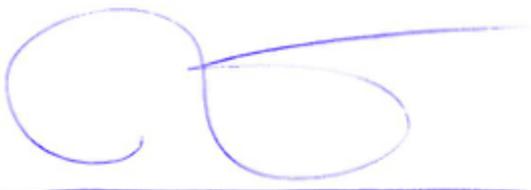


**Income and Expense Statements
Five Year Projection**

APPENDIX 37

	Year 1	Year 2	Year 3	Year 4	Year 5	Average 5 years
REVENUES:						
Fee income	\$ 3,000,000	\$ 3,600,000	\$ 4,500,000	\$ 5,850,000	\$ 7,605,000	\$ 4,911,000
Investment income, net	\$ 100,000	\$ 104,000	\$ 108,000	\$ 112,000	\$ 117,000	108,200
TOTAL REVENUES	\$ 3,100,000	\$ 3,704,000	\$ 4,608,000	\$ 5,962,000	\$ 7,722,000	\$ 5,019,200
OPERATING EXPENSES:						
Labor Costs(Full-time Employment)						
Salaries and wages	\$ 610,000	\$ 641,000	\$ 769,000	\$ 961,000	\$ 1,249,000	\$ 846,000
Payroll taxes	\$ 38,000	\$ 40,000	\$ 48,000	\$ 60,000	\$ 79,000	53,000
Employee benefits	\$ 105,000	\$ 110,000	\$ 129,000	\$ 152,000	\$ 196,000	138,400
TOTAL LABOR COSTS	\$ 753,000	\$ 791,000	\$ 946,000	\$ 1,173,000	\$ 1,524,000	\$ 1,037,400
Local Purchase of Goods and Services						
Occupancy costs	\$ 119,000	\$ 124,000	\$ 129,000	\$ 134,000	\$ 139,000	\$ 129,000
Advertising and marketing	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	100,000
Research and development	\$ 60,000	\$ 66,000	\$ 79,000	\$ 48,000	\$ 29,000	56,400
Charitable contributions	\$ 53,000	\$ 53,000	\$ 53,000	\$ 53,000	\$ 53,000	53,000
Utilities and telecommunications	\$ 70,000	\$ 73,000	\$ 76,000	\$ 79,000	\$ 82,000	76,000
Professional services	\$ 55,000	\$ 57,000	\$ 59,000	\$ 62,000	\$ 64,000	59,400
Office supplies and postage	\$ 30,000	\$ 31,000	\$ 32,000	\$ 34,000	\$ 35,000	32,400
Insurance	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	40,000
EDC annual fees	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	8,000
Dues, subscriptions and licenses	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 5,000	4,200
Travel	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	5,000
IT- repairs and maintenance	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	5,000
TOTAL LOCAL EXPENSES	\$ 549,000	\$ 566,000	\$ 590,000	\$ 572,000	\$ 565,000	\$ 568,400
Expenses Other Than Local						
Professional subscriptions	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	2,500
Dues, subscriptions and licenses	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	55,000
Professional services	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	50,000
TOTAL NON-LOCAL EXPENSES	\$ 107,500					
TOTAL OPERATING EXPENSES	\$ 1,409,500	\$ 1,464,500	\$ 1,643,500	\$ 1,852,500	\$ 2,196,500	\$ 1,713,300
NET PROFIT BEFORE TAXES	\$ 1,690,500	\$ 2,239,500	\$ 2,964,500	\$ 4,109,500	\$ 5,525,500	\$ 3,305,900


Jeffrey E. Epstein

APPENDIX 38

Upon approval of this application, the applicant will be funded with the initial capital investment and its balance sheet shall be as follows:

Southern Trust Company, Inc.
BALANCE SHEET
Opening Balance Sheet

ASSETS	
Cash	\$ 400,000
TOTAL ASSETS	\$ <u>400,000</u>
EQUITY	
Capital	\$ <u>400,000</u>
	<u>400,000</u>
TOTAL LIABILITIES AND EQUITY	\$ <u>400,000</u>



Jeffrey E. Epstein