavallaro	37,482.66	60,166.26	(22,683.60)
Accrued Other	11,455.00	0.00	11,455.00
Accrued Expense-Trade	113,875.48	110,609.93	3,265.55
Sales Tax Payable	(5,905.64)	(6,912.55)	1,006.91
Deferred Compensation	60,000.00	180,000.00	(120,000.00)
TOTAL Current Liabilities	716,125.86	764,662.00	(48,536.14)
TOTAL LIABILITIES	716,125.86	764,662.00	(48,536.14)
EQUITY			
Paid in Capital	60,000.00	60,000.00	0.00
Retained Earnings	390,283.65	(52,196.24)	442,479.89
Shareholder Distribution	(249,000.00)	(124,000.00)	(125,000.00)
YTD Net Income	359,734.61	442,479.89	(82,745.28)
TOTAL EQUITY	561,018.26	326,283.65	234,734.61
TOTAL LIABILITIES & EQUITY	1,277,144.12	1,090,945.65	186,198.47

MID-HUDSON DATA
Balance Sheet LY Comp
For the Twelve Months Ending Tuesday, December 31, 2013

	2013	2012	Variance
ASSETS			
Current Assets:			
Legacy Bank	\$65,525.14	\$14,414.57	\$51,110.57
BOGC	46,080.53	110,058.60	(63,978.07)
Petty Cash	50.00	0.00	50.00
Accounts Receivable - Subscri	40,440.12	39,183.04	1,257.08
TOTAL Current Assets	152,095.79	163,656.21	(11,560.42)
Other Assets:			
Notes Receivable - Renault	6,000.00	0.00	6,000.00
Prepaid Other	0.00	13,286.18	(13,286.18)
Fiber Plant	5,924.41	5,924.41	0.00
Software Development	2,400.00	2,400.00	0.00
Tools & Test Equipment	2,505.24	2,505.24	0.00
Vehicles	3,473.60	3,473.60	0.00
Customer Prem Equipment	80,508.62	80,508.62	0.00
Access Points	145,952.44	128,905.12	17,047.32
Equipment - Servers	40,000.00	40,000.00	0.00
Wireless Internet Equipment	865,380.55	817,729.00	47,651.55
Customer Lists	150,000.00	150,000.00	0.00
Office Equipment	3,149.28	3,149.28	0.00
Accumulated Depreciation	(499,143.18)	(409,409.22)	(89,733.96)
Accumulated Amortization	(121,299.67)	(91,299.67)	(30,000.00)
Acquisition Costs	25,201.96	25,201.96	0.00
Capitalized Labor	228,287.14	185,256.18	43,030.96
Deposits	250.00	250.00	0.00
TOTAL Other Assets	938,590.39	957,880.70	(19,290.31)
TOTAL ASSETS	1,090,686.18	1,121,536.91	(30,850.73)
LIABILITIES			
Current Liabilities:			
Intercompany Payable MHC	94,101.31	210,632.72	(116,531.41)
Accounts Payable-Trade	7,669.28	31,507.58	(23,838.30)
NYS Corporation Tax Payable	(300.00)	0.00	(300.00)
Notes Payable Cable - BOGC ST	(1,993.35)	82,708.32	(84,701.67)
Notes Payable - Officers ST	525,261.03	540,348.48	(15,087.45)
Notes Payable Data - FN ST	2,438.39	36,399.98	(33,961.59)
Notes Payable Data - BOGC LT	87,934.21	87,934.21	0.00
Notes Payable Data - FN LT	5,894.07	5,894.07	0.00
Notes Payable Data - Cavallaro	82,827.61	104,747.49	(21,919.88)
Accrued Expense-Trade	111,216.88	108,601.00	2,615.88
Sales Tax Payable	(12,167.01)	(12,167.01)	0.00
Deferred Compensation	180,000.00	180,000.00	0.00
TOTAL Current Liabilities	1,082,882.42	1,376,606.84	(293,724.42)
TOTAL LIABILITIES	1,082,882.42	1,376,606.84	(293,724.42)
EQUITY			
Paid in Capital	60,000.00	60,000.00	0.00
Retained Earnings	(315,069.93)	(485,254.10)	170,184.17
YTD Net Income	262,873.69	170,184.17	92,689.52
TOTAL EQUITY	7,803.76	(255,069.93)	262,873.69
TOTAL LIABILITIES & EQUITY	1,090,686.18	1,121,536.91	(30,850.73)