970 761-11

APPLICATION FORM
FOR AUTHORITY TO
PROVIDE TO THE THE STATE OF FLOREDA

DECUMENT NICHBIJATUATE 06293 JUN'24 G

- 1. This is an application for (check one):
  - (X) Original Authority (New company).( ) Approval of Transfer (To another certificated company).
  - ( ) Approval of Assignment of existing certificate (To a noncertificated company).
  - ( ) Approval for transfer of control (To another certificated company).
- 2. Select what type of business your company will be conducting (check all that apply):
  - ( ) Facilities based carrier company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
  - ( ) Operator Service Provider company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
  - ( ) Reseller company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
  - (X) Switchless rebiller company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
  - ( ) Multi-Location Discount Aggregator company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.

3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship:

Quintelco, Inc.

4. Name under which the applicant will do business (fictitious name, etc.):

Quintelco, Inc.

5. National address (including street name & number, post office box, city, state and zip code).

Quintelco, Inc.

l Blue Hill Plaza

Pearl River, N.Y. 10965

Florida address (including street name & number, post office box, city, state and zip code):

Corporation Service Company 1201 Hays Street

7. Structure of organization;

(	)	Individual	(X)	Corpora	tion
(	)	Foreign Corporation	( )	Foreign	Partnership
(	)	General Partnership			Partnership
		() Other,	. ,		_

- 8. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners.
  - (a) Provide proof of compliance with the foreign limited partnership statute (Chapter 620.169 FS), if applicable.
  - (b) Indicate if the individual or any of the partners have previously been:
    - (1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.

N/A

(2) officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

N/A

- If incorporated, please give: 9.
  - (a) Proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: F97000002748

(b) Name and address of the company's Florida registered agent.

> Corporation Services Company Tallahassee, FL 32301 1201 Hays Street

(c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number:

- Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:
  - (1) adjudged bankrupt, mentally incompetent, or found quilty of any felony or of any crime, or whether such actions may result from pending proceedings.

No

(2) officer, director, partner or stockholder in any other Florida certificated telephone company. yes, give name of company and relationship. If no longer associated with company, give reason why not.

No

- 10. Who will serve as liaison with the Commission in regard to (please give name, title, address and telephone number):
  - (a) The application;

Joel R. Dichter, Esq. New York, N.Y. 10022 Klein, Zelman, Rothermel & Dichter, L.L.P. (212) 935-6020 485 Madison Avenue

(b) Offical Point of Contact for the ongoing operations of the company;

Claudia Hirsch

Quintelco, Inc. 1 Blue Hill Plaza (914) 620-1212

Pearl River, N.Y. 10965

(c) Tariff;

David O. Klein, Esq. New York, NY 10022 Klein, Zelman, Rothermel & Dichter, L.L.P. (212) 935-6020

485 Madison Avenue (d) Complaints/Inquiries from customers;

Tanora Simmons
Quintelco, Inc.
1 Blue Hill Place
(800) 532-3940

- 1 Blue Hill Plaza (800) 532-3940

  11. List the states in which the applicant:
  - (a) Has operated as an interexchange carrier.

N/A

(b) Has applications pending to be certificated as an interexchange carrier.

Currently has applications pending in all fifty (50) States.

(c) Is certificated to operate as an interexchange carrier.

New York, Kansas, Illinois, Georgia, California, New Jersey

(d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.

None

(e) Has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

None

(f) Has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

None

12. What services will the applicant offer to other certificated telephone companies:

(	)	Facilities. ( ) Operators.
(	)	Billing and Collection. ( ) Sales.
(	)	Maintenance.
(	)	Other: N/A

13. Do you have a marketing program?

Yes

14. W	<pre>( ) Pay commissions?    ( ) Offer sales franchises?    ( ) Offer multi-level sales incentives?    ( ) Offer other sales incentives?</pre>
	Explain any of the offers checked in question 14 (To hom, what amount, type of franchise, etc.).
	N/A
16. W	ho will receive the bills for your service (Check al hat apply)?
(	<pre>X) Residential customers. (X) Business customers. ) PATS providers. ( ) PATS station end-users ) Hotels &amp; motels. ( ) Hotel &amp; motel guests. ) Universities. ( ) Univ. dormitory residents. ( ) Other: (specify)</pre>
17. P	lease provide the following (if applicable):
	(a) Will the name of your company appear on the bill for your services, and if not who will the billed party contact to ask questions about the bill (provide name and phone number) and how is this information provided?
	Yes
	(b) Name and address of the firm who will bill for your service.
	Quintelco, Inc.

18. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

19.	The applicant will provide the following interexchange carrier services (Check all that apply):
	MTS with distance sensitive per minute rates  Method of access is FGA Method of access is FGB Method of access is FGD Method of access is 800
	MTS with route specific rates per minute  Method of access is FGA  Method of access is FGB  Method of access is FGD  Method of access is 800
	<pre>MTS with statewide flat rates per minute (i.e. not distance sensitive)  Method of access is FGA</pre>
	MTS for pay telephone service providers
,	Block-of-time calling plan (Reach out Florida, Ring America, etc.).
	800 Service (Toll free)
	WATS type service (Bulk or volume discount)  Method of access is via dedicated facilities  Method of access is via switched facilities
2	Private Line services (Channel Services) (For ex. 1.544 mbs., DS-3, etc.)
-	<pre>X Travel Service</pre>
-	900 service

	Operator Services Available to presubscribed customers Available to non presubscribed customers (for example to patrons of hotels, students in universities, patients in hospitals Available to inmates
	Services included are:
	Station assistance Person to Person assistance Directory assistance Operator verify and interrupt Conference Calling
20.	What does the end user dial for each of the interexchange carrier services that were checked in services included (above).
	End user dials directly, No additional numbers need be dialed to access services other than when using the company's calling card where an 800 number and PIN number must be keyed in prior to entering the called number
21.	Other:

# ATTACHMENTS:

- A CERTIFICATE TRANSFER STATEMENT
- B CUSTOMER DEPOSITS AND ADVANCE PAYMENTS
- C INTRASTATE NETWORK
  APPLICANT ACKNOWLEDGEMENT STATEMENT
- D FLORIDA TELEPHONE EXCHANGES and EAS ROUTES
- E GLOSSARY

FORM PSC/CMU 31 (11/91)

# \*\* APPENDIX A \*\*

# CERTIFICATE TRANSFER STATEMENT

I, (TYPE NAME)	
(TITLE), of (NA	ME OF COMPANY)
	_, and current
holder of certificate number, h	ave reviewed
this application and join in the petitioner's reque	st for a
transfer of the above-mention certificate.	
THE THY OFFICE	
UTILITY OFFICAL: Signature	Date
mi b 3	
Title	Telephone No

# \*\* APPENDIX B \*\*

# CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please check one): The applicant will not collect deposits nor (X) will it collect payments for service more than one month in advance. The applicant will file with the Commission ( ) and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.) UTILITY OFFICAL: Signature Date

Title

Telephone No.

# \*\* APPENDIX C \*\*

# INTRASTATE NETWORK

1.	POP: or lea	Addresses ased.	where	located,	and	indicate	if	owned
	1)	N/A		2)				

3) 4)

2. SWITCHES: Address where located, by type of switch, and indicate if owned or leased.

3) 4)

3. TRANSMISSION FACILITIES: Pop-to-Pop facilities by type of facilities (microwave, fiber, copper, satellite, etc.) and indicate if owned or leased.

1) POP-to-POP TYPE OWNERSHIP

2) N/A

4. ORIGINATING SERVICE: Please provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate (Appendix D).

All exchanges except rural areas

5.	TRAFFIC RESTRICTIONS: Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4) (a) (copy anglesed)
	enclosed).  The company, as a reseller of interexchange services, will comply with EAFA requirements to the best of its ability. The company will pass through services provided by underlying carriers.
6.	CURRENT FLORIDA INTRASTATE SERVICES: Applicant has

- 6. CURRENT FLORIDA INTRASTATE SERVICES: Applicant has ( ) or has not (X ) previously provided intrastate telecommunications in Florida. If the answer is <u>has</u>, fully describe the following:
  - a) What services have been provided and when did these services begin?  $$^{\rm N/A}$$
  - b) If the services are not currently offered, when were they discontinued?  $$^{\rm N/A}$$

UTILITY OFFICAL:		
	Signature	Date
	Title	Telephone No.

# \*\* APPLICANT ACKNOWLEDGEMENT STATEMENT \*\*

- 1. REGULATORY ASSESSMENT FEE: I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
- 2. GROSS RECEIPTS TAX: I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
- 3. SALES TAX: I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- 4. APPLICATION FEE: A non-refundable application fee of \$250.00 must be submitted with the application.
- receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding AAV service.
- of accuracy of application: By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my knowledge and belief, the information is a true and correct statement. Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his offical duty shall be guilty of a misdemeanor of the second degree.

UTILITY OFFICAL:	Signature	Date
	Title	Telephone No.

# \*\* APPENDIX D \*\*

# FLORIDA TELEPHONE EXCHANGES

# AND

# EAS ROUTES

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

# \*\* FLORIDA EAS FOR MAJOR EXCHANGES \*\*

	Extended Service		
	Area	with	These Exchanges
	PENSACOLA:		Cantonment, Gulf Breeze Pace, Milton Holley-Navarre.
	PANAMA CITY:		Lynn Haven, Panama City Beach, Youngstown-Fountain and Tyndall AFB.
	TALLAHASSEE:		Crawfordville, Havana, Monticello, Panacea, Sopchoppy and St. Marks.
	JACKSONVILLE:		Baldwin, Ft. George, Jacksonville Beach, Callahan, Maxville, Middleburg Orange Park, Ponte Vedra and Julington.
	GAINESVILLE:		Alachua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry and Waldo.
	OCALA:		Belleview, Citra, Dunnellon, Forest Lady Lake (B21), McIntosh, Oklawaha, Orange Springs, Salt Springs and Silver Springs Shores.
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# \*\* FLORIDA EAS MAJOR EXCHANGES CONTINUE \*\*

DAYTONA BEACH:

New Smyrna Beach.

TAMPA:

CentralNone
EastPlant City
NorthZephyrhills
SouthPalmetto
WestClearwater

CLEARWATER:

St. Petersburg, Tampa-West and

Tarpon Springs.

ST. PETERSBURG:

Clearwater.

LAKELAND:

Bartow, Mulberry, Plant City, Polk City and Winter Haven.

ORLANDO:

Apopka, East Orange, Lake

Buena Vista, Oviedo,

Windermere, Winter Garden, Winter Park, Montverde, Reedy

Creek, and Oviedo-Winter

Springs.

WINTER PARK:

Apopka, East Orange, Lake Buena Vista, Orlando, Oviedo, Sanford, Windermere, Winter Garden, Oviedo-Winter Springs Reedy Creek, Geneva and

Montverde.

TITUSVILLE:

Cocoa and Cocoa Beach.

COCOA:

Cocoa Beach, Eau Gallie, Melbourne and Titusville.

MELBOURNE:

Cocoa, Cocoa Beach, Eau Gallie

and Sebastian.

SARASOTA:

Bradenton, Myakka and Venice.

FT. MYERS:

Cape Coral, Ft. Myers Beach, North Cape Coral, North Ft. Myers, Pine Island, Lehigh Acres and Sanibel-Captiva

Islands.

# \*\* FLORIDA EAS MAJOR EXCHANGES CONTINUE \*\*

NAPLES: Marco Island and North Naples.

WEST PALM BEACH: Boynton Beach and Jupiter.

POMPANO BEACH: Boca Raton, Coral Springs,

Deerfield Beach and Ft.

Lauderdale.

FT. LAUDERDALE: Coral Springs, Deerfield

Beach, Hollywood and Pompano

Beach.

HOLLYWOOD: Ft. Lauderdale and North Dade.

NORTH DADE: Hollywood, Miami and Perrine.

MIAMI: Homestead, North Dade and

Perrine

# FLORIDA TELEPHONE EXCHANGES - ALL

ON COMPLETING FORM	David Klein, E	sq. <u> </u>	GNATURE	DA	TE	indians.
chun	Cherry Lake	Ft. Neade	Jacksonville	Melbourne	Panema City	Spring Lake
ord	Chiefland	Ft.Hyers	Jacksonville Bch	Metrose	Panama City Beach	Starke
igator Point	Chipley	ft.Hyers Beach	Jasper	Hiami	Paxton	Stuart
ha	Citra	ft.Pierce	Jay	Micanopy	Pensacola	Sugarloaf Key
lechicole	Clearwater	ft.Welton Beach	Jennings	Middleburg	Perrine	Sunny Hills
pka	Clermont	Ft. White	Jensen Beach	Milton	Perry	Tallahassee
edia	Clewiston	Freeport	Julington	Molino	Pierson	Tampa
ег	Cocoa	Frostproof	Jupiter	Monticello	Pine Island	Tarpon Springs
У	Cocoa Beach	Gainesville	Keaton Beach	Montverde	Plant City	Tavares
Park	Coral Springs	Geneva	Kenansville	Moore Haven	Polk City	The Beaches
····	Cottondale	Glendele	Key Largo	Mount Dora	Pomone Park	Titusviile
win	Crawfordville	Graceville	Key West	Mulberry	Pompano. Beach	Trenton
LON.	Crescent City	Grand Ridge	Keystone Heights	Munson	Ponce De Leon	Trilacoochee
e Glade	Crestview	Green Cove Sps	Kingsley Lake	Myakka	Ponte Vedra Beach.	Tyndall AFB
levieu	Cross City	Greensboro	Kissimmee	Naples	Port Charlotte	Umatilla
rly Hills	Crystal River	Greenville	La Belle	New Port Richey	Port St Joe	Valperaiso
Pine	Dade City	Greenwood	Lady Lake	New Smyrna Beach	Port St Lucie	Venice
ntstown	Daytone Beech	Gretne	Lake Buena Vista	Newberry	Punta Gorda	Vernon
	Debery	Groveland	Lake Butler	North Cape Coral	Quincy	Vero Beach
Grande	Deerfield Beach	Gulf Breeze	Lake City	North Dade	Raiford	Waldo
Raton	Defuniak Springs	Haines City	Lake Placid	North Fort Myers	Ready Creek	Welnut Hill
ifay	Deland	Hastings	Lake Wales	North Key Largo	Reynolds Hill	Weuchula
ita Springs	Deleon Springs	Havana	Lakeland	North Naples	St. Augustine	Veckiuechee Sps
ling Green	and the same of th	Hauthorne	Leurel Hill	North Port	St. Cloud	
nton Beach	Delray Beach	High Springs	Lawtey	Oek Hill	St. Marks	Wellborn
denton	Destin	Nilliard	Lee		St. Petersburg	
inford	Dowling Park	Hobe Sound	Leesburg	Ocala Okeechobee	Salt Springs	West Kissimmee West Palm Beach
stoi	Dunnellon				- Contraction Cont	- Control of the Cont
onson	East Orange	Holley Mavarre	Lehigh Acres	Oklawaha	San Antonio	Westville
oker	Eestpoint	Hollywood	Live Oak	Old Town	Sanderson	Wewahitchks
oksville	Eeu Gallie	Nomestead	Lynn Haven	Orange City	Sanford	White Springs
vel	Englewood	Nomosassa Springs	Luraville	Orange Park	Sanibel-Captive	Wildwood
shnell	Eustis	Nosford	MacClenney	Orange Springs	Santa Rosa Beach	Williston
llahan	Everglades	Howey	Nadison		Seresote	Windermere
ntonment	Fernandine Beach	Nudson	Nalone	Oviedo	Seagrove Beach	Winter Gerden
ce Coral	Flagler Beach	Immokalee	Marathon	Pace	Sebastian	Winter Maven
pe Maze	Florehome	Indian Lake	Marco Island	Pahokee	Sebring	Winter Park
rrebelle	Fla Boys Ranch	Indiantoun	Merianne	Palatka	Shalimar	Yankeetown
de. Keys	Forest	Interlachen	Maxville	Palm Coast	Silver Spe.Shores	Youngstown-fount.
ntury	Ft.George	Inverness	Hayo	Palmetto	Sneeds	Yulee
attahoochee	ft.Lauderdale	lslamorade,	McIntosh	Panecea	Sopchoppy	Zephyrhills
				200		Zolfo Springs

### \*\* APPENDIX E \*\*

### \*\* GLOSSARY \*\*

ACCESS CODE: The term denotes a uniform four or seven digit code assigned to an individual IXC. The five digit code has the form 10XXX and the seven digit code has the form 950-10XX.

BYPASS: Transmission facilities that go direct from the local exchange end user to an IXC point of presence, thus bypassing the local exchange company.

CARRIERS CARRIER: An IXC that provides telecommunications service, mainly bulk transmission service, to other IXC only.

CENTRAL OFFICE: A local operating unit by means of which connections are established between subscribers' lines and trunk or toll lines to other central offices within the same exchange or other exchanges. Each three (3) digit central office code (NXX) used shall be considered a separate central office unit.

CENTRAL OFFICE CODE: The term denotes the first three digits (NXX) of the seven (7) digit telephone number assigned to a customer's telephone exchange servive.

COMMISSION: The Florida Public Service Commission.

COMPANY, TELEPHONE COMPANY, UTILITY: These terms may be used interchangeably herein and shall mean any person, firm, partnership or corporation engaged in the business of furnishing communication service to the public under the jurisdiction of the Commission.

DEDICATED FACILITY: The term denotes a transmission circuit which is permanently for the exclusive use of a customer or a pair of customers.

END USER: The term denotes any individual, partnership, association, corporation, governmental agency or any other entity which (A) obtains a common line, uses a pay telephone or obtains interstate service arrangements in the operating territory of the company or (B) subscribes to interstate services provided by an IXC or uses the services of the IXC when the IXC provides interstate service for its own use.

EQUAL ACCESS EXCHANGE AREAS: EAEA means a geographic area, configured based on 1987 planned toll center/access tandem areas, in which local exchange companies are responsible for providing equal access to both carriers and customers of carriers in the most economically efficient manner.

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EXCHANGE: The entire telephone plant and facilities used in providing telephone service to subscribers located in an exchange area. An exchange may include more than one central office unit.

EXCHANGE (SERVICE) AREA: The territory, including the base rate suburban and rural areas served by an exchange, within which local telephone service is furnished at the exchange rates applicable within that area.

EXTENDED AREA SERVICE: A type of telephone service furnished under tariff provision whereby subscribers of a given exchange or area may complete calls to, and receive messages from, one or more other contiguous exchanges without toll charges, or complete calls to one or more other exchanges without toll message charges.

FACILITIES BASED: An IXC that has its own transmission and/or switching equipment or other elements of equipment and does not rely on others to provide this service.

FOREIGN EXCHANGE SERVICES: A classification of exchange service furnished under tariff provisions whereby a subscriber may be provided telephone service from an exchange other than the one from which he would normally be served.

FEATURE GROUPS: General categories of unbundled tariffs to stipulate related services.

- Feature Group A: Line side connections presently serving specialized common carriers.
- Feature Group B: Trunk side connections without equal digit or code dialing.
- Feature Group C: Trunk side connections presently serving AT&T-C.
- Feature Group D: Equal trunk access with subscription.

INTEREXCHANGE COMPANY: means any telephone company, as defined in Section 364.02(4), F.S. (excluding Payphone Providers), which provides telecommunication service between exchange areas as those areas are described in the approved tariffs of individual local exchange companies.

INTER-OFFICE CALL: A telephone call originating in one central office unit or entity but terminating in another central office unit or entity both of which are in the same designated exchange area.

INTRA-OFFICE CALL: A telephone call originating and terminating
within the same central office unit or entity.
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INTRASTATE COMMUNICATIONS: The term denotes any communications in Florida subject to oversight by the Florida Public Service Commission as provided by the laws of the State.

INTRA-STATE TOLL MESSAGE: Those toll messages which originate and terminate within the same state.

LOCAL ACCESS AND TRANSPORT AREA: LATA means the geographic area established for the administration of communications service. It encompasses designated exchanges, which are grouped to serve common social, economic and other purposes.

LOCAL EXCHANGE COMPANY (LEC): Means any telephone company, as defined in Section 364.02(4), F.S., which, in addition to any other telephonic communication service, provides telecommunication service within exchange areas as those areas are described in the approved tariffs of the telephone company.

OPTIONAL CALLING PLAN: An optional service furnished under tariff provisions which recognizes a need of some subscribers for extended area calling without imposing the cost on the entire body of subscribers.

900 SERVICE: A service similar to 800 service, except this service is charged back to the customer based on first minute plus additional minute usage.

PIN NUMBER: A group of numbers used by a company to identify their customers.

PAY TELEPHONE SERVICE COMPANY: Means any telephone company, other than a Local Exchange Company, which provides pay telephone service as defined in Section 364.335(4), F.S.

**POINT OF PRESENCE (POP):** Bell-coined term which designates the actual (physical) location of an IXC's facility. Replaces some applications of the term "demarcation point."

PRIMARY SERVICE: Individual line service or party line service.

RESELLER: An IXC that does not have certain facilities but purchases telecommunications service from an IXC and then resells that service to others.

**STATION:** A telephone instrument consisting of a transmitter, receiver, and associated apparatus so connected as to permit sending and/or receiving telephone messages.

SUBSCRIBER, CUSTOMER: These terms may be used interchangeably herein and shall mean any person, firm, partnership, corporation, municipality, cooperative organization, or governmental agency supplied with communication service by a telephone company.

SUBSCRIBER LINE: The circuit or channel used to connect the subscriber station with the central office equipment.

SWITCHING CENTER: Location at which telephone traffic, either local or toll, is switched or connected from one circuit or line to another. A local switching center may be comprised of several central office units.

TRUNK: A communication channel between central office units or entities, or private branch exchanges.

# Exhibit 1

# State of Delaware

# Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "QUINTELCO, INC.", FILED IN THIS OFFICE ON THE FIRST DAY OF MAY, A.D. 1996, AT 9 O'CLOCK A.M.



Edward J. Freel, Secretary of State

AUTHENTICATION: 8441392

8441392 04-29-97

DATE:

2619528 8100 971137841

### CERTIFICATE OF INCORPORATION

. . . .

OF

QUINTELCO, INC.

FIRST. The name of this corporation shall be:

QUINTELCO, INC.

SECOND. Its registered office in the State of Delaware is to be located at 1013 Centre Road, in the City of Wilmington, County of New Castle and its registered agent at such address is CORPORATION SERVICE COMPANY.

THIRD. The purpose or purposes of the corporation shall be:

To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH. The total number of shares of stock which this corporation is authorized to issue is:

One thousand five hundred shares without par value.

FIFTH. The name and address of the incorporator is as follows:

Georgia DelCollo Corporation Service Company 1013 Centre Road Wilmington, DE 19805

SIXTH. The Board of Directors shall have the power to adopt, amend or repeal the by-laws.

SEVENTH. No director shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law, (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article Seventh shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment.

. . 7 .

IN WITNESS WHEREOF, the undersigned, being the incorporator hereinbefore named, has executed, signed and acknowledged this certificate of incorporation this first day of May, A.D., 1996.

Georgia DelCollo

Incorporator

# Exhibit 2



# FLORIDA DEPARTMENT OF STATE Sandra B. Mortham Secretary of State

May 23, 1997

KLEIN, ZELMAN, ROTHERMEL & DICHTER %QUINTELCO, INC. 485 MADISON AVENUE NEW YORK, NY 10022

Qualification documents for QUINTELCO, INC. were filed on May 23, 1997 and assigned document number F97000002748. Please refer to this number whenever corresponding with this office.

Your corporation is now qualified and authorized to transact business in Florida as of the file date.

A corporation annual report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number will be required before this report can be filed. If you do not already have an FEI number, please apply NOW with the Internal Revenue by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding this matter, please telephone (904) 487-6091, the Foreign Qualification/Tax Lien Section.

Michael Mays Document Specialist Division of Corporations

Letter Number: 197A00028269

# Exhibit 3

# Quintelco, Inc. Directors

Jeffrey L. Schwartz has been Chairman and Chief Executive Officer of the Company since January 1995, Secretary/Treasurer from September 1993 to December 1994 and a director since inception. Since January 1979, Mr. Schwartz has also been President and a director of Jami Marketing, a list brokerage and list management consulting firm, Jami Data, a database management consulting firm, and Jami Direct, a direct mail graphic and creative design firm.

Jay Greenwald has been President and Chief Operating Officer of the Company since January 1995, Vice President from August 1992 to December 1994 and a director since inception. From January 1991 to August 1992, Mr. Greenwald was Vice President of Newald Direct, Inc. ("Newald Direct") and, from July 1990 to January 1991, was President of Newald Marketing, Inc. ("Newald Marketing"), companies engaged in direct response marketing.

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Michael G. Miller has been a director of the Company since inception. Since 1979, Mr. Miller has been the President and a director of each of the Jami Companies.

# Directors and Officers of Quintelco, Inc.

The Officers and Directors are as follows:

Jeffrey L. Schwartz - Chairman and Director

Jay Greenwald - President and Director

Claudia Newman Hirsch - Executive Vice President and Director

Andrew Stollman - Senior Vice President, Secretary and Director

Daniel Harvey - Treasurer

Michael G. Miller - Director

Murray L. Skala - Director

Mark Gutterman - Director

Edwin A. Levy - Director

Vincent Tese - Director

All can be reached at Quintelco's primary place of business at 1 Blue Hill Plaza, Pearl River, NY 10965.

# Exhibit 4

# QUINTEL ENTERTAINMENT, INC. AND SUBSIDIARIES INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE

	PAGE
Report of Independent Accountants	F-I
Consolidated Balance Sheets as of November 30, 1996 and 1995	F-2
Consolidated Statements of Income for the years ended November 30, 1996, 1995 and 1994	F-3
Consolidated Statements of Shareholders' Equity for the years ended November 30, 1996, 1995 and 1994	F-4
Consolidated Statements of Cash Flows for the years ended November 30, 1996, 1995 and 1994	F-5 - F-6
Notes to Consolidated Financial Statements	F-7 - F-17
Schedule II - Valuation and Qualifying Accounts and Reserves	S-1

# REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors of Quintel Entertainment, Inc.:

We have audited the accompanying consolidated balance sheets of Quintel Entertainment, Inc. and Subsidiaries (the "Company") as of November 30, 1996 and 1995 and the related consolidated statements of income, shareholders' equity and cash flows for each of the years in the three year period ended November 30, 1996. Our audits also included the financial statement schedule included in the index of Item 14(a). These consolidated financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Quintel Entertainment, Inc. and Subsidiaries as of November 30, 1996 and 1995 and the consolidated results of their operations and their cash flows for each of the years in the three year period ended November 30, 1996, in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

COOPERS & LYBRAND L.L.P.

Melville, New York February 26, 1997.

# 

# QUINTEL ENTERTAINMENT, INC. AND SUBSIDIARIES

# CONSOLIDATED BALANCE SHEETS as of November 30, 1996 and 1995

# ASSETS:

Current assets:	1996	1995
Current assets:		
Cash and cash equivalents	\$14,140,987	\$ 3,570,468
Marketable securities	14,595,724	, .,
Accounts receivable, trade	18,030,083	10,097,629
Deferred tax asset	6,961,940	39,957
Due from related parties	644,168	67,162
Prepaid expenses and other current assets	2,345,154	381,292
Total current assets	56,718,056	14,156,508
Property and equipment, at cost, net of accumulated depreciation	344,407	142,369
Investment in joint venture, at equity		1,345,304
Other assets		1,299,169
Intangible assets, net	21,967,084	
· ·	\$79,029,547	\$16,969,956
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,565,383	\$ 1,269,647
Accrued expenses	3,019,760	2,351,644
Reserve for customer chargebacks	20,080,903	4,025,130
Loans payable	,	2,643,522
Due to related parties	1,478,515	354,751
Income taxes payable	4,131,303	294,187
Total liabilities	31,275,864	10,938,881
Minority interest.	18,750	
Commitments and contingencies (Note 8)		
,		
SHAREHOLDERS' EQUITY		
Preferred stock — \$.001 par value; 1,000,000 shares authorized; none issued		
and outstanding		
Common stock — \$.001 par value; authorized 50,000,000 shares; issued and	10.100	12 000
outstanding 18,452,368 shares and 12,000,000 shares, respectively	18,452	12,000
Additional paid-in capital	37,406,050 10,300,150	441,258 5,597,817
Retained earnings	10,281	3,377,617
Unrealized gain on marketable securities	10,201	(20,000)
Less subscriptions receivable	47.734.933	6,031,075
Total shareholders' equity		\$16,969,956
	<u>\$79,029,547</u>	310,707,730

# QUINTEL ENTERTAINMENT, INC. AND SUBSIDIARIES

# CONSOLIDATED STATEMENTS OF INCOME for the years ended November 30, 1996, 1995 and 1994

	1996	1995	1994
Net revenue	\$86,666,768	\$50,501,266	\$22,771,465
Cost of sales	64,661,256	36,732,610	17,521,985
Gross profit	22,005,512	13,768,656	5,249,480
Selling, general and administrative expenses	10,159,226	3,467,008	3,012,588
Income from operations	11,846,286	10,301,648	2,236,892
Interest expense	(473,289)	(334,318)	(759,211)
Other income	760,413	485,250	
Equity in earnings of joint venture	4,939,653	2,860,304	
Income before provision for income taxes	17,073,063	13,312,884	1,477,681
Provision for income taxes	4,898,633	220,335	54,842
Net income	\$12,174,430	13,092,549	\$ 1,422,839
Pro forma data (Note 1):		,	
Income before provision for income taxes		\$13,312,884	\$ 1,477,681
Pro forma income tax provision		5,633,116	835,144
Pro forma net income		\$ 7,679,768	\$ 642,537
Net income per share	\$ .76		
Pro forma net income per share		\$ .64	\$ .05
Weighted average common shares outstanding	16,124,743	12,000,000	12,000,000

# QUINTEL ENTERTAINMENT, INC. AND SUBSIDIARIES

# CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY for the years ended November 30, 1996, 1995 and 1994

	Common	Stock	Additional paid-in	Retained	Unrealized Gain on Marketable	Subscriptions	Total shareholders'
	Shares	Amount	capital	earnings	Securities	receivable	equity
Balance, November 30, 1993	8,000,000	\$ 8,000	\$ 402,000	\$ 788,429		\$(410,000)	\$ 788,429
Net income for the year				1,422,839			1,422,839
Purchase of minority interest			33,258				33,258
Distributions to shareholders				(2,100,000)			(2,100,000)
Issuance of common stock	4,000,000	4,000	6,000			(10,000)	
Collections on subscriptions receivable						400,000	400,000
Balance, November 30, 1994	12,000,000	12,000	441,258	111,268		(20,000)	544,526
Net income for the year	12,000,000			13,092,549			13,092,549
Distributions to shareholders.				(7,606,000)			(7,606,000)
Balance, November 30, 1995	12,000,000	12,000	441,258	5,597,817		(20,000)	6,031,075
Collections on subscriptions receivable						20,000	20,000
Distributions to S corporation shareholders				(6,897,097)			(6,897,097)
Common stock issued:							13,402,075
Common stock offering	3,225,000	3,225	13,398,850				13,702,073
Common stock issued in connection with acquisition	3,200,000	3,200	22,796,800				22,800,000
Stock option exercises	27,368	27	194,142				194,169
Contributed capital			575,000	* (575,000)			
Unrealized gains on available for sale securities					\$10,28I		10,281
Net income for the year				12,174,430			12,174,430
Balance, November 30, 1996	18,452,368	<u>\$18,452</u>	\$37,406,050	\$10,300,150	\$10,281	<u>s – </u>	\$47,734,933

## QUINTEL ENTERTAINMENT, INC. AND SUBSIDIARIES

# CONSOLIDATED STATEMENTS OF CASH FLOWS for the years ended November 30, 1996, 1995 and 1994

	1996	1995	1994
Cash flows from operating activities:			
Net income	\$12,174,430	\$13,092,549	\$1,422,839
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,268,166	21,574	1,480
Reserve for customer chargebacks	6,719,018	2,848,228	78,767
Deferred income taxes	(6,431,212)	(30,676)	(9,281)
Gain on sale of securities	(384,250)		
Equity in net earnings of joint venture, net of dividends received	(507,653)	(1,320,304)	
Changes in assets and liabilities, net of effects from acquisition of business:			
Accounts receivable	(1,582,937)	(7,283,534)	797,466
Due from related parties	3,102,976	(67,162)	r
Prepaid expenses and other current assets	(893,712)	(258,648)	(39,599)
Other assets	1,299,169	(521,135)	
Accounts payable	511,786	827,189	264,263
Income tax payable	3,894,446	225,819	68,368
Accrued expenses	343,368	67,254	1,000,214
Due to related parties	565,806	149,060	31,944
Other current liabilities		(32,580)	32,580
Net cash provided by operating activities	20,079,401	7,717,634	3,649,041
Cash flows from investing activities	<b></b> ≥		
Investment in New Lauderdale joint venture		(25,000)	
Purchases of securities	(37,434,414)		
Proceeds from sales of securities	23,240,075		
Acquisition, net of cash acquired	900,040		
Capital expenditures	(251,628)	(140,761)	(18,010)
Net cash used in investing activities	(13,545,927)	(165,761)	(18,010)
Cash flows from financing activities:			
Loans payable, net	(2,643,522)	2,643,522	. (1,149,432)
Proceeds from public offering, less expenses	13,402,075		
Proceeds from collections on common stock subscriptions	20,000		400,000
Distributions to S corporation shareholders	(6,897,097)	(7,606,000)	(2,100,000)
Proceeds from stock options exercised	136,839		
Minority interest	18,750		
Net cash provided by (used in) financing activities	4,037,045	(4,962,478)	(2,849,432)
Net increase in cash and cash equivalents	10,570,519	2,589,395	781,599
Cash and cash equivalents, beginning of year	3,570,468	981,073	199,474
Cash and cash equivalents, end of year	\$14,140,987	\$ 3,570,468	\$ 981,073
			Continued

See accompanying notes to consolidated financial statements.

## QUINTEL ENTERTAINMENT, INC. AND SUBSIDIARIES

# CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued) for the years ended November 30, 1996, 1995 and 1994

1996	1995	1994
\$ 473,289	\$ 334,318	\$ 785,093
6,627,866	50,010	2,902
		\$ 33,258
\$36,031,621		
(11,731,621)		
(22,800,000)		
1,500,000		
(2,400,040)		
\$ (900,040)	ř	
	\$ 473,289 6,627,866 \$36,031,621 (11,731,621) (22,800,000) 1,500,000 (2,400,040)	\$ 473,289 \$ 334,318 6,627,866 50,010 \$36,031,621 (11,731,621) (22,800,000) 1,500,000 (2,400,040)

During fiscal 1996, options for shares of common stock were exercised by certain employees and directors. A tax benefit of approximately \$57,330 was recorded as an increase in additional paid-in capital and a reduction to income taxes currently payable (Note 9.)

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## Quintelco. Inc. Directors

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## Exhibit 5

## TITLE SHEET

## FLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Quintelco, Inc. with principal offices at 1 Blue Hill Plaza, Pearl River, New York 10965. This tariff applies for services furnished within the State of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: June 23, 1997	Effective: _	
By:	Claudia Newman-Hirsch, Executive Vice President	
	Quintelco, Inc.	
	1 Blue Hill Plaza	

Pearl River, NY 10965

1955/6843-5a301!

## **CHECK SHEET**

Sheet 1 through 24 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

SHEET	<b>REVISION</b>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original

Issued: June 23, 1997 Effective:

By:

## TABLE OF CONTENTS

Title Page	1
Check Sheet	2
Table of Contents	3
Section 1 Technical Terms and Abbreviations	7
Section 2 Rules and Regulations	10
Section 3 Description of Service	16
Section 4 Rates	20

Issued: June 23, 1997

Effective:

By:

## **SYMBOLS**

The following are the only symbols used for the purposes indicated below:

D - Delete or Discontinue

I - Change Resulting in an Increase to a Customer's Bill

M - Moved from Another Tariff Location

N - New

R - Change Resulting in a Reduction to a Customer's Bill

T - Change in Text or Regulation But No Change in Rate or Charge

Issued: June 23, 1997

Effective:

By:

#### TARIFF FORMAT

- A. <u>Sheet Numbering</u> Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers Revision numbers also appear in the upper right corner of each sheet. These numbers are used to determine the most current sheet version on file with the FLAPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the FLAPSC follows in their tariff approval process, the most current sheet number on file with the FLAPSC is not always the tariff sheet in effect. Consult the Check Sheet for the sheet currently in effect.
- C. <u>Paragraph Number Sequence</u> There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2.1. 2.1.1.

2.1.1.A.

2.1.1.A.1.

2.1.1.A.1.(a).

2.1.1.A.1.(a).1.

2.1.1.A.1.(a).1.(i).

2.1.1.A.1.(a).1.(i).(1).

D. <u>Check Sheets</u> - When a tariff filing is made with the FLAPSC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new sheets are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on this sheet if these

Issued: June 23, 1997 Effective:

By:

1955/6843-5a3011

## TARIFF FORMAT (contd.)

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D.	( heck	Sheete	(contd.)
v.	CHECK	SHECKS	(CUIIIII.)

are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the FLAP\$C.

Issued: June 23, 1997 Effective:

By:

#### SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to a Quintelco, Inc. network switching center.

Authorization Code - A numerical code, one or more of which are available to a customer to enable the customer to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

Calling Card - A card issued by the Company, the customer's Local Exchange Company, authorized vendor, or other common carrier which allows the customer to make telephone calls and bill calls to the Calling Card by entering a PIN.

Card Number - A multi-digit identifying number which may be printed on each Prepaid Debit Card or Calling Card, which may also be referred to in this tariff as a PIN.

Company or Carrier - Quintelco, Inc.

**Credit Card Charges** - Prepaid Debit Card purchases, renewals, and other charges that may be billed to Major Credit Cards.

**Customer** - The person, firm, corporation or other entity which orders service and is responsible for both payment of charges due and compliance with the Company's tariff regulations.

Day - From 8:00 a.m. up to, but not including, 5:00 p.m. local time Monday through Friday.

Evening - From 5:00 p.m. up to, but not including 11:00 p.m. local time Sunday through Friday.

FLAPSC - Florida Public Service Commission.

Issued: June 23, 1997	Effective:

By:

1955/6843-5a301!

## SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (contd.)

Holidays - Quintelco, Inc.'s recognized holidays are New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Veterans' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Thanksgiving Day, and Christmas Day.

Local Exchange Company - A company which furnishes local exchange telephone service.

Major Credit Card - A universally accepted charge card. MasterCard, VISA, Diner's Club International, American Express and Carte Blanche are examples of major credit cards which the Company may accept.

Night/Weekend - From 11:00 p.m. up to, but not including, 8:00 a.m. Sunday through Friday, and 8:00 a.m. Saturday up to, but not including 5:00 p.m. Sunday.

PIN(s) - One or more multi-digit (usually 8 or more) personal identification numbers which have been assigned to a customer to use with a designated 800 number, or other access number, to access the Company's network.

Prepaid Debit Cards - A plastic, paper or similar card issued by the Company and/or purchased by a customer which enables the customer to use a preprogrammed number of minutes of the Company's telecommunications service. Each Prepaid Debit Card which represents a customer account, has a PIN and instructions for using the Company's Prepaid Debit Card telecommunications service.

**Prepaid Debit Card Calls** - Calls for which charges are billed to a Prepaid Debit Card and not to the originating or terminating telephone number.

Private Label Prepaid Debit Card - A Prepaid Debit Card issued by the Company which carries the name or logo of an organization in addition to the Company's name.

Issued: June 23, 1997	Effective:	
By:	Claudia Newman-Hirsch, Executive Vice President	

Quintelco, Inc.
1 Blue Hill Plaza
Pearl River, NY 10965

## SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (contd.)

Renewable Prepaid Debit Card - A Prepaid Debit Card issued by the Company and used by a customer which allows the customer to add additional minutes of telephone service to the card once the preprogrammed minutes have been used by charging additional preprogrammed minutes to a valid Major Credit Card acceptable to the Company.

**Underlying Carriers** - Those FLAPSC approved telecommunications service providers whose services the Company resells to its customers under the provisions of this tariff.

Issued: June 23, 1997	Effective:	

By:

## **SECTION 2 - RULES AND REGULATIONS**

## 2.1 Undertaking of Quintelco, Inc.

Quintelco, Inc.'s facilities are furnished for communications originating at specified points within the State of Florida under terms of this tariff.

Quintelco, Inc. operates, and maintains the communication services provided hereunder in accordance with the terms and conditions set forth under this tariff. When authorized by the customer, the Company may act as the customer's agent for ordering access connection facilities provided by other carriers or entities to allow connection of a customer's location to the Quintelco, Inc. network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless ordered on a longer time basis, and are available twenty-four hours per day, seven days per week.

#### 2.2 Limitations

- 2.2.1 Service is offered subject to the availability of facilities and the provisions of this tariff.
- 2.2.2 Quintelco, Inc. reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control, or when the customer is using service in violation of the law or the provisions of this tariff.

Issued: June 23, 1997	Effective:

By:

1955/6843-5a301!

## 2.2 <u>Limitations</u> (contd.)

- 2.2.3 All services provided under this tariff are directly controlled by Quintelco, Inc. and the customer may not transfer or assign the use of service, except with the express consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.4 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

## 2.3 Liabilities of the Company

- 2.3.1 Quintelco, Inc.'s liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring due to the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.
- 2.3.2 Quintelco, Inc. shall be indemnified and held harmless by the customer against:
  - (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over the Company's facilities.
  - (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by Quintelco, Inc.

D	
Issued: June 23, 1997	Effective:

By:

## 2.4 Interruption of Service

2.4.1 Credit allowances for the interruption of service, which is not due to the Company's testing or adjusting, negligence of the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the obligation of the customer to notify the Company immediately of any interruption in service for which a credit allowance is desired.

Before giving such notice, the customer shall ascertain that the trouble is not being caused by an action or omission by the customer within the customer's control, or is not due to the wiring or equipment, if any, furnished by the customer and connected to the Company's facilities.

- 2.4.2 For the purposes of credit computation, every month shall be considered to have 720 hours.
- 2.4.3 No credit shall be allowed for an interruption of a continuous duration of less than two hours.
- 2.4.4 The customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the fixed monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

 $Credit = \underline{A} \times B$  720

"A" -- outage times in hours

"B" -- total fixed monthly charge for affected facility

By:

## 2.5 Suspension-of-Service Guidelines

Service will be suspended without notice in the following situations:

- 1) The customer obtained service fraudulently; or
- 2) A safety hazard is found on the customer's premises.

## 2.6 Restoration of Service

Restoration of service shall be done as quickly as practicable by patching, rerouting, substitution of component parts or pathways, and other means, as determined necessary by the Company.

## 2.7 Billing Periods

If the customer is being billed for service to the home or office, rather than via a Debit Card arrangement as set forth in section 2.12, the customer will receive an itemized statement of account after the 30-day cycle.

#### 2.8 Understanding Your Statement of Account

Your statement will outline specific charges or adjustments for Quintelco, Inc.'s services incurred and paid for during the preceding 30-day period.

## 2.9 Questions About Your Statement of Account

If the customer has questions about Quintelco, Inc.'s charges that may appear on its statement of account, the customer may call the Quintelco, Inc. service representative toll free at 1 (800) 532-3940.

Issued: June 23, 1997	Effective:

By:

1955/6843-523011

## 2.10 Special Promotions

The Company offers no special promotions at this time and anticipates no such promotions in the future.

## 2.11 Billing Dispute

In the event the customer is not satisfied with the Company's resolution of a billing dispute, the customer may make application to the FLAPSC for review and disposition of the matter.

#### 2.12 Forms of Payment

At the customer's request, the Company permits the use of approved credit cards to apply for and receive a Debit Card used to access and pay for the Company's telecommunications services. Instead of traditional monthly billing, customers will pay in cash for, or authorize direct billing to their credit cards for purchase of, Prepaid Debit Cards that register with up to \$50.00 in credit. Telephone charges will be debited by the Company against this card at the rates set forth in Section 4 herein.

#### 2.13 Advanced Payments

The Company reserves the right to collect advanced payments as part of its Prepaid Debit Card service.

## 2.14 Responsibility of the Company

The Company endeavors to provide the best long distance service possible at a fair and competitive price.

Issued: June 23, 1997	Effective:	

By:

## 2.15 Frequency Restrictions

There are no frequency restrictions.

## 2.16 Credit for Incomplete Calls

There will be no charge assessed to the customer for incomplete calls.

## 2.17 Minimum Call Completion Rate

A customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 90% during peak use periods for all Company services.

## 2.18 Deposits

The Company does not require a deposit from the customer.

#### **2.19** Taxes

All State and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

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## **SECTION 3 - DESCRIPTION OF SERVICES**

## 3.1 <u>Usage Based Services</u>

The Company's charges are based on the actual usage of the Company's services, in addition to any special features and/or service options, utilized by the customer. Charges begin when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the Local Exchange Company sends a signal to the switch. Charges cease when either party (called or calling) hangs up, unless chained calling is permitted and, in such case, the charges will cease when the calling party hangs up.

## 3.2 Long Distance Network Service

The Company's Long Distance Network Service provides for the non-facilities based, switchless resale of the tariffed Software Defined Network (SDN) Service offered by various Underlying Carriers. This service is a custom designed private telecommunication network that combines the efficiencies and benefits of both switched and private line service to meet the specific requirements of customers needing to communicate between geographic locations within the State. The method of mileage calculation utilized by the Company mirrors that of Bell Communications Research and NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

Each service customer is charged individually for each call on a conversation minute basis. Each call is measured and charged at the applicable rate for the initial eighteen (18) second period or fraction thereof, and then at the applicable rate for each additional six (6) second period or fraction thereof. The minimum length of a call is eighteen (18) seconds. See Section 4, Rates, for the applicable rate schedule.

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## SECTION 3 - DESCRIPTION OF SERVICES (contd.)

## 3.2 <u>Long Distance Network Service</u> (contd.)

Dedicated access circuits may be provided and billed by the local exchange company (LEC). Dedicated access channels may be purchased from carriers other than the LEC only in accordance with FLAPSC rules or if the special access channel is jurisdictionally interstate. Charges for the dedicated access channel are determined by the access provider.

## 3.3 Debit Card Service

- 3.3.1 This service permits use of a Prepaid Debit Card to access and pay for the Company's telecommunications services. Customers may purchase Prepaid Debit Cards directly from the Company, from authorized vendors or at a variety of retail outlets. Prepaid Debit Cards may be issued in denominations ranging from \$1.00 to \$50.00. The Company may issue Private Label Prepaid Debit Cards, as well as Prepaid Debit Cards with a fixed number of preprogrammed minutes and Renewable Prepaid Debit Cards.
- 3.3.2 Customers obtain the service by dialing an 800 number or other Access Codes to access the Company's network. The customer is prompted by an automated voice response system to enter his/her PIN, and then to enter the terminating telephone number. The Company's processor tracks the call duration from when the call is answered by the Company's processor for rating purposes on a real time basis. Billing for all calls ends when the called party hangs-up. The total price of each call, including applicable taxes, is deducted from the prepaid amount on the Prepaid Debit Card. For some cards, when a customer obtains access to the Company's processor, the balance on the card will be announced. A warning tone

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1 Blue Hill Plaza
Pearl River, NY 10965

## SECTION 3 - DESCRIPTION OF SERVICES (contd.)

## 3.3 <u>Debit Card Service</u> (contd.)

3.3.2 (contd.)

or message shall be played when 60 seconds or less in program minute credit is left on the Prepaid Debit Card. The customer can then complete the call within the time remaining on the Prepaid Debit Card. The customer may also add preprogrammed minutes to a Renewable Prepaid Debit Card by arranging to charge a Major Credit Card on a regular basis.

## 3.4 <u>Calling Card Service</u>

3.4.1 This service permits use of a Calling Card to place calls subject to the terms and conditions of this Tariff. The provisions of Section 3.1, as supplemented or modified herein, are applicable to Calling Card calls. The rates for Debit Cards apply to all Calling Card calls. If a Calling Card is lost, stolen or its PIN is used without the customer's consent, then all calls charged to the Calling Card, prior to written notification by the customer of the Company, shall be the responsibility and obligation of the customer.

## 3.5 Directory Assistance Service

Directory Assistance Service is provided to assist subscribers in obtaining telephone numbers.

#### 3.6 Accessing Service

The service provided by the Company is one way dial in - dial out, multi-point telecommunications services, allowing the customer to originate calls through the network facilities of the Underlying Carriers. Access to the Company may differ dependent upon the type of exchange access service provided by the local exchange telephone company to the Underlying Carriers.

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## **SECTION 3 - DESCRIPTION OF SERVICES** (contd.)

## 3.7 Availability of Service

The services provided through the Company, are available where equal access and the Billing Systems of its Underlying Carriers are provided.

#### 3.8 Locations of Service

The services offered by the Company are to be available statewide, where the long distance services of its Underlying Carriers are available. The services offered by the Company are not intended to be limited geographically.

## 3.9 Timing of Calls

- 3.9.1 Long distance usage charges are based on usage of Quintelco, Inc.'s service. Chargeable time begins when a connection is established between the calling station and the called station. Chargeable time ends when either party "hangs up" thereby releasing the network connections.
- 3.9.2 Minimum call duration and usage measurement and rounding for debiting purposes is specified on per-product basis in the rate section of this tariff.
- 3.9.3 There is no charge applied for incomplete calls.

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## **SECTION 4 - RATES**

## 4.1 Long Distance Network Usage Rates

- 4.1.1 The calls placed through the Company are rated using one of the following schedules. If the total charge includes a fraction of a cent, the fraction is rounded to the next whole cent (e.g., \$4,101.345 would be rounded to \$4,101.35).
- 4.1.2 Day, Evening and Night rate periods apply to Long Distance Network usage. The rates apply for all days of the week including holidays. The Day rate period is 8:00 a.m. to, but not including, 5:00 p.m., Monday through Friday and 5:00 p.m. to, but not including, 11:00 p.m. Sunday. The Night/Weekend Rate period is 11:00 p.m. to, but not including, 8:00 a.m. Monday through Sunday, all day Saturday, and from 8:00 a.m. to, but not including, 5:00 p.m. Sunday. For New Year's Day (January 1), Independence Day (July 4), Labor Day, Thanksgiving Day and Christmas Day (December 25), the Evening Rate applies.

## 4.2 Prepaid Debit Cards

- 4.2.1 Except to the extent modified in this section, the provisions of Section 4.1 are applicable to Prepaid Debit Card Service.
- 4.2.2 The Company may enter special agreements with certain customers who purchase Prepaid Debit Cards in volume directly from the Company. Discounts on direct purchases will apply to volume purchases.
- 4.2.3 If the Prepaid Debit Card is lost or stolen, the Company has no obligation to replace the Prepaid Debit Card or refund the charges to or remaining value represented by the Prepaid Debit Card. Any time charged or value added to a lost or stolen Prepaid Debit Card is the responsibility of the customer. The Company makes no refunds for unused balances on Prepaid Debit Cards.

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4.2	Prepaid D	ebit Cards	(contd.)

4.2.4 Prepaid Debit Cards may have a stated expiration date, and any access to the services available from the Prepaid Debit Card will be suspended when the expiration date occurs.

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## 4.3 Long Distance Network And Card Usage Rates

4.3.1 Florida Intrastate Intralata Rates (Switched Access)

4.3.1.A

	Da	Y	Ev	<u>e</u>	Nig	<u>ght</u>
	<b>INITIAL</b>	ADD'L	INITIAL	ADD'L	INITIAL	ADD'L
	18 SEC.	6 SEC.	18 SEC.	6 SEC.	18 SEC.	6 SEC.
	\$	\$	\$	\$	\$	\$
Mileage						
ALL	0.25	0.25	0.25	0.25	0.25	0.25

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By:

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## 4.3 <u>Long Distance Network And Card Usage Rates</u> (contd.)

## 4.3.2 Florida Intrastate Interlata Rates

4.3.2.A

	Da	<u>y</u>	Ev	<u>e</u>	Nig	ght .
	INITIAL	ADD'L	INITIAL	ADD'L	INITIAL	ADD'L
	18 SEC.	6 SEC.	18 SEC.	6 SEC.	18 SEC.	6 SEC.
	\$	\$	\$	\$	\$	\$
Mileage						
ALL	0.25	0.25	0.25	0.25	0.25	0.25

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#### 4.4 Directory Assistance Service

Quintelco, Inc.'s customers will be debited at the following per call charge for each directory assistance call. The directory assistance charge applies to each call regardless of whether the directory assistance bureau is able to furnish the requested telephone number.

Per Call Charge

\$0.80

## 4.5 Exemptions and Special Rates

4.5.1 Directory Assistance for Handicapped Persons:

There shall be no charge for up to fifty calls per billing cycle from lines or trunks serving handicapped individuals. The Company shall charge the prevailing tariff rates for every call in excess of fifty within a billing cycle.

4.5.2 Hearing and Speech Impaired Persons:

Intrastate toll message rates for TDD users shall be evening rates for daytime calls and night rates for evening and night calls.

4.5.3 Telecommunications Relay Service:

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay service calls by 50 percent off of the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is either both hearing and visually impaired, the call shall be discounted 60 percent off of the otherwise applicable rate for a voice nonrelay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit card surcharge.

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# STATE OF FLORIDA PUBLIC SERVICE COMMISSION DEPOSIT

DATE

In the Matter of the Application of Quintelco, Inc. for a Certificate of Public Convenience and Necessity to provide Telecommunication Services	D55 I JUN 970 761-7.  Docket No. 970 757-7  Check received with forwarded to Fiscal forward a conto RAR with proof of initials of person who	filling and or deposit. Opy of check deposit.
	N FOR A CERTIFICATE OF ENIENCE AND NECESSITY	
Quintelco, Inc. (hereinafter "Quinte	elco") hereby requests that the Florida Public Service	е
Commission ("PSC") issue a Certificate of	Public Convenience and Necessity granting Quinte	lco
	terexchange and local services in the State of Florida	a. In
@ FOR SECURITY PURPOSES, THIS DOCUMENT COM	TRANS MICROPRINTING IN THE BOMDER AND A CARBON BAND ON THE REVERSE BIDE &  REMITTANCE ADVICE	G 1-777/260
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STERLING NATIONAL BANK & TRUST COMPANY OF NEW YORK  A FOR SECURITY PURPOSES, THIS DOCUMENT COM	NTAINS MICROPRINTING IN THE BORDER AND A CARBON BAND ON THE REVERSE SIDE.	
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## State of Florida

Commissioners: JULIA L. JOHNSON, CHAIRMAN SUSAN F. CLARK J. TERRY DEASON JOE GARCIA DIANE K. KIESLING



DIVISION OF RECORDS & REPORTING BLANCA S. BAYÓ DIRECTOR (904) 413-6770

## Public Service Commission

June 24, 1997

Joel R. Dichter, Esquire Klein, Zelman, Rothermel & Dichter, L.L.P. 485 Madison Avenue New York, New York 10022-5803

Re: Docket No. 970761-TI

Dear Mr. Dichter:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by Quintelco, Inc., which was filed in this office on June 24, 1997 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (904) 413-6078 or FAX (904) 413-6079.

Please make note as well that Commission Rule 25-22.005(7), F.A.C., requires certificated companies to notify the Commission of any changes in name, telephone, address, or contact person. Should your application be granted by the Commission, you will be expected to comply with this rule by advising us of any changes as they occur.

Division of Records and Reporting Florida Public Service Commission