

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

NEXTGEN COMMUNICATIONS CORP
Form 10QSB
August 14, 2002

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-QSB

(Mark One)

Quarterly report under Section 13 or 15(d) of the Securities
Exchange Act of 1934

For the quarterly period ended June 30, 2002

Transition report under Section 13 or 15(d) of the Securities
Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 0-22388

NEXTGEN COMMUNICATIONS CORPORATION

(Name of Small Business Issuer as Specified in Its charter)

Delaware

99-0273889

(State or Other Jurisdiction of
Incorporation or Organization)

(IRS Employer
Identification No.)

11850 Jones Road, Houston, Texas 77070

(Address of Principal Executive Offices)

(281) 970-9859

(Issuer's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year,
if Changed Since Last Report)

Check whether the issuer (1) filed all reports required to be filed by
Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such
shorter period that the registrant was required to file such reports), and (2)
has been subject to such filing requirements for the past 90 days.

Yes X No

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

--- ---

The number of shares outstanding of the registrant's common stock, \$.001 par value per share, as of July 31, 2002, was 9,271,882 shares.

Transitional Small Business Disclosure Format: Yes No X

PART I
FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NEXTGEN COMMUNICATIONS CORPORATION
CONSOLIDATED BALANCE SHEETS
(In Thousands)

June 30, 2002

(unaudited)

ASSETS

Current assets

Cash	\$ 179
Restricted cash	835
Accounts receivable, net of allowance for doubtful accounts of \$0 and \$30	--
Costs and earnings in excess of billings	--
Note receivable - current portion	446
Inventory	--
Other current assets	34

Total current assets	----- 1,494
----------------------	----------------

Restricted cash	--
Note receivable - long-term portion	1,862
Deferred acquisition costs and deposits	484

Property and equipment, net of accumulated depreciation of \$15 and \$73	121
--	-----

Goodwill, net of accumulated amortization of \$0 and \$44	--
Other assets	--

TOTAL ASSETS	----- \$ 3,961 =====
--------------	----------------------------

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable and accrued liabilities	\$ 586
Billings in excess of costs	--
Due to affiliate	265
Deferred revenue	--
Notes payable - current portion	862
Notes payable - stockholder - current portion	--

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

Other current liabilities	--

Total current liabilities	1,713
Long-term debt - stockholder	--
Long-term debt - others	51

Total liabilities	1,764

Stockholders' equity	
Common stock, \$.001 par value, 50,000 shares authorized 9,271 shares issued and outstanding	9
Additional paid-in capital	23,892
Notes receivable	(125)
Accumulated deficit	(21,579)

Total stockholders' equity	2,197

 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	 \$ 3,961
	=====

The accompanying notes are an integral part of these financial statements.

1

NEXTGEN COMMUNICATIONS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, except per share amounts)
(Unaudited)

	Three Months ended June 30,		Six
	2002	2001	2002
	-----	-----	-----
Revenue	\$ --	\$ --	\$ 2
Cost of revenue	--	--	1
	-----	-----	-----
Gross profit	--	--	
Selling, general and administrative expenses	488	296	1,1
	-----	-----	-----
	(488)	(296)	(1,0
Loss on sale of asset	--	--	(1
Reversal of prior year accruals	1,105	--	1,1
Interest income	29	96	
	-----	-----	-----

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

Income (loss) before income taxes	646	(200)	
Income taxes	--	--	
Net income (loss)	\$ 646	\$ (200)	\$
Net income (loss) per share	\$ 0.07	\$ (0.02)	\$ 0.
Weighted average number of common shares outstanding	9,271,878	8,821,670	9,755,8

The accompanying notes are an integral part of these financial statements.

2

NEXTGEN COMMUNICATIONS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)
(Unaudited)

	Six Month June
	2002
Net cash (used in) provided by operating activities, net of effects of business acquired	\$ (1,014)
Cash flow from investing activities:	
Payments for acquisitions, net of cash acquired	--
Divestiture of cash	(197)
Purchase of machinery and equipment	(140)
Deferred acquisition costs and deposits	(484)
Net cash (used in) provided by investing activities	(821)
Cash flow from financing activities:	
Advances on notes receivable	(50)
Payments on notes receivable	144
Advances on capital leases and long-term debt	85
Payments on capital leases and long-term debt	(375)
Advance on line-of-credit	835
Restricted cash - current	(835)
Net cash (used in) provided by financing activities	(196)

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

Net (decrease) increase in cash	(2,031)
Cash, beginning of period	2,210

Cash, end of period	\$ 179
	=====

The accompanying notes are an integral part of these financial statements.

3

NEXTGEN COMMUNICATIONS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2002
(In thousands, except for share and per share amounts)

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Company Description and Nature of Operations

Nextgen Communications Corporation (together with its wholly-owned subsidiaries, the "Company" or "Nextgen") is currently pursuing the acquisition of communications towers throughout the United States. During the majority of the first quarter of 2002, Nextgen provided comprehensive network development services and components for the communications industry. The Company divested the subsidiary that conducted such operations in February 2002 (see Note 4). The Company's corporate headquarters are based in Houston, Texas.

The accompanying unaudited interim consolidated financial statements have been prepared by the Company in accordance with generally accepted accounting principles and Regulation S-B, as promulgated by the Securities and Exchange Commission. Certain information and footnote disclosures normally included in audited financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. Accordingly, these interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and related notes as contained in the Company's annual report on Form 10-KSB for the year ended December 31, 2001. In the opinion of management, the interim consolidated financial statements reflect all adjustments, including normal recurring adjustments, necessary for fair presentation of the interim periods presented. The results of operations for the six months ended June 30, 2002 are not necessarily indicative of results of operations to be expected for the full year.

On July 31, 2001, the Company filed a restated certificate of incorporation, thereby changing its name from U S Industrial

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

Services, Inc. to Nextgen Communications Corporation. The restated certificate of incorporation also increased the authorized shares of the Company's common stock from 25,000 to 50,000, and decreased the par value of the Company's common and preferred stock from \$0.01 to \$0.001.

From September 29, 2000 to June 29, 2001, the Company had no significant operations. Prior to September 29, 2000, the Company operated as a multi-state service company, specializing in industrial cleaning services, including soil and groundwater remediation, hazardous material management and clean-up, asbestos abatement and lead hazard removal services.

Since February 22, 2002 and the sale of Point To Point Network Services, the Company has had no significant operations.

NOTE 2 - NOTE RECEIVABLE

The Company holds a note receivable from Spruce McIntyre Holding Corp. ("Spruce"), resulting from the Company's sale of certain assets to Spruce in September 2000. Principal payments were due in three installments beginning June 15, 2001. The note was modified on April 30, 2001 in a new principal amount of \$1,420, representing the outstanding principal balance of the original note on that date. The modified note bears an interest rate of 7.75% and matures on July 1, 2005. Payments of interest only were required through November 1, 2001, and 44 equal monthly payments of principal and interest of \$37 commenced on December 1, 2001. Outstanding principal at June 30, 2002, and December 31, 2001, was \$1,258 and \$1,402, respectively. The note is secured by the assets that the Company sold to Spruce.

The Company also holds a note receivable from Point to Point of Louisiana, Inc. The principal amount of such note was \$1,000 on June 30, 2002. The terms of this promissory note and the details of the transaction in which it was received by the Company are set forth in Note 4 below.

4

NEXTGEN COMMUNICATIONS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2002
(In thousands, except for share and per share amounts)

NOTE 3 - SHORT-TERM AND LONG-TERM DEBT

Short-Term Debt

The Company is obligated to pay a commercial bank in connection with a working capital loan. The note bears interest at the rate of 3.25%; principal balance at June 30, 2002 is \$835. The loan is secured by a certificate of deposit held by the bank with a principal balance at June 30, 2002 of \$1,006.

Long-Term Debt

The Company is obligated on several notes secured by liens on

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

vehicles. The notes bear interest at the rate of 0.75% above the prime rate; principal balances at June 30, 2002 total \$79.

Scheduled annual maturities of long-term debt as of June 2002 are as follows:

2002	\$13
2003	\$28
2004	\$30
2005	\$ 8

NOTE 4 - BUSINESS COMBINATIONS AND DISPOSITIONS

Acquisition and Disposition of Point To Point Network Services, Inc. On June 29, 2001, the Company acquired Point To Point Network Services, Inc. ("Point To Point"), based in Methuen, Massachusetts. Point To Point was a provider of fixed communications networking design and build-out services, such as voice, data, and video, to the communications industry. Consideration paid was 2,000 shares of the Company's common stock, valued at \$2,914, and cash of \$678, for an aggregate consideration of \$3,592. The Company also incurred direct costs related to the acquisition of \$189, for a total purchase price of \$3,781.

On February 22, 2002, the Company sold all of the shares of Point To Point that it owned to Point to Point of Louisiana, Inc., a Louisiana corporation (the "Buyer"). The purchase price for the outstanding common stock of Point to Point (the "Shares") that the Buyer acquired from the Company was \$1,000, which the Buyer paid by issuing a Secured Promissory Note (the "Note") to the Company. The Note bears interest at 6.5% per annum, and requires a payment of accrued interest on February 22, 2003, and a payment of accrued interest and \$100 of principal on February 22, 2004, and all remaining principal and interest accrued thereon on February 22, 2005. The Note is secured by the Shares, pursuant to a Stock Pledge Agreement dated February 22, 2002. Richard W. Lancaster, a former director of the Company, serves as the President of the Buyer.

Settlement Agreement

A Settlement Agreement and Mutual Release of Claims (the "Release") was entered effective as of February 20, 2002, by and among Point To Point, the Company, and W. Michael Sullivan ("Sullivan"), a stockholder of the Company and former employee and stockholder of Point To Point. The Release settled certain disputes among the parties related to the Company's acquisition of Point To Point from Sullivan on June 29, 2001, and the termination of Sullivan's employment with Point To Point on November 1, 2001. Pursuant to the Release, Sullivan received approximately \$464 cash, comprised of approximately \$107 as severance for the termination of his employment with Point To Point, and approximately \$357 as payment in full of a promissory note issued by Point To Point to Sullivan on June 29, 2001. Also, approximately \$42 of liabilities of Point To Point that Sullivan had personally guaranteed were paid off in full. The Release required Sullivan to transfer 1,800 of his 2,000 shares of the Company's common stock back to the Company, and gave the Company the right to repurchase the 200 shares retained by Sullivan, at a purchase price of \$5.00 per share, until June 29, 2002. The Company has returned the 1,800 shares of common stock repurchased from Sullivan to its authorized, but unissued, shares.

NEXTGEN COMMUNICATIONS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2002

(In thousands, except for share and per share amounts)

Letters of Intent

In March 2002, the Company entered into three letters of intent to acquire 229 communications towers for an aggregate purchase price of \$51.2 million. Of these 229 towers, Nextgen continues to negotiate the acquisition of 82 towers representing an aggregate purchase price of \$20.6 million.

In June 2002, the Company entered into a letter of intent to acquire 16 broadcast communications towers for an aggregate purchase price of \$13.0 million. These towers are located throughout the United States.

All of the above potential acquisitions are contingent upon the occurrence of various events and conditions.

NOTE 5 - SUBSEQUENT EVENTS

In August 2002, the Company borrowed \$200 from an individual for general corporate purposes, including the acquisition of wireless communications towers. The loan pays an 8% quarterly interest coupon and matures in three years.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

OVERVIEW

Nextgen Communications Corporation ("we," "us," "Nextgen," or the "Company") is a Delaware corporation that was incorporated in 1998. Our growth strategy is to acquire communications towers and lease space on them to wireless carriers such as personal communications services, cellular, paging, microwave and specialized mobile radio, enhanced specialized mobile radio, wireless data transmission, radio and television broadcasting. Currently, we have entered into four non-binding letters of intent to acquire an aggregate of 98 towers, and we are in discussions to acquire additional towers. We plan to aggressively consolidate ownership of communications sites in purchase transactions with both wireless carriers and independent owners, and then increase our tenancy on these towers by allocating dedicated resources to selling antennae space on these towers. As a result of the recent downturn in the telecommunications industry, we believe that Nextgen is well positioned to further consolidate this market at attractive purchase prices based on multiples of tower cash flow. While we

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

believe that we have the resources and potential financing sources, and favorable market conditions, to implement our proposed acquisition strategy, Nextgen has not acquired any towers to date.

GROWTH STRATEGY

Our growth strategy is to capitalize on the rapid development of the wireless telecommunications market. The growth factors increasing demand for wireless communications, and subsequently, increasing the demand for antennae locations, are:

- o Technological advances in wireless communications service
- o Decreased cost per minute of wireless communications
- o Increased mobility
- o Greater awareness of the need for wireless services
- o New data applications
- o Issuance of new wireless network licenses

As competition in the wireless telecommunications market intensifies, we believe many wireless carriers will desire to preserve their capital and will continue the current trend of selling and leasing back their communications towers. By doing this, wireless carriers can:

- o Spend capital on activities that directly increase their subscriber base
- o Co-locate transmission facilities when available versus building their own infrastructure
- o Focus on core business activities

We will cater to these wireless carriers by offering to purchase their communications towers and lease them back to the carriers for terms of up to ten years. Also, such an arrangement with the carrier would only require us to provide access to space on our towers, and would not be dependent upon the type of technology the carrier uses.

This growth strategy is financially oriented, as opposed to geographically oriented, as we seek to acquire communications towers at favorable purchase prices. We gauge the value of communications towers primarily by considering their current tower cash flow, location, and opportunities to add new tenants. Tower cash flow is calculated by subtracting from gross tenant revenues the direct expenses associated with operating a tower, such as ground lease payment, utilities, real estate taxes, insurance and maintenance. Ultimately, our focus is to acquire multi-tenant towers, with underutilized capacity, in markets that we believe will be attractive to wireless carriers seeking to build out their networks.

COMPARISON OF THREE AND SIX MONTHS ENDED JUNE 30, 2002 RESULTS OF OPERATIONS TO THREE AND SIX MONTHS ENDED JUNE 30, 2001

On September 29, 2000, the Company sold certain subsidiaries that had operated within the industrial services sector. The Company had no operations from the date of such sale until it acquired Point To Point on June 29, 2001. The Company divested Point To Point on February 22, 2002. Therefore, comparisons between the results of operations for the three and six months ended June 30,

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

2002 to the three and six months ended June 30, 2001 would not be informative.

7

LIQUIDITY AND CAPITAL RESOURCES

The Company's existing capital resources as of June 30, 2002, consisted of cash and notes totaling \$3,220. The Company believes that the cash currently on hand and the cash expected to be received as payments on promissory notes owed to the Company would be sufficient throughout the next twelve months to finance the Company's working capital needs and any remaining obligations from the Company's divested operations. Implementation of the Company's strategic plan of acquiring communications towers will require additional capital, however.

RISKS ASSOCIATED WITH FORWARD-LOOKING STATEMENT INCLUDED IN THIS FORM 10-QSB

This Form 10-QSB contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. These statements include the plans and objectives of management for future operations, including plans and objectives relating to the Company's tower acquisition strategy and availability of capital to fund such strategy. The forward-looking statements included herein are based on current expectations that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions, regulatory framework, and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Company. We refer you to the section entitled "Trends, Risks and Uncertainties" in Item 6 of Part II of our annual report on Form 10-KSB for the year ended December 31, 2001, for a list of specific factors that could cause actual results to differ materially from those indicated by our forward-looking statements made herein and presented elsewhere by management. Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Form 10-QSB will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved. Furthermore, we do not undertake any obligation to update forward-looking statements made herein.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The nature and scope of our business operations bring us into regular contact with the general public, a variety of businesses and government agencies. These activities inherently subject us to potential litigation, which we defend in the normal course of business. At June 30, 2002, there were various claims and disputes incidental to the business. The Company believes that the disposition of all such claims and disputes, individually or in the aggregate, should not have a material adverse affect upon our financial position, results of operations or cash flows. As of June 30, 2002, the Company has not been named as a responsible party for any environmental issues under the Federal Superfund Law.

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

During the 2nd quarter, the Company re-evaluated its accruals for legal proceedings and, given current settlement proposals in negotiation on specific claims, decided to lower its accrual for these legal proceedings by \$1,105, which is shown in this quarter's income statement.

ITEM 2. CHANGES IN SECURITIES.

During the second quarter of 2002, the Company did not issue shares of its common stock without registration under the Securities Act of 1933, as amended (the "Securities Act").

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

On May 9, 2002, the Company held its 2002 Annual Meeting of Stockholders. At the Annual Meeting, the Company's stockholders reelected Frank J. Fradella as the Company's sole director, and ratified the appointment of Merdinger, Fruchter, Rosen & Corso, P.C. as the Company's independent public accountants for 2002.

8

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

- 2.1 Stock Purchase and Note Assignment Agreement, dated as of September 29, 2000, between Spruce MacIntyre Holding Corp., P.W. Stephens Environmental, Inc., P.W. Stephens Contractors, Inc., P.W. Stephens Services, Inc., P.W. Stephens Northwest, Inc. and U.S. Industrial Services, Inc. (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on February 20, 2001, and incorporated herein by reference).
- 2.2 Reorganization Agreement and Plan of Merger, effective as of June 29, 2001, by and among U S Industrial Services, Inc., a Delaware corporation, Point To Point Network Services, Inc., a Massachusetts corporation, and W. Michael Sullivan (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on July 19, 2001, and incorporated herein by reference).
- 2.3 Agreement for Sale of Shares, dated as of February 22, 2002, between Nextgen Communications Corporation, a Delaware corporation, and Point to Point of Louisiana, Inc., a Louisiana corporation (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
- 2.4 First Amendment to Agreement for Sale of Shares, executed to be effective as of February 22, 2002, by and between Nextgen Communications Corporation and Point to Point of Louisiana, Inc. (filed as Exhibit 2.2 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
- 2.5 Secured Promissory Note, dated February 22, 2002, issued by Point to Point of Louisiana to Nextgen Communications Corporation. (filed as Exhibit 2.3 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
- 2.6 First Amendment to Secured Promissory Note, executed to be effective

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

as of February 22, 2002, by and between Point to Point of Louisiana, Inc. and Nextgen Communications Corporation (filed as Exhibit 2.4 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).

- 2.7 Stock Pledge Agreement, executed to be effective as of February 22, 2002, by and between Point to Point of Louisiana, Inc. and Nextgen Communications Corporation (filed as Exhibit 2.5 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
- 2.8 Settlement Agreement and Mutual Release of Claims, executed to be effective as of February 20, 2002, by and among Point To Point Network Services, Inc., Nextgen Communications Corporation, and W. Michael Sullivan (filed as Exhibit 2.6 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
- 2.9 Repurchase Option Agreement, executed to be effective as of February 20, 2002, by and between Nextgen Communications Corporation and W. Michael Sullivan (filed as Exhibit 2.7 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
- 3.1 Certificate of Incorporation of the Company, as restated on July 31, 2001 (filed as Exhibit A to the Company's Information Statement on Schedule 14C filed on July 9, 2001, and incorporated herein by reference).
- 3.2 Bylaws of the Company, as amended on April 2, 2001 (filed as Exhibit 3.2 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).
- 10.1* 1998 Stock Option Plan (filed as Exhibit 4.1 to the Company's Annual Report on Form 10-KSB for the year ended September 30, 1998, and incorporated herein by reference).
- 10.2 Promissory Notes in principal amounts of \$3,490,000 and \$1,000,000, respectively, issued to ATNAM Enterprises, Inc. by Kenny Industrial Services, L.L.C. (filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 2001, and incorporated herein by reference).
- 10.3* 2001 Stock Plan (filed as Exhibit B to the Company's Information Statement on Schedule 14C filed on July 9, 2001, and incorporated herein by reference).
- 10.4 Note Modification Agreement dated April 30, 2001, by and between Spruce MacIntyre Holding Corp. and U S Industrial Services, Inc. (filed as Exhibit 10.6 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).
- 10.5* Employment Agreement by and between Frank J. Fradella and U S Industrial Services, Inc., dated April 2, 2001 (filed as Exhibit 10.7 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

- 10.6* Registration Rights Agreement by and between Frank J. Fradella and U S Industrial Services, Inc., dated April 2, 2001 (filed as Exhibit 10.8 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).
- 10.7* Stock Option Agreement executed December 27, 2001, to be effective as of October 3, 2000, by and between Frank J. Fradella and Nextgen Communications Corporation (filed as Exhibit 2 to Amendment No. 3 to Schedule 13D of Frank J. Fradella filed on January 3, 2002, and incorporated herein by reference).
- 10.8* Stock Option Agreement by and between R. Andrew White and Nextgen Communications Corporation, dated February 1, 2002 (filed as Exhibit 10.8 to the Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 2002, and incorporated herein by reference).
- 10.9* Employment Agreement by and between R. Andrew White and Nextgen Communications Corporation, dated March 1, 2002 (filed as Exhibit 10.9 to the Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 2002, and incorporated herein by reference).
- 99.1+ Certification of Chief Executive Officer of Nextgen Communications Corporation Pursuant to 18 U.S.C. Section 1350.
- 99.2+ Certification of Chief Financial Officer of Nextgen Communications Corporation Pursuant to 18 U.S.C. Section 1350.

* Denotes a management contract or compensatory plan or arrangement.

+ Filed herewith.

(b) Reports on Form 8-K

None.

10

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NEXTGEN COMMUNICATIONS CORPORATION

Dated: August 14, 2002

By: /s/ FRANK J. FRADELLA

Frank J. Fradella
President and Chief Executive Officer

Dated: August 14, 2002

By: /s/ R. ANDREW WHITE

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

R. Andrew White
Chief Financial Officer

INDEX TO EXHIBITS

EXHIBIT NO. -----	DESCRIPTION -----
2.1	Stock Purchase and Note Assignment Agreement, dated as of September 29, 2000, between Spruce MacIntyre Holding Corp., P.W. Stephens Environmental, Inc., P.W. Stephens Contractors, Inc., P.W. Stephens Services, Inc., P.W. Stephens Northwest, Inc. and U.S. Industrial Services, Inc. (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on February 20, 2001, and incorporated herein by reference).
2.2	Reorganization Agreement and Plan of Merger, effective as of June 29, 2001, by and among U S Industrial Services, Inc., a Delaware corporation, Point To Point Network Services, Inc., a Massachusetts corporation, and W. Michael Sullivan (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on July 19, 2001, and incorporated herein by reference).
2.3	Agreement for Sale of Shares, dated as of February 22, 2002, between Nextgen Communications Corporation, a Delaware corporation, and Point to Point of Louisiana, Inc., a Louisiana corporation (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
2.4	First Amendment to Agreement for Sale of Shares, executed to be effective as of February 22, 2002, by and between Nextgen Communications Corporation and Point to Point of Louisiana, Inc. (filed as Exhibit 2.2 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
2.5	Secured Promissory Note, dated February 22, 2002, issued by Point to Point of Louisiana to Nextgen Communications Corporation. (filed as Exhibit 2.3 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
2.6	First Amendment to Secured Promissory Note, executed to be effective as of February 22, 2002, by and between Point to Point of Louisiana, Inc. and Nextgen Communications Corporation (filed as Exhibit 2.4 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
2.7	Stock Pledge Agreement, executed to be effective as of February 22, 2002, by and between Point to Point of Louisiana, Inc. and Nextgen Communications Corporation (filed as Exhibit 2.5 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
2.8	Settlement Agreement and Mutual Release of Claims, executed to be effective as of February 20, 2002, by and among Point To Point Network Services, Inc., Nextgen Communications Corporation, and W. Michael Sullivan (filed as Exhibit 2.6 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

- 2.9 Repurchase Option Agreement, executed to be effective as of February 20, 2002, by and between Nextgen Communications Corporation and W. Michael Sullivan (filed as Exhibit 2.7 to the Company's Current Report on Form 8-K filed on March 19, 2002, and incorporated herein by reference).
- 3.1 Certificate of Incorporation of the Company, as restated on July 31, 2001 (filed as Exhibit A to the Company's Information Statement on Schedule 14C filed on July 9, 2001, and incorporated herein by reference).
- 3.2 Bylaws of the Company, as amended on April 2, 2001 (filed as Exhibit 3.2 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).
- 10.1* 1998 Stock Option Plan (filed as Exhibit 4.1 to the Company's Annual Report on Form 10-KSB for the year ended September 30, 1998, and incorporated herein by reference).
- 10.2 Promissory Notes in principal amounts of \$3,490,000 and \$1,000,000, respectively, issued to ATNAM Enterprises, Inc. by Kenny Industrial Services, L.L.C. (filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 2001, and incorporated herein by reference).
- 10.3* 2001 Stock Plan (filed as Exhibit B to the Company's Information Statement on Schedule 14C filed on July 9, 2001, and incorporated herein by reference).
- 10.4 Note Modification Agreement dated April 30, 2001, by and between Spruce MacIntyre Holding Corp. and U S Industrial Services, Inc. (filed as Exhibit 10.6 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).
- 10.5* Employment Agreement by and between Frank J. Fradella and U S Industrial Services, Inc., dated April 2, 2001 (filed as Exhibit 10.7 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).
- 10.6* Registration Rights Agreement by and between Frank J. Fradella and U S Industrial Services, Inc., dated April 2, 2001 (filed as Exhibit 10.8 to the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2001, and incorporated herein by reference).
- 10.7* Stock Option Agreement executed December 27, 2001, to be effective as of October 3, 2000, by and between Frank J. Fradella and Nextgen Communications Corporation (filed as Exhibit 2 to Amendment No. 3 to Schedule 13D of Frank J. Fradella filed on January 3, 2002, and incorporated herein by reference).
- 10.8* Stock Option Agreement by and between R. Andrew White and Nextgen Communications Corporation, dated February 1, 2002 (filed as Exhibit 10.8 to the Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 2002, and incorporated herein by reference).
- 10.9* Employment Agreement by and between R. Andrew White and Nextgen Communications Corporation, dated March 1, 2002 (filed as Exhibit 10.9 to the Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 2002, and incorporated herein by reference).

Edgar Filing: NEXTGEN COMMUNICATIONS CORP - Form 10QSB

99.1+ Certification of Chief Executive Officer of Nextgen Communications Corporation Pursuant to 18 U.S.C. Section 1350.

99.2+ Certification of Chief Financial Officer of Nextgen Communications Corporation Pursuant to 18 U.S.C. Section 1350.

* Denotes a management contract or compensatory plan or arrangement.

+ Filed herewith.