

**REGISTRATION AND COMPETITIVE CLASSIFICATION
OF TELECOMMUNICATION COMPANIES**

All telecommunications companies must register with the Utilities and Transportation Commission (UTC) prior to beginning operations in the state of Washington. Refer to RCW 80.36, WAC 480-121, 480-80, and 480-120.

1300 South Evergreen Park Drive SW
PO Box 47250
Olympia, WA 98504-7250

Telephone 360-664-1160 / Fax 360-586-1150
TTY 360-586-8203 or 1-800-416-5289
Website: www.utc.wa.gov

The UTC has a policy of providing equal access to its services. To request this document in alternate formats, please call 360-664-1133.

- Complete the application form.
- Submit these forms via the [Records Center Web portal](#) or e-mail to records@utc.wa.gov as an electronic attachment. UTC encourages electronic submission of filings.
- UTC will issue a registration certificate with an effective date 30 days from the date the completed application is received and approved.

Include the following:

Current Balance Sheet	Latest Annual Report, if any - included in the Electronic Submission as Attachment
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Competitive Classification

Applicant is subject to effective competition and requests waiver of regulatory requirements
X Yes Nooutlined in WAC 480-121-063 (1).

Telecommunications Company Information

Company Name: Airnex Communications inc d/b/a:
Company Mailing Address: 5000 Hopyard Rd Ste 240
City/State/Zip: Pleasanton CA 94588
Web Site Address: www.airnex.com

Unified Business Identification Number (UBI): 601852362
(If you do not know your UBI number or need to request one contact the Business Licensing Services at 360-664-1400 or 1-800-451-7985)

Questions regarding this application should be directed to:

Name: Arnold R Marasigan
Phone Number: 9253270400 #119 Fax Number: 9253270401 E-mail: arnold@airnex.com
Mailing Address: 5000 Hopyard Rd Ste 240
City/State/Zip: Pleasanton CA 94588

Registered Agent (A Washington Agent is required if the company is located outside Washington State):

Name: National Registered Agents Inc
Mailing Address: 1780 Barnes Blvd SW Bldg G
City/State/Zip: Tumwater WA 98512-0410
Phone Number: 9253270400 ext 119

Name, address and title of each officer or director (attach additional pages if needed)

Name	Address	Title
Shige Yamaji	5000 Hopyard Rd Ste 240 Pleasanton CA 94588	President / Secretary / Treasurer

Regulatory Contact:

Name: Arnold Marasigan
Mailing Address: 5000 Hopyard Rd Ste 240
Phone Number: 9253270400 ext 119
E-mail: arnold@airnex.com

Fax Number: 9253270401

Consumer Questions and/or Complaint Contact:

Name: Arnold Marasigan
Title: Compliance Manager
Phone Number: 9253270400 ext 119
9253270401
E-mail: arnold@airnex.com

Fax Number:

Emergency Contact:

Name: Arnold Marasigan
Title: Compliance Manager
Phone Number: 9253270400 ext 119
9253270401
E-mail: arnold@airnex.com

Fax Number:

Telecommunication services that will be provided (check all that apply):

Local Exchange Service (Resale)

Data Services

Calling Cards

Prepaid Calling Cards

Alternate Operator Services

Directory Assistance

X Long Distance Interlata

WATS (800/888)

X Long Distance Intralata

Other, please specify _____

Airmex Communication Inc.
Income Statement
For the Twelve Months Ending December 31, 2011

	Year to Date
Revenues	
Direct Billing Income	\$ 2,263,323.83
Prepaid Calling Card Income	24,187.89
Other Income	1,337,261.51
Management Fee	5,343,903.89
Sales Returns and Allowances	<u>(93,662.03)</u>
 Total Revenues	 <u>8,875,015.09</u>
 Cost of Sales	
Carrier Cost	3,641,644.03
Carrier Cost - Canada	3,835.51
Cost of Sales- Other	<u>143,885.60</u>
 Total Cost of Sales	 <u>3,789,365.14</u>
 Gross Profit	 <u>5,085,649.95</u>
 Expenses	
Advertising Expense	2,477.81
Auto Expenses	565.65
Personal Car Used for Business	1,764.90
Auto Miscellaneous	135.24
Bad Debt Expense	519,925.89
Bank Fees	60,058.71
Merchant Network Fee	113,512.93
Commissions and Fees Exp	1,414,508.41
Commissions and Fees Exp-CN	9,294.64
Depreciation Expense	51,619.08
Books and Subscriptions Exp	9,485.77
Employee Benefit Programs Exp	20,504.78
Freight/Postage Expense	175,737.19
Freight/Postage Exp-Airmex Can	5,069.85
Gifts Expense	444.08
Income/Franchise Tax Expense	11,682.00
Utilities Tax & Surcharges	92,196.12
Insurance Expense	16,312.96
Interest Expense	32,288.31
Legal and Professional Expense	28,752.71
Consulting Fee Tax Partners	63,315.10
Consulting Fee-General	16,777.40
Consulting fee - ADP	6,713.83
Licenses/Registration Expense	20,332.78
Maintenance Expenses	6,335.29
Meals and Entertainment Exp	2,090.57
Office Expense	58,331.80
Computer Supplies & Software	5,542.28

Airnex Communication Inc.
Income Statement
For the Twelve Months Ending December 31, 2011

	Year to Date	
Network Access Expense	12,733.45	
Other Taxes	107,024.56	
Payroll Tax Expense	51,706.52	
Penalties and Fines Exp	20.00	
Postage Expense	1,179.86	
Rent or Lease Expense	146,061.00	
Equipment Lease	53,402.18	
Repairs Expense	534.68	
Salaries Expense	573,673.38	
Wage Exp - Foreign Offices	648,378.52	
Office Supplies Expense	15,126.06	
Telephone Expense	28,676.08	
Travel Expense	23,877.48	
Utilities Expense	42,230.77	
Temporary Help	576.00	
Health Insurance Expense	158,262.40	
Workers' compensation	(370.40)	
Moving Expenses	150.60	
Printing & Graphic Expense	29,524.91	
Other Expense	468,790.80	Note: Need to be relocated Waiting for Shige's report and Indi
Total Expenses	<u>5,107,334.93</u>	
Net Income	<u><u>(\$ 21,684.98)</u></u>	

Airnex Communication Inc.
Income Statement
For the Twelve Months Ending December 31, 2011

Airnex Communication Inc.
Income Statement
For the Twelve Months Ending December 31, 2011

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Airnex Communication Inc.
Balance Sheet
December 31, 2011

ASSETS

Current Assets		
Bof A-Operation	\$	13,065.60
B of A - EFT		1,699.16
Bof A-Sales		97.95
Bank of America-Other Sales		11,308.68
Wells Fargo - Operation		(23,064.98)
Wells Fargo - Payroll		(103.30)
Petty Cash - San Ramon		92.79
Accounts Receivable		1,183,378.17
Other Receivables		10,278.91
Allowance for bad debts		6,377.42
Prepaid Expenses		15,996.37
Prepaid Deposit - Carmelo B. L		4,000.00
Prepaid Deposit -China Telecom		2,000.00
Prepaid Deposit - BBCOM Inc.		3,900.00
Deposit - Principal Life Ins.		6,075.00
Advance - Russia Office		1,740.32
Advance - Phillipine Office		47,212.46
Advances - Direct Telecom		2,000.00
Advances - Quality Network		7,000.00
Advance - Norman		750.00
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Total Current Assets		1,293,804.55
Property and Equipment		
Furniture and Fixtures		342,021.26
Telephone Equipments		821,747.99
Computers & Software		908,008.82
Leasehold Improvements		95,242.80
Accum. Depreciation-Furniture		(334,528.27)
Accum. Depreciation-TeleEquip		(773,480.08)
Accum. Depreciation-Computers		(811,778.01)
Accum. Depreciation-Leasehold		(78,819.28)
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Total Property and Equipment		168,415.23
Other Assets		
Notes Receivable - Next Focus		(15,441.24)
Notes Receivable-Airnex Japan		208,664.49
Notes Receivable Airnex Canada		96,569.91
Security Deposits		27,398.56
Bond - Texas		8,975.00
Deposits		2,881.43
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Total Other Assets		329,048.15
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Total Assets	\$	1,791,267.93

Airnex Communication Inc.
Balance Sheet
December 31, 2011

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	510,886.63
Loan from KH		8,000.00
Credit Line - Bank of AMerica		39,440.00
Credit Line - Wells Fargo Bank		89,846.57
Customer Deposits		32,240.00
Security Deposit - Wellwallz		5,737.50
Accrued Expenses		341,478.13
Sales & Utility Taxes Payable		1,202,172.06
401 K Deductions Payable		(5,573.00)
Credit Card Payable-BofA-5227		14,131.21
Credit Card Payable-Chase-4288		1,731.84
Credit Card Payable-BofA-0277		<u>52,571.96</u>
Total Current Liabilities		2,292,662.90
Long-Term Liabilities		
Loan From Shareholder-Shige		129,136.66
Shreholder Loan - Shige Yamaji		<u>627,118.16</u>
Total Long-Term Liabilities		<u>756,254.82</u>
Total Liabilities		3,048,917.72
Capital		
Common Stock		142,300.00
Paid-in Capital		16,494.39
Retained Earnings		(1,394,759.20)
Net Income		<u>(21,684.98)</u>
Total Capital		<u>(1,257,649.79)</u>
Total Liabilities & Capital	\$	<u><u>1,791,267.93</u></u>
