SPEEDCOM WIRELESS CORP
Form 10QSB
May 15, 2003
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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-QSB

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDING MARCH 31, 2003

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM ______ TO ______

COMMISSION FILE NUMBER 0-21061

SPEEDCOM WIRELESS CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	**58-2044990**
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	**(I.R.S. EMPLOYER IDENTIFICATION NO.)**

7020 PROFESSIONAL PARKWAY EAST

SARASOTA, FL 34240

(941) 907-2300

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA

CODE, OF REGISTRANT S PRINCIPAL EXECUTIVE OFFICES)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) Yes x No ¨, and (2) has been subject to such filing requirements for the past 90 days Yes x No ¨.

Indicate the number of shares outstanding of each of the issuer s classes of common stock as of the last practicable date: April 30, 2003 14,490,664 common shares, $.001 par value.

Transitional small business disclosure format (check one): Yes ¨ No x

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SPEEDCOM WIRELESS CORPORATION

FORM 10-QSB FOR THE PERIOD ENDED MARCH 31, 2003

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

SPEEDCOM WIRELESS CORPORATION

BALANCE SHEETS

	March 31, 2003	December 31, 2002
	(unaudited)	
Assets		
Current assets:		
Cash	$ 305,201	$ 346,361
Accounts receivable, net of allowances of $121,020 and $162,738 in 2003 and 2002, respectively	611,748	520,164
Leases receivable	137,675	248,993
Inventories, net	1,085,106	1,523,734
Prepaid expenses and other current assets	26,251	53,039
Total current assets	2,165,981	2,692,291
Property and equipment, net	546,788	625,400
Other assets	226,250	112,117
Intellectual property, net	1,026,922	1,096,125
Total assets	$ 3,965,941	$ 4,525,933
Liabilities and stockholders deficit		
Current liabilities:		
Accounts payable	$ 1,112,900	$ 1,135,405
Accrued expenses	946,144	930,949
Due to related parties	3,445,414	3,106,414
Current portion of deferred revenue	19,363	20,939
Current portion of notes and capital leases payable	63,056	64,606
Total current liabilities	5,586,877	5,258,313
Deferred revenue, net of current portion	4,211	4,626
Notes and capital leases payable, net of current portion	408,530	14,100
Stockholders deficit:		
Common stock, $.001 par value, 250,000,000 shares authorized, 14,490,664 shares issued and outstanding in 2003 and 2002	14,490	14,490
Preferred stock, $4.50 stock liquidation value per share, 10,000,000 shares authorized, 3,835,554 shares issued and outstanding in 2003 and 2002	5,455,702	5,455,702
Additional paid-in capital	17,800,749	17,800,749
Accumulated deficit	(25,304,618)	(24,022,047)

Total stockholders deficit	(2,033,677)	(751,106)
Total liabilities and stockholders deficit	$ 3,965,941	$ 4,525,933

See accompanying notes.

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SPEEDCOM WIRELESS CORPORATION

STATEMENTS OF OPERATIONS

(unaudited)

	Three Months Ended March 31,	
	2003	**2002**
Net revenues	$ 1,590,581	$ 1,947,580
Cost of goods sold	975,650	1,079,607
Gross margin	614,931	867,973
Operating costs and expenses:		
Salaries and related	630,992	934,752
General and administrative	694,929	686,422
Selling expenses	244,764	253,008
Provision for bad debt	8,194	321,401
Depreciation and amortization	184,111	175,923
	1,762,990	2,371,506
Loss from operations	(1,148,059)	(1,503,533)
Other (expense) income:		
Interest expense	(139,421)	(64,900)
Interest income	7,745	38,809
Other expense, net	(2,836)	(2,496)
	(134,512)	(28,587)
Net loss	$ (1,282,571)	$ (1,532,120)
Net loss per share:		
Basic and diluted	$ (0.09)	$ (0.15)
Shares used in computing basic and diluted net loss per share	14,490,664	10,447,815

See accompanying notes.

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SPEEDCOM WIRELESS CORPORATION

STATEMENTS OF CASH FLOWS

(unaudited)

	Three Months Ended March 31,	
	2003	**2002**
Operating activities		
Net loss	$ (1,282,571)	$ (1,532,120)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	184,111	175,923
Provision for bad debt	8,194	321,401
Provision for inventory obsolescence		12,909
Common stock issued for services		67,509
Changes in operating assets and liabilities:		
Restricted cash		40,073
Accounts receivable	(99,778)	1,037,639
Leases receivable	111,318	478,425
Inventories	438,628	306,675
Prepaid expenses and other current assets	26,788	22,546
Other assets	(114,133)	12,936
Accounts payable and accrued expenses	(7,310)	(686,306)
Deferred revenue	(1,991)	(39,403)
Net cash (used in) provided by operating activities	(736,744)	218,207
Investing activities		
Purchases of equipment	(44,016)	(4,101)
Proceeds from disposals of equipment	7,720	
Net cash used in investing activities	(36,296)	(4,101)
Financing activities		
Net payments to factor		(257,815)
Proceeds from issuance of loans from related parties	340,000	
Payments of loans from related parties	(1,000)	(36,000)
Proceeds from issuance of notes	400,000	
Payments of notes and capital leases	(7,120)	(8,268)
Proceeds from issuance of common stock		200
Net cash provided by (used in) financing activities	731,880	(301,883)
Net decrease in cash	(41,160)	(87,777)
Cash at beginning of period	346,361	273,614
Cash at end of period	$ 305,201	$ 185,837
Supplemental disclosure of noncash investing and financing activities		

Common stock issued for services	$	67,509
Conversion of accounts payable to loans from related parties	$	44,363
Conversion of accounts payable to notes payable	$	20,000

See accompanying notes.

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SPEEDCOM WIRELESS CORPORATION

NOTES TO FINANCIAL STATEMENTS

(unaudited)

1. Business

SPEEDCOM Wireless Corporation (SPEEDCOM) was incorporated in Florida on March 16, 1994 and reincorporated in Delaware on September 26, 2000. SPEEDCOM manufactures, configures and delivers custom broadband wireless networking equipment, including the SPEEDLAN family of wireless Ethernet bridges and routers, for business and residential customers internationally. Internet service providers, telecommunications service providers and private organizations in over 80 countries use SPEEDCOM products to provide last-mile wireless connectivity between multiple buildings at speeds up to 155 Megabits per second and distances up to 25 miles.

2 Basis of Presentation

The accompanying financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosure normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to those rules and regulations. The accompanying financial statements should be read in conjunction with SPEEDCOM s annual financial statements and notes thereto included in SPEEDCOM s Form 10-KSB.

In the opinion of management, the financial statements reflect all adjustments (consisting of only normal and recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows for those periods presented. Operating results for the three months ended March 31, 2003 are not necessarily indicative of the results that may be expected for the year ended December 31, 2003.

Certain prior year amounts have been reclassified to conform to the 2003 presentation.

3. Going Concern and Management s Plans

The accompanying financial statements are prepared on a going-concern basis, which assumes that SPEEDCOM will realize its assets and discharge its liabilities in the normal course of business. As reflected in the accompanying financial statements, SPEEDCOM incurred operating losses of approximately $1,148,000 and $1,504,000 for the three months ended March 31, 2003 and 2002, respectively and negative cash flows from operations of approximately $737,000 for the three months ended March 31, 2003, and had a working capital deficit of approximately $3,421,000 as of March 31, 2003. In addition, SPEEDCOM s cash flows from operations for the remainder of 2003 are currently projected to be insufficient to finance projected operations, without funding from other sources. These conditions raise substantial doubt as to the ability of SPEEDCOM to continue its normal business operations as a going concern.

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Management s plans to sustain SPEEDCOM s operations include augmenting revenue opportunities, curtailing operating expenses as a percentage of revenue and raising additional capital from external sources. During the three months ended March 31, 2003, management effectively lowered its operating expenses by approximately $609,000 over amounts incurred during the three months ended March 31, 2002. SPEEDCOM borrowed $340,000 in January 2003, at a 15% interest rate, due December 31, 2003. SPEEDCOM also borrowed $400,000 in March 2003 through a convertible promissory note, at a 10% interest rate for the first six months and a 13% interest rate for the remainder of the term of the note, due March 21, 2005. SPEEDCOM was also able to borrow $275,000 in April and May 2003 from four institutional investors. While management is actively addressing multiple sources of capital, there can be no assurance that SPEEDCOM will generate adequate cash from these and similar sources during the remainder of 2003. The financial statements do not include any adjustments that may arise as a result of this uncertainty.

4. Leases Receivable

At March 31, 2003, leases receivable represent a sales-type lease with one customer that arose during the year ended December 31, 2001, resulting from the configuration, assembly, and delivery of wireless communications products. During the three months ended March 31, 2002, SPEEDCOM converted two leases receivable, recorded at approximately $1,290,000, into a single lease receivable with approximately $336,000 due immediately, five payments of $50,000 due over a five month period and a balloon payment of approximately $328,000 due in August 2002. As a result of this restructuring, SPEEDCOM recorded a provision for bad debt of approximately $395,000 for the three months ended March 31, 2002. This lease was restructured in August 2002 and again in March 2003, extending the payment schedule through May 2003 and December 2003, respectively. There are no further credit allowances considered by management to be necessary for these transactions.

5. Inventories

A summary of inventories, net at March 31, 2003 and December 31, 2002 is as follows:

	2003	2002
Component parts	$ 560,861	$ 800,485
Completed assemblies	524,245	723,249
	$ 1,085,106	$ 1,523,734

6. Intellectual Property

In January 2001, SPEEDCOM acquired worldwide rights to PacketHop, a wireless routing software developed by SRI International (SRI). Under the terms of the agreement, SPEEDCOM obtained rights to SRI s PacketHop technology in the fixed wireless infrastructure market for certain specific frequencies below 6 Gigahertz. SRI received $360,000 in cash and a total of 325,000 shares of common stock of SPEEDCOM that was issued in four tranches. Each tranch was measured on the specific date that the stock was issued. As of March 31, 2003, the $360,000

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in cash and the value of the shares at the date of grant less amortization are classified in Intellectual property, net on the balance sheet, and are being amortized using the straight-line method over the six-year term of the agreement.

A summary of intellectual property balances at March 31, 2003 and December 31, 2002 is as follows:

	2003	2002
Intellectual property	$ 1,599,500	$ 1,599,500
Less accumulated amortization	(572,578)	(503,375)
	$ 1,026,922	$ 1,096,125

Supplemental amortization information for intellectual property is as follows:

Amortization expense:		
Three Months ended March 31, 2003	$	69,203
Year ended December 31, 2002	$	276,812
Year ended December 31, 2001	$	226,563
Estimate future amortization expense for the periods indicated:		
Nine months ended December 31, 2003	$	207,609
Year ended December 31, 2004	$	276,812
Year ended December 31, 2005	$	276,812
Year ended December 31, 2006	$	265,689

7. Accrued Expenses

A summary of accrued expenses at March 31, 2003 and December 31, 2002 is as follows:

2003	2002

Accrued payroll	$ 192,771	$ 164,589
Accrued commissions	25,496	48,184
Severance costs	274,789	345,103
Accrued interest	354,509	228,677
Other	98,579	144,396
	$ 946,144	$ 930,949

8. Related Party Transactions

Due to Related Parties

In March 2002, SPEEDCOM issued three promissory notes to each of SPEEDCOM s then current outside Board members for $14,738, $13,875 and $15,750, respectively. Each note bears an interest rate of 14% and carries an additional 2% penalty on outstanding principal not paid by April 15, 2002. $30,919 of these notes has been paid as of March 31, 2003.

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During the year ended December 31, 2002 and the quarter ended March 31, 2003, SPEEDCOM borrowed an aggregate $2,928,000 and $340,000, respectively under secured promissory notes from three institutional investors who are shareholders. All tangible and intangible assets of SPEEDCOM secure the notes. The notes bear an interest rate of 15% and are payable December 31, 2003. Prepayment is permitted under the secured promissory notes with a 50% premium on the outstanding principal amount.

During April and May 2003, SPEEDCOM borrowed an aggregate $275,000 under secured promissory notes from four institutional investors who are shareholders. All tangible and intangible assets of SPEEDCOM secure the notes. The notes bear an interest rate of 15% and are payable December 31, 2003. Prepayment is permitted under the secured promissory notes with a 50% premium on the outstanding principal amount.

As a stipulation of the preferred stock financing received in August 2001, SPEEDCOM was required to file and obtain SEC acceptance of a registration statement within a specified period of time or incur penalties. As a result of obtaining acceptance from the SEC nineteen days late, SPEEDCOM incurred a penalty of $163,970, payable to the preferred stockholders. The penalty was accrued during 2001 and is included in due to related parties at March 31, 2003 and December 31, 2002.

Related Party Interest Expense:

Interest expense recorded during the three months ended March 31, 2003 and 2002 related to related party notes, loans and other balances amounted to $122,617 and $997, respectively.

9. Notes and Capital Leases Payable

A summary of notes and capital leases payable at March 31, 2003 and December 31, 2002 is as follows:

	2003	2002
12% convertible note(a)	$ 40,000	$ 40,000
Convertible promissory note(b)	400,000	
Capital lease obligations	31,586	38,706
	471,586	78,706
Less current portion	(63,056)	(64,606)
	$ 408,530	$ 14,100

(a) In January 2002, SPEEDCOM entered into a financial relations and consultant contract whereby the consulting firm will receive a $10,000 convertible note with a 12% coupon rate each month. This contract was cancelled in May 2002. The notes are convertible at any time at $1.125 per common share. As of March 31, 2003, the note holder possesses rights to convert the notes to 45,000 shares of restricted common stock.

(b) SPEEDCOM borrowed $400,000 from an accredited investor in March 2003 through a convertible promissory note, at a 10% interest rate for the first six months and a 13% interest

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rate for the remainder of the term of the note, due March 21, 2005. The note is convertible at $0.12 per common share.

10. Customer Concentrations

Although SPEEDCOM serves a large and varied group of customers, two customers accounted for 11% and 17% of SPEEDCOM s revenue for the three months ended March 31, 2002. No customer accounted for 10% or more of SPEEDCOM s gross accounts receivable or revenue as of and for the three months ended March 31, 2003. In addition, no customer accounted for 10% or more of SPEEDCOM s gross accounts receivable as of December 31, 2002. SPEEDCOM intends to continue to attempt to diversify and expand its customer base with its current limited resources and maintain overhead costs at low levels.

11. Stock Based Compensation

The following table reflects supplemental financial information related to stock-based employee compensation, as required by Statement of Financial Accounting Standards No. 148, ACCOUNTING FOR STOCK-BASED COMPENSATION TRANSITION AND DISCLOSURE:

	Three Months Ended March 31,	
	2003	**2002**
Stock-based employee compensation costs used in the determination of net loss, as reported		$ (67,509)
Net loss, as reported	$ (1,282,571)	$ (1,532,120)
Stock-based employee compensation costs that would have been included in the determination of net loss if the fair value method (Statement 123) had been applied to all awards	(28,237)	(58,507)
Unaudited pro forma net loss, as if the fair value method had been applied to all awards	$ (1,310,808)	$ (1,590,627)
Loss per share, as reported	$ (0.09)	$ (0.15)
Unaudited pro forma loss per share, as if the fair value method had been applied to all awards	$ (0.09)	$ (0.15)

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Item 2. Management s Discussion and Analysis

The discussion in this document contains trend analysis and other 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, that involve risks and uncertainties, such as statements concerning growth and future operating results; developments in markets and strategic focus; new products and product technologies; and future economic, business, and regulatory conditions. Such forward-looking statements are generally accompanied by words such as plan , estimate , expect , believe , should , would , could , anticipate , may and other words that convey uncertainty of future e outcomes. These forward-looking statements and other statements made elsewhere in this report are made in reliance on the Private Securities Litigation Reform Act of 1995. The section below entitled Certain Factors That May Affect Future Results, Financial Condition and Market Price of Securities sets forth material factors that could cause actual results to differ materially from these statements.

Results of Operations

The following table sets forth the percentage of net revenues represented by certain items in SPEEDCOM s Statements of Operations for the periods indicated.

	Three Months Ended March 31,	
	2003	**2002**
Net revenues	100%	100%
Cost of goods sold	61%	55%
Gross margin	39%	45%
Operating costs and expenses:		
Salaries and related	40%	48%
General and administrative	44%	35%
Selling expenses	15%	13%
Provision for bad debt	0%	17%
Depreciation and amortization	12%	9%
	111%	122%
Loss from operations	(72)%	(77)%
Other (expense) income:		
Interest expense	(9)%	(3)%
Interest income	0%	2%
Other expense, net	(0)%	(0)%
	(9)%	(1)%
Net loss	(81)%	(78)%

Three Months Ended March 31, 2003 and March 31, 2002

Net revenues decreased 18% from approximately $1,948,000 for the three months ended March 31, 2002 to approximately $1,591,000 for the three months ended March 31, 2003. This decrease was due to price reductions by SPEEDCOM, unexpected delays in spending decisions

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by both potential and current customers during 2003 as compared to 2002 and component shortages created by cash flow issues. These factors, combined with the challenging economic environment in both the United States of America and overseas, contributed to disappointing results. Revenues from customers in foreign geographic areas decreased to 62% of revenues for the three months ended March 31, 2003 as compared to 64% of revenues the three months ended March 31, 2002. The percentage of sales from international customers is expected to decrease slightly during the remainder of the year ended December 31, 2003.

Cost of goods sold decreased 10% from approximately $1,080,000 for the three months ended March 31, 2002 to approximately $976,000 for the three months ended March 31, 2003, due to decreases in SPEEDCOM s revenues. In addition, gross margin as a percentage of sales decreased six percentage points from 45% for the three months ended March 31, 2002 to 39% for the three months ended March 31, 2003 as a result of price reductions by SPEEDCOM and lower cost absorption of fixed costs due to decreased revenue.

Salaries and related, general and administrative and selling expenses decreased by 16% from approximately $1,874,000 for the three months ended March 31, 2002 to approximately $1,571,000 for the three months ended March 31, 2003. This decrease was primarily due to a decrease in salaries and related expenses of approximately $304,000 related to decreased headcount.

Provision for bad debt decreased 97% from approximately $321,000 during the three months ended March 31, 2002 to approximately $8,000 for the three months ended March 31, 2003. During the three months ended March 31, 2002, SPEEDCOM converted two of its leases receivable, recorded at approximately $1,290,000, into a new lease receivable with approximately $336,000 which was due and collected immediately, five payments of $50,000 due over a five-month period and a balloon payment of approximately $328,000 due in August 2002. As a result of this restructuring of the leases, SPEEDCOM recorded a provision for bad debt of approximately $395,000 for the three months ended March 31, 2002.

Interest expense increased from approximately $65,000 for the three months ended March 31, 2002 to approximately $139,000 for the three months ended March 31, 2003. This increase was due to the addition of notes payable and loans from related parties during 2002 and 2003 of $3,668,000. Interest income decreased from approximately $39,000 for the three months ended March 31, 2002 to approximately $8,000 for the three months ended March 31, 2003 as a result of fewer leasing agreements.

Net loss decreased 16% from approximately $1,532,000, or $0.15 per share, in the three months ended March 31, 2002 to approximately $1,283,000, or $0.09 per share, in the three months ended March 31, 2003 as a result of the foregoing factors.

Taxes

At March 31, 2003, SPEEDCOM had net operating loss carryforwards (NOLs) for federal income tax purposes of approximately $21,618,000. The NOLs expire at various dates through

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the year 2022. Utilization of SPEEDCOM s net operating loss may be subject to substantial annual limitation due to the ownership change limitations provided by the Internal Revenue Code and similar state provisions. Such annual limitation could result in the expiration of the net operating loss before utilization.

Liquidity and Capital Resources

During the three months ended March 31, 2003, SPEEDCOM used approximately $737,000 of cash for operating activities. This was primarily due to SPEEDCOM s net loss for the period and increases in other assets partially offset by decreases in inventory and leases receivable. SPEEDCOM purchased approximately $44,000 of fixed assets during the three months ended March 31, 2003 as compared to approximately $4,000 during the same period in 2002. SPEEDCOM does not have any material commitments for capital expenditures in the future. SPEEDCOM received approximately $732,000 from its financing activities primarily through proceeds from related party and third party loans. As of March 31, 2003, SPEEDCOM had cash of approximately $305,000.

During the three months ended March 31, 2003, SPEEDCOM borrowed an aggregate $340,000 from three institutional investors who are shareholders. The loans bear an interest rate of 15% and are payable December 31, 2003. Also during the three months ended March 31, 2003, SPEEDCOM borrowed $400,000 from an accredited investor. The loan bears an interest rate of 10% for the first six months and 13% for the remainder of the term of the note, due March 21, 2005. The note is convertible at $0.12 per common share. During April and May 2003, SPEEDCOM borrowed an aggregate $275,000 from four institutional investors who are shareholders. The loans bear an interest rate of 15% and are payable December 31, 2003.

During the three months ended March 31, 2002, SPEEDCOM s operating activities provided approximately $218,000 of cash. This was primarily due to decreases in accounts receivable, leases receivable and inventory partially offset by its net loss for the period and decreases in accounts payable and accrued expenses. SPEEDCOM purchased approximately $4,000 of fixed assets during the three months ending March 31, 2002 as compared to approximately $194,000 during the same period in 2001. SPEEDCOM does not have any material commitments for capital expenditures in the future. SPEEDCOM used approximately $302,000 from its financing activities primarily through payments to factored accounts receivable and payments on loans from related parties. As of March 31, 2002, SPEEDCOM had cash of approximately $186,000.

Projected cash flows from SPEEDCOM s current operations are not sufficient to finance SPEEDCOM s current and projected working capital requirements. It is essential that SPEEDCOM obtain additional capital to execute its business plan for the remainder of 2003 and 2004. SPEEDCOM will seek additional capital to fund working capital deficits, develop next generation products and to take advantage of opportunities that may arise. This additional capital could come from the sale of common or preferred stock, from borrowings, or from a strategic transaction such as a merger. There can be no assurance that such financing will be available on acceptable terms, if at all. If SPEEDCOM is unable to secure significant additional financing, SPEEDCOM will have to further downsize its business or explore other alternatives. The

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financial statements do not include any adjustments that might arise as a result of this uncertainty.

Management s plans to sustain SPEEDCOM s operations include augmenting revenue opportunities, curtailing operating expenses as a percentage of revenue and raising additional capital from external sources, as discussed above. During the three months ended March 31, 2003, management effectively lowered its operating expenses by approximately $609,000 over amounts incurred during the three months ended March 31, 2002. In addition, during the three months ended March 31, 2003 management raised cash of $740,000 from loans from related parties and third party investors, of which approximately $400,000 is eventually convertible to equity. While management is actively addressing multiple sources of capital, there can be no assurance that SPEEDCOM will generate adequate cash from these and similar sources during the remainder of 2003 and 2004.

Commitments and Off Balance Sheet Instruments

SPEEDCOM s only material commitments involve leases for office and manufacturing facilities and computer and office equipment under operating leases. Rent expense under operating leases, amounted to $161,921 and $204,401 for the three months ended March 31, 2003 and 2002, respectively.

During 2002, SPEEDCOM entered into several payment plan agreements with vendors that set up monthly commitments by SPEEDCOM to pay off balances that were past due. SPEEDCOM is currently in default on several of these payment obligations. SPEEDCOM s terms with most of its suppliers and other vendors are net 30. In many cases, SPEEDCOM is past due with these suppliers and vendors. SPEEDCOM is currently engaged in legal proceedings related to some of the defaults discussed above. None of these proceedings are expected to have a material effect on SPEEDCOM s business.

In addition, SPEEDCOM is in default on two severance agreements entered into during 2000.

SPEEDCOM also has three employment contracts, which guarantee that if a change of control occurs, the employee may elect to resign from SPEEDCOM and receive a lump sum payment of six month s salary, in the case of two contracts and 12 month s salary, in the case of one contract. In 2002, a change of control, as defined in the agreements, did occur. However, there has not been any indication that the employees covered under the employment contracts are considering resigning from SPEEDCOM.

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Certain Factors That May Affect Future Results, Financial Condition and Market Price of Securities

If we do not raise additional capital, we will not be able to fulfill our business plan or continue as a going concern.

It is essential that we obtain additional financing by the end of the second quarter of 2003 to continue operating as a going concern. This additional capital could come from the sale of common or preferred stock, from borrowings, or from a strategic transaction such as a merger. There can be no assurance, however, that we will be successful in obtaining the additional capital we require.

If we are unsuccessful in raising that capital we may not have sufficient funding to purchase necessary goods and services to execute our business plan. SPEEDCOM s 2003 and 2004 business plans include products that have initial lead times for component parts that are longer than older product lines and that require deposits upfront. SPEEDCOM will need to raise additional capital to fund these longer lead times for purchasing inventory in order to execute its 2003 and 2004 business plans.

If this capital is not obtained, additional changes in SPEEDCOM s cost structure could be required, such as employee terminations. In addition, our failure to obtain additional capital could result in our being unable to continue as a going concern.

SPEEDCOM has a history of losses and may never achieve or sustain profitability.

SPEEDCOM has incurred significant losses since its inception, and expects to continue to incur net losses through at least the third quarter of 2003. Although SPEEDCOM intends to decrease operating expenses as a percentage of revenue, our revenues may not grow or even continue at their current level. If revenues do not rapidly increase or if expenses increase at a greater pace than revenues, SPEEDCOM will never become profitable.

We may not be able to compete successfully in the fixed wireless broadband market in view of rapid technological change and the resources required to deal with technological change.

The fixed wireless broadband market is at an early stage of development and is rapidly evolving. The markets for our products and the technologies utilized in the industry in which we operate evolve rapidly and depend on key technologies, including wireless local area networks, wireless packet data, modem, and radio technologies. As is typical for a new and rapidly evolving industry, demand and market acceptance for recently introduced wireless networking products and services are subject to a high level of uncertainty. Market acceptance of particular products cannot be predicted; however, it is likely that new products will not be generally accepted unless they operate at higher speeds and are sold at lower prices. While the number of businesses recognizing the value of wireless solutions is increasing, we do not know whether sufficient demand for our products will emerge and become sustainable. Prospects must be evaluated due to the risks encountered by a company in the early stages of marketing new products or services,

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particularly in light of the uncertainties relating to the new and evolving markets in which we operate. There can be no assurance that we will succeed in addressing any or all of these risks, and our failure to do so would reduce demand for SPEEDCOM s products.

We could encounter future competition from larger wireless, computer, and networking equipment companies. We could also encounter additional future competition from companies that offer products that replace or are alternatives to radio frequency wireless solutions. These products include, for example, products based on infra-red technology, products based on laser technology, systems that utilize existing telephone wires or cables within a building as a wired network backbone, and satellite systems outside of buildings.

Major changes could render products and technologies obsolete or subject to intense competition from alternative products or technologies or by improvements in existing products or technologies. For example, Internet access and wireless local loop equipment markets may stop growing as a result of the development of alternative technologies, such as fiber optic, coaxial cable, or satellite systems. Also, new or enhanced products developed by other companies may be technologically incompatible with SPEEDCOM s products and render our products obsolete.

Many of SPEEDCOM s current and potential competitors have significantly greater financial, marketing, technical and other resources and, as a result, may be able to respond more quickly to new or emerging technologies or standards and to changes in customer requirements, or to devote greater resources to the development, promotion, and sale of products or to deliver competitive products at a lower end user price. Current and potential competitors have established or may establish cooperative relationships among themselves or with third parties to increase the ability of their products to address the needs of SPEEDCOM s existing and prospective customers. Accordingly, it is possible that new competitors or alliances among competitors may emerge and rapidly acquire significant market share. Increased competition could result in price reductions, reduced operating margins, and loss of market share by SPEEDCOM.

SPEEDCOM s reliance on limited sources of wireless and computer components could result in delayed product shipment and higher costs and could damage customer relationships.

Many of the key hardware and software components necessary for the assembly of SPEEDCOM s products are only available from a single supplier or from a limited number of suppliers. Our reliance on sole or limited source suppliers involves several risks, including:

- suppliers could increase component prices significantly, without advance notice;
- suppliers could discontinue or delay delivery of product components for reasons such as inventory shortages, new product offerings, increased cost of materials, destruction of manufacturing facilities, labor disputes and bankruptcy; and
- in order to compensate for potential component shortages or discontinuance, in the future we may hold more inventory than is immediately required, resulting in increased inventory costs.

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If our suppliers are unable to deliver or ration components to us, we could experience interruptions and delays in manufacturing and sales, which could result in the cancellation of orders for products or the need to modify products. This may cause substantial delays in product shipments, increased manufacturing costs, and increased product prices. Further, we may not be able to develop alternative sources for these components in a timely way, if at all, and may not be able to modify our products to accommodate alternative components. These factors could damage our relationships with current and prospective customers over a period lasting longer than any underlying shortage or discontinuance.

Indirect distribution channels may result in increased costs and lower margins.

To increase revenues, we have increased the number of our distribution partners. SPEEDCOM has invested significant resources to develop these indirect channels. These efforts may not generate the revenues necessary to offset such investments. We may be dependent upon the acceptance of our products by distributors and their active marketing and sales efforts relating to our products. The distributors to whom we sell products are independent and are not obligated to deal with SPEEDCOM exclusively. Because SPEEDCOM does not generally fulfill orders by end users of its products sold through distributors, SPEEDCOM will be dependent upon the ability of distributors to accurately forecast demand and maintain appropriate levels of inventory. Management expects that SPEEDCOM s distributors will also sell competing products. These distributors may not continue, or may not give a high priority to, marketing and supporting our products. This and other channel conflicts could result in diminished sales through the indirect channels. Additionally, because lower prices are typically charged on sales made through indirect channels, increased indirect sales could adversely affect the average selling prices and result in lower gross margins. SPEEDCOM may modify the number of distribution partners that it utilizes in the future.

Our international operations and sales involve significant risks that could reduce sales and increase expenses.

We anticipate that revenues from customers outside North America will continue to account for a significant portion of our total revenues for the foreseeable future. Expansion of international operations has required, and will continue to require, significant management attention and resources. In addition, we remain heavily dependent on distributors to market, sell, and support our products internationally. International operations are subject to additional risks, including the following:

- difficulties of staffing and managing foreign operations due to time differences, language barriers, and staffing constraints in the foreign sales offices;
- longer customer payment cycles and greater difficulties in collecting accounts receivable increase the amount of time that we have to fund our purchase of the inventory sold;
- unexpected changes in regulatory requirements, exchange rates, trading policies, tariffs, and other barriers could increase our costs;
- uncertainties of laws and enforcement relating to the protection of intellectual property could allow competitors to infringe on our technology;

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limits on the ability to sue and enforce a judgment for accounts receivable increase the risk of bad debt expense;

potential adverse tax consequences could create additional expense; and

political and economic instability in certain foreign countries could limit our sales in those regions.

Our common stock price is volatile.

Our common stock and the stock market in general have experienced significant price and volume fluctuations in recent years, and the market prices of technology companies have been highly volatile. In the past, following periods of volatility in the market price of a company s securities, securities class action litigation has often been instituted against that company. If such litigation were initiated against SPEEDCOM, that could result in substantial costs and divert management s attention.

Our common stock was delisted from the NASDAQ SmallCap Market, which may make it more difficult to sell shares of our common stock.

Effective August 22, 2002, our common stock was delisted from the NASDAQ SmallCap Market, and currently trades on the OTC Bulletin Board. The OTC Bulletin Board is a less liquid market than the NASDAQ SmallCap Market. As a result, our shares may be more difficult to sell because potentially smaller quantities of shares could be bought and sold, transactions could be delayed and security analyst and news coverage of our company may be reduced. These factors could result in lower prices and larger spreads in the bid and ask prices for our shares.

We are obligated to issue a substantial number of shares of our common stock upon conversion of preferred stock and exercise of warrants that are outstanding.

If the holders of our preferred stock and warrants elect to convert their preferred stock and exercise their warrants in order to sell the underlying shares of common stock, it will substantially increase the number of shares of our common stock outstanding. The exercise or conversion of a substantial number of SPEEDCOM s convertible securities may depress the market price of the common stock and will decrease the relative voting power of existing common stockholders. Should a significant number of SPEEDCOM s convertible securities be exercised or converted, the resulting increase in the amount of our common stock in the public market could have a substantial dilutive effect on SPEEDCOM s outstanding common stock. Public resales of our common stock following the exercise or conversion of the securities may depress the prevailing market price of our common stock.

Under the anti-dilution provisions of our preferred stock, if SPEEDCOM issues common stock or common stock equivalents at a purchase price, conversion price, or warrant or option exercise price that is less than the current preferred stock conversion price of $1.125 per share, the conversion price of the preferred stock will be reduced using a customary weighted average basis formula. Under the anti-dilution provisions of warrants issued in August 2001, (1) the exercise

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price will be lowered to equal the purchase price, conversion price, or warrant or option exercise price for any common stock or common stock equivalent issued (other than to employees) at a purchase price, conversion price, or warrant or option exercise price less than the current per share exercise price of the applicable warrants ($2.50 in the case of Series A Warrants), and (2) the number of warrants will be increased by the same percentage as the percentage by which the exercise price is reduced. Alternatively, (1) the exercise price will be reduced by the percentage by which the purchase price, conversion price, or warrant or option exercise price of any issued security (others than to employees) is less than the current market price of the common stock, and (2) the number of warrants will be increased by the same percentage as the percentage by which the exercise price is reduced, if this formula results in a lower exercise price than the adjustment described in the preceding sentence. Similar anti-dilution provisions apply to outstanding warrants to acquire 513,333 shares of our common stock at an exercise price of $2.50 per share.

Our concentrated ownership structure means that our controlling stockholders could control the outcome of any stockholder vote.

If the holders of our preferred stock elect to convert their preferred stock and exercise their warrants to shares of common stock, it will decrease the relative voting power of existing common stockholders, and the preferred stockholders will control a majority of our common stock. In such event, the former preferred stockholders, in their capacity as common stockholders, would be in a position to control our company. Therefore, certain corporate actions, which the Board of Directors may deem advisable for the stockholders of SPEEDCOM as a whole, may not be approved by the common stockholders if submitted to a vote, unless the former preferred stock holders, in their capacity as common stockholders, approve the action.

SPEEDCOM is subject to extensive and unpredictable government regulation, which could make our products obsolete, raise our development costs and create opportunities for other competitors.

SPEEDCOM is subject to various Federal Communications Commission (FCC) rules and regulations in the United States of America and to other government regulations abroad. There can be no assurance that new FCC regulations will not be promulgated or that existing regulations outside of the United States of America would not adversely affect international marketing of SPEEDCOM s products.

Regulatory changes, including changes in the allocation of available frequency spectrums, could significantly impact operations by restricting development efforts, rendering current products obsolete or increasing the opportunity for additional competition. In September 1993 and in February 1995, the FCC allocated additional spectrums for personal communications services. In January 1997, the FCC authorized 300 MHz of additional unlicensed frequencies in the 5 Gigahertz frequency range. In 2000, the FCC modified the rules for frequency hopping spread spectrum radios to allow greater power utilization in certain circumstances. These changes in the allocation of available frequency spectrums could create opportunities for other wireless

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networking products and services or shift the competitive balance between SPEEDCOM and its competitors.

Item 3. Controls and Procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934, within the 90 days prior to the filing date of this report, SPEEDCOM carried out an evaluation of the effectiveness of the design and operation of SPEEDCOM s disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of SPEEDCOM s management, including SPEEDCOM s Chief Executive Officer and its Chief Financial Officer, who concluded that SPEEDCOM s disclosure controls and procedures are effective. There have been no significant changes in SPEEDCOM s internal controls or in other factors, which could significantly affect internal controls subsequent to the date SPEEDCOM carried out its evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in SPEEDCOM s reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the Securities and Exchange Commission s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in SPEEDCOM s reports filed under the Exchange Act is accumulated and communicated to management, including SPEEDCOM s Chief Executive Officer and Chief Financial Officer as appropriate, to allow timely decisions regarding required disclosure.

PART II. OTHER INFORMATION

Item 2. Recent Sales of Unregistered Securities

During the three months ended March 31, 2003 SPEEDCOM sold the following securities, which were not registered under the Securities Act. The purchases and sales were exempt pursuant to Section 4(2) of the Securities Act (and/or Regulation D promulgated thereunder) as transactions by an issuer not involving a public offering, where the purchasers represented their intention to acquire the securities for investment only, not with a view to distribution, and received or had access to adequate information about the registrant.

1. $400,000 convertible promissory note, convertible at $0.12 per common share.

Item 4. Submission of Matters to a Vote of Security Holders

The following proposals are described in the Notice and Proxy Statement filed by SPEEDCOM with the Securities and Exchange Commission on April 17, 2003:

Proposal 1: Election of one Director to the Board

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Proposal 2: Approve the appointment of Aidman, Piser & Company as SPEEDCOM s certified public accountants for the year ended December 31, 2003

	For	Against	Abstained
Proposal 1	7,870,934	5,722	
Proposal 2	7,861,126	8,105	7,425

Item 6. Exhibits List and Reports on Form 8-K

(a) Exhibits

The exhibits in the accompanying Exhibit Index are filed as part of this Quarterly Report on Form 10-QSB.

(b) Reports on Form 8-K

Form 8-K was filed March 28, 2003 regarding a $400,000 convertible secured loan from an accredited investor.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SPEEDCOM Wireless Corporation

/s/ MICHAEL STERNBERG	Chief Executive	May 15, 2003
Michael Sternberg	Officer and Director	

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CERTIFICATIONS

I, Michael Sternberg, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of SPEEDCOM Wireless Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   (a) designed such disclosure controls and procedures to ensure that material information relating to the registrant is made known to us by others, particularly during the period in which this quarterly report is being prepared;

   (b) evaluated the effectiveness of the registrant s disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the Evaluation Date); and

   (c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant s other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant s auditors and the audit committee of registrant s board of directors;

   (a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant s ability to record, process, summarize and report financial data and have identified for the registrant s auditors any material weaknesses in internal controls; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant s internal controls; and

6. The registrant s other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15, 2003

/s/ Michael Sternberg

Michael Sternberg
Chief Executive Officer and Director

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I, Mark Schaftlein, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of SPEEDCOM Wireless Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   (a) designed such disclosure controls and procedures to ensure that material information relating to the registrant is made known to us by others, particularly during the period in which this quarterly report is being prepared;

   (b) evaluated the effectiveness of the registrant s disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the Evaluation Date); and

   (c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant s other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant s auditors and the audit committee of registrant s board of directors;

   (a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant s ability to record, process, summarize and report financial data and have identified for the registrant s auditors any material weaknesses in internal controls; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant s internal controls; and

6. The registrant s other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15, 2003

/s/ Mark Schaftlein

Mark Schaftlein
Chief Financial Officer

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Exhibit Index

Number	Description
3	Articles of incorporation and bylaws
3.1(6)	Amended and Restated Certificate of Incorporation of SPEEDCOM Wireless Corporation.
3.2(1)	Amended and Restated Bylaws of SPEEDCOM Wireless Corporation.
4	Instruments defining the rights of securities holders, including indentures
4.8(2)	Warrant No. W-1 to Purchase 146,667 Shares of Common Stock issued to S.A.C. Capital Associates, LLC.
4.9(2)	Warrant No. W-2 to Purchase 73,333 Shares of Common Stock issued to SDS Merchant Fund, L.P.
4.10(2)	Warrant No. W-3 to Purchase 220,000 Shares of Common Stock issued to Oscar Private Equity Investments, L.P.
4.11(2)	Warrant No. W-4 to Purchase 73,333 Shares of Common Stock issued to Bruce Sanguinetti.
4.12(3)	Purchase Agreement, dated August 23, 2001, by and among SPEEDCOM Wireless Corporation and the Purchasers, as defined.
4.13(3)	Registration Rights Agreement, dated August 23, 2001, by and among SPEEDCOM Wireless Corporation and the Purchasers, as defined.
4.14(3)	Form of Series A Warrant of SPEEDCOM Wireless Corporation dated August 23, 2001.
4.15(3)	Form of Series B Warrant of SPEEDCOM Wireless Corporation dated August 23, 2001.
4.16(3)	Settlement Agreement between SPEEDCOM Wireless Corporation and I.W. Miller Group, Inc. dated June 25, 2001.
4.17(4)	Secured Promissory Note dated April 26, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Fund, LLC.
4.18(4)	Secured Promissory Note dated May 7, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Fund, LLC.
4.19(4)	Secured Promissory Note dated April 26, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.
4.20(4)	Secured Promissory Note dated May 7, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.
4.21(4)	Secured Promissory Note dated April 26, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy International LTD.
4.22(4)	Secured Promissory Note dated May 7, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy International LTD.
4.23(4)	Letter Loan Agreement dated April 26, 2002.
4.24(4)	Security Agreement dated April 26, 2002.
4.25(4)	Letter Agreement dated April 26, 2002.
4.26(4)	Agreement to Vote Shares dated April 26, 2002.
4.27(5)	Secured Promissory Note dated June 10, 2002 between SPEEDCOM Wireless Corporation and SDS Merchant Fund, L.P.
4.28(5)	Secured Promissory Note dated June 11, 2002 between SPEEDCOM Wireless Corporation and SDS Merchant Fund, L.P.
4.29(5)	Secured Promissory Note dated June 12, 2002 between SPEEDCOM Wireless Corporation and SDS Merchant Fund, L.P.
4.30(5)	Secured Promissory Note dated June 25, 2002 between SPEEDCOM Wireless Corporation and DMG International LTD.
4.31(5)	Secured Promissory Note dated June 25, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Fund LLC.
4.32(5)	Secured Promissory Note dated June 25, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.

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4.33(5)	Letter Loan Agreement dated June 10, 2002.
4.34(5)	Security Agreement dated June 10, 2002.
4.35(6)	Secured Promissory Note dated August 8, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Fund LLC.
4.36(6)	Secured Promissory Note dated August 8, 2002 between SPEEDCOM Wireless Corporation and DMG International LTD.
4.37(6)	Secured Promissory Note dated August 8, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.
4.38(6)	Letter Loan Agreement dated August 8, 2002.
4.39(6)	Security Agreement dated August 8, 2002.
4.40(6)	Secured Promissory Note dated September 18, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Fund LLC.
4.41(6)	Secured Promissory Note dated September 18, 2002 between SPEEDCOM Wireless Corporation and DMG International LTD.
4.42(6)	Secured Promissory Note dated September 18, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.
4.43(6)	Letter Loan Agreement dated September 18, 2002.
4.44(6)	Security Agreement dated September 18, 2002.
4.45(7)	Secured Promissory Note dated November 11, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Fund LLC.
4.46(7)	Secured Promissory Note dated November 11, 2002 between SPEEDCOM Wireless Corporation and DMG International LTD.
4.47(7)	Secured Promissory Note dated November 11, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.
4.48(7)	Letter Loan Agreement dated November 11, 2002.
4.49(7)	Security Agreement dated November 11, 2002.
4.50(7)	Secured Promissory Note dated December 24, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Fund LLC.
4.51(7)	Secured Promissory Note dated December 24, 2002 between SPEEDCOM Wireless Corporation and DMG International LTD.
4.52(7)	Secured Promissory Note dated December 24, 2002 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.
4.53(7)	Letter Loan Agreement dated December 24, 2002.
4.54(7)	Security Agreement dated December 24, 2002.
4.55(7)	Secured Promissory Note dated January 31, 2003 between SPEEDCOM Wireless Corporation and DMG Legacy Fund LLC.
4.56(7)	Secured Promissory Note dated January 31, 2003 between SPEEDCOM Wireless Corporation and DMG International LTD.
4.57(7)	Secured Promissory Note dated January 31, 2003 between SPEEDCOM Wireless Corporation and DMG Legacy Institutional Fund LLC.
4.58(7)	Letter Loan Agreement dated January 31, 2003.
4.59(7)	Security Agreement dated January 31, 2003.
4.60(7)	Note Purchase Agreement dated March 26, 2003.
4.61(7)	Convertible Promissory Note dated March 26, 2003.
4.62	Letter Loan Agreement dated April 14, 2003.
4.63	Security Agreement dated April 14, 2003.
4.64	Secured Promissory Note dated April 14, 2003 between SPEEDCOM Wireless Corporation and SDS Merchant Fund L.P.
4.65	Letter Loan Agreement dated April 29, 2003.
4.66	Security Agreement dated April 29, 2003.
4.67	Secured Promissory Note dated April 29, 2003 between SPEEDCOM Wireless Corporation and North Sound Legacy Institutional Fund LLC.
4.68	Secured Promissory Note dated April 29, 2003 between SPEEDCOM Wireless Corporation and North Sound Legacy International LTD.

99	Additional exhibits
99.1	Certification Pursuant To 18 U.S.C. Section 1350, As Adopted Pursuant To Section 906 Of The Sarbanes-Oxley Act Of 2002.
99.2	Certification Pursuant To 18 U.S.C. Section 1350, As Adopted Pursuant To Section 906 Of The Sarbanes-Oxley Act Of 2002.

(1) Incorporated by reference to the Form 10-QSB filed May 14, 2001.
(2) Incorporated by reference to the Form 8-K filed July 2, 2001.
(3) Incorporated by reference to the Form S-3 filed September 18, 2001.
(4) Incorporated by reference to the Form 10-QSB filed May 14, 2002.
(5) Incorporated by reference to the Form 10-QSB filed August 8, 2002.
(6) Incorporated by reference to the Form 10-QSB filed November 5, 2002.
(7) Incorporated by reference to the Form 10-KSB filed April 14, 2003.