

File Number: **0231-EX-ST-2004**

Exhibit #2

This correspondence is to explain that CenGen is not obtaining licenses in the ISM band to develop a service.

CenGen is a support contractor to DARPA, other DOD components and to state governmental agencies and functions under contract or subcontract to the organizations. CenGen's support to these agencies is usually to monitor and collect data during field trials of systems that under development. These systems are usually in the proof of concept stage of development. CenGen chooses to operate these support functions in the ISM band because data protocols and equipment are readily available in the commercial market place. Further, equipment to implement communications in the ISM band is relatively inexpensive. After proof of concept for developed systems, a manufacturer contract process would be conducted to build the systems. That phase of development is beyond the scope of CenGen's involvement.

A recent example might be useful to illustrate CenGen's role. CenGen is investigating a DOD secure, wireless network PCMCIA computer card that operates in the 2.4 GHz region of the ISM band. The DOD "owns" frequencies in the 1.755 to about 1.85 GHz band. CenGen has had a manufacturer build a frequency converter that translates the standard 802.11b frequency channels into this 1.755 to 1.85 GHz frequency region, so that the DOD could use the system in government authorized frequencies and not in the 2.4 GHz ISM band. The manufacturer will provide a small, limited quantity of these units to CenGen to further the proof of concept for a possible future system.