

WR
DES FORSE

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32399-0850

M E M O R A N D U M

January 18, 1990

TO : DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [REITH, GREER] *MR 526*
 DIVISION OF LEGAL SERVICES [CROSBY] *PTC*

RE : DOCKET NO. - 890567-TI, 890570-TI, 890569-TI - INITIATION OF
 SHOW CAUSE PROCEEDINGS FOR FAILURE TO COMPLY WITH 1988 ANNUAL
 REPORT REQUIREMENTS

AGENDA : JANUARY 30, 1990 - CONTROVERSIAL - PARTIES MAY PARTICIPATE -
 ISSUE 2 IS A PROPOSED AGENCY ACTION

PANEL : FULL COMMISSION

CRITICAL DATES : NONE

ISSUE AND RECOMMENDATION SUMMARY

ISSUE 1: Should the Commission fine Future Telecommunications, Inc. (Future) \$10,000 and cancel their IXC certificate for failure to file their 1988 annual report?

RECOMMENDATION: No, the Commission should cancel Future's IXC Certificate No. 1525 and fine the company \$2,000 for failure to file their 1987 and 1988 annual reports in a timely manner.

DOCUMENT NUMBER-DATE

00526 JAN 18 1990

FPSC-RECORDS/REPORTING

DOCKET NOS. 890567-TI, 890569-TI, 890570-TI
JANUARY 30, 1990

ISSUE 2 (PROPOSED AGENCY ACTION): Should the Commission cancel Future's STS certificate Nos. 1980, 1981, 1982, 1983 and 1984?

RECOMMENDATION: Yes, the Commission should cancel Future's five STS certificates.

ISSUE 3: Should the Commission fine MCN Services, Inc. (MCN) \$10,000 and cancel their certificate for failure to respond to Commission Order No. 21424 (Initiation of show cause proceedings for failure to file 1988 annual reports)?

RECOMMENDATION: No, staff recommends the Commission cancel the certificate of MCN and waive the \$10,000 fine for failure to respond to show cause Order No. 21424.

ISSUE 4: Should the Commission reconsider Order No. 22141 which imposed a \$2,000 fine against Metro Line, Inc. for failure to file their 1988 annual report in a timely manner?

RECOMMENDATION: No, the Commission should deny Metro Line, Inc.'s request for reconsideration of Order No. 22141.

ISSUE 5: Should docket 890567-TI (Future Telecommunications, Inc.) be closed?

RECOMMENDATION: No, this docket should remain open until the Commission has issued a consummating order cancelling Future's five STS certificate and Future has paid the imposed fine.

ISSUE 6: Should docket 890569-TI (MCN Services, Inc.) be closed?

RECOMMENDATION: Yes, this docket should be closed.

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ISSUE 7: Should docket 890570-TI (Metro Line, Inc.) be closed?

RECOMMENDATION: No, this docket should remain open for 30 days after issuance of the order. Metro Line, Inc. should be ordered to render the imposed fine to the Commission no later than the end of the 30 days. If Metro Line does not pay the assessed fine, the Commission should dekegate authority to staff to administratively cancel Metro Line's certificate, waive the imposed fine and close this docket. If Metro Line pays the assessed fine within the established period, the Commission should delegate authority to staff to administratively close this docket.

CASE BACKGROUND

On December 19, 1989, staff sent a memorandum to all certificated IXC's directing their attention to Rule 25-24.480. The memorandum included a "fill in the blank" annual report form created by staff to help simplify their task along with a copy of Rule 25-24.480 subparagraphs (5) and (6).

On February 9, 1989, staff sent a second notice to the 49 IXC's who did not respond to the initial letter by the required January 31, 1989 filing date. The second letter informed the IXC's that unless an annual report was submitted to the Commission, a fine or possible cancellation of their certificate may be forthcoming. Again, this letter included a copy of the appropriate IXC rule and an annual report form. Both the memo and the letter listed a staff contact for any questions on the part of the IXC's.

At the May 30, 1989 agenda conference a total of 32 IXC's that were delinquent in filing their 1988 IXC annual report in a timely manner were brought before the Commission. The 32 IXC's were broken up into three categories. Those that were late in filing their annual report for the first time, those that were late for two consecutive years and those who did not file at all. After hearing from staff and the IXC's which were represented, the Commission decided to offer a settlement in lieu of initiating a show cause proceeding for all the companies which were late in filing their 1988 IXC annual reports and initiate a show cause proceeding for the companies that did not file an annual report.

The conditions which the Commission imposed on the offer of settlement were different depending on whether the company was late one or two years. For those companies that were late in filing their annual report for

the first time a \$1,000 fine was imposed. If by July 14, 1989, the companies paid \$500, the Commission suspended the remaining \$500 until the 1989 report is due on January 31, 1990. If the 1989 report is filed late, the late-filing IXC's will be required to pay the suspended portion of this fine as well as any additional fines that the Commission may impose for that violation.

For those IXC's late two years consecutively the Commission imposed a \$4,000 fine. If by July 14, 1989, the companies paid \$2,000, the Commission suspended the remaining \$2,000 until the 1989 report is due on January 31, 1990. If the 1989 report is filed late, the late-filing IXC's will be required to pay the suspended portion of this fine as well as any additional fines that the Commission may impose for that violation. An amendatory order was issued on July 10, 1989 giving 800 Telpatch Service, Inc. and Alltelco of Florida, Inc. until July 28, 1989 to pay their respective fines.

For those companies that failed to file a 1988 IXC annual report the Commission voted to initiate show cause proceedings. These companies were to show cause why they should not be required to pay \$10,000 and have their certificate revoked. Each company was to file its written response by July 12, 1989. An amendatory order was issued on July 19, 1989 giving Telefind, Inc. until August 8, 1989 to pay its fine.

At the October 3, 1989 agenda conference the Commission took action against 15 of the remaining 17 companies which were originally brought before the Commission on May 30, 1989. Attachment 1 is a summary of the actions taken by the Commission on the 30 companies which were penalized for not filing their 1988 annual report in a timely manner. This recommendation

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addresses the circumstances surrounding the remaining two companies which were introduced at the May 30, 1989 agenda conference and one company which requested reconsideration.

ISSUE 1: Should the Commission fine Future Telecommunications, Inc. (Future) \$10,000 and cancel their IXC certificate for failure to file their 1988 annual report?

RECOMMENDATION: No, the Commission should cancel Future's IXC Certificate No. 1525 and fine the company \$2,000 for failure to file their 1987 and 1988 annual reports in a timely manner.

STAFF ANALYSIS: At the May 30, 1989 agenda conference the Commission, upon staff's recommendation, voted to initiate a show cause proceeding against Future Telecommunications, Inc. for failure to file the required 1988 IXC annual report which is in violation of Commission Rule 25-24.480.

On June 23, 1989, the Commission issued Order No. 21425 (Attachment 2) which required Future to show cause why its IXC Certificate No. 1525 should not be cancelled and a \$10,000 fine imposed against the company. Future was required to respond to the show cause order in writing by July 12, 1989.

Staff was concerned with the company's failure to respond to a Commission order since in previous matters before the Commission the company had been very cooperative with Commission directives. Therefore, staff contacted Mr. Ronald Trussell, president of Future, in an attempt to determine the problem surrounding the noncompliance with Commission Rule 25-24.480. After several discussions with Mr. Trussell, it appeared to staff that there may be some circumstances surrounding Future which staff needed to investigate before staff filed a recommendation concluding the show cause proceeding. On October 2, 1989, Mr. Trussell, per staff's request filed a letter (Attachment 3) along with several other documents explaining the recent history behind

Future's telecommunications operations. Listed below is a synopsis of the important facts discussed in these documents.

DATE ACTION TAKEN IN FUTURE'S TELECOMMUNICATIONS OPERATIONS

04/01/88 Mr. Walter Loebenberg acquired control of Future Telecommunications, Inc.

04/01/88 Mr. Trussell and Mr. Ernest Pruitt, majority stockholders, signed what is known as the MICOM agreement (Attachment I) to regain control of Future Telecommunications, Inc. Basically, the MICOM agreement terms were as follows:

1. All major equipment, assets, institutional debt and Miami Beach Convention Center cabling were purchased by Miami Communications, Inc., a company wholly-owned by Mr. Loebenberg, which there upon became the telecommunications service sub-contractor at the Miami Beach Convention Center. (Staff is investigating Miami Communications, Inc. in another proceeding to see if action by the commission is warranted.)
2. In return, Future Telecommunications, Inc. (Mr. Pruitt and Mr. Trussell) would retain all contracts, cabling and wiring at the Dadeland Towers and Cutler Ridge Office building sites, certificated STS locations.
3. A Voting Trust Agreement executed by and among the shareholders of Future, dated June 12, 1987, would be cancelled and all stock held by the trustee, returned forthwith.
4. All Future stock held in the name of Mr. Walter P. Loebenberg from Future would immediately be surrendered for redemption which would result in 100% of FTI stock being under the control of Mr. Pruitt and Mr. Trussell.
5. Letters of resignation from FTI for Mr. Gerald Rush and Mr. Delton Biggerstaff, subordinates of Mr. Paul Martin, would immediately be tendered.

6. All amounts of equity and debt due Mr. Loebenberg from Future would be converted to a ten year promissory note at 9% percent interest per annual, without prepayment penalty.

NOTE: MICOM agreement was never signed by Mr. Loebenberg.

- 04/28/88 Mr. Paul Martin, acting president of Future, informed several creditors by letters (Attachment 5) that Miami Communications, Inc. is acquiring certain assets of Future.
- 05/17/88 Letters to Mr. Loebenberg and his agents attempting to
05/17/88 complete the MICOM agreement.
02/24/89
- 01/23/90 A copy of the Secretary of State's corporate record which shows Mr. Paul Martin as President of Future Telecommunications, Inc. (This was done without the consent of Mr. Pruitt or Mr. Trussell)
- 07/29/89 Letter to Ms. Evelyn Sewell explaining that Mr. Pruitt was no longer responsible for the RAF payment owed by Future due to the fact that Mr. Loebenberg had controlled Future since April 1988.

On November 8, 1989 staff scheduled a meeting with Mr. Trussell and Mr. Pruitt to discuss the information filed with the October letter. At that time, staff was informed by Mr. Trussell that Mr. Loebenberg was attempting to transfer control of Future back to Mr. Trussell and Mr. Pruitt. In addition to clarifying the filed information, Mr. Trussell wanted to know what options were available to staff when it came time to file a recommendation to the Commission. Staff discussed several different scenarios with Mr. Trussell and Mr. Pruitt including the potential of staff recommending cancellation of Future's certificate..

On November 14, 1989, staff sent Mr. Trussell a letter discussing staff's concerns with the operations of Future Telecommunications, Inc. Staff

has basically two concerns with Future's operations. First, Future did not file a timely response to Show Cause Order No. 21425. Second, the operations of Future and MICOM are so intermingled that MICOM appears to be providing service at the Miami Beach Convention Center under Future's certificate. Based on these concerns, staff recommends the Commission cancel Future's IXC certificate.

In addition to cancelling Future's certificate, staff believes that a fine of \$2,000 should be imposed against Future. As is apparent from Attachment 1, all previous companies that have had their certificates cancelled for failure to comply with Rule 25-24.480 have not been fined due to the fact that the Commission had withdrawn their authority since the companies did not intend to provide service in the future. In Future's case, the certificated entity does not intend to provide future service. However, Mr. Trussell and Mr. Pruitt do intend to start a new company to provide intrastate telecommunications services. In staff's opinion Mr. Trussell and Mr. Pruitt were responsible for the operations of Future and should therefore pay a penalty to this Commission for past violations of Future. The only question to answer is the amount of the fine imposed on Future. If Future would have been late in filing their annual report for 1988, it would have been the second consecutive year that the company had not filed on time. Therefore, staff would have recommended the company be fined \$4,000. However, since Mr. Trussell and Mr. Pruitt have cooperated with staff and there appears to have been some actions of others which may have caused some of the problems with Future. Therefore, staff is recommending the Commission reduce the fine to \$2,000.

ISSUE 2 (PROPOSED AGENCY ACTION): Should the Commission cancel Future's STS certificate Nos. 1980, 1981, 1982, 1983 and 1984?

RECOMMENDATION: Yes, the Commission should cancel Future's five STS certificates.

STAFF ANALYSIS: As discussed in Issue 1, staff is concerned with uncertificated companies utilizing the existing telephone companies' certificates to provide unauthorized service. As stated earlier, it appears that a company is using Future's IXC certificate to provide service to the exhibitors at the convention center and to the Miami Beach administrative government offices within the convention center (Staff is investigating MICOM operations in another proceeding.). Since staff is attempting to clear up the corporate entanglement of Future and MICOM in regards to this Commission's certificates and since Future is apparently not providing STS service, staff believes the cancellation of Future's five STS certificates is appropriate.

ISSUE 3: Should the Commission fine MCN Services, Inc. (MCN) \$10,000 and cancel their certificate for failure to respond to Commission Order No. 21424 (Initiation of show cause proceedings for failure to file 1988 annual reports)?

RECOMMENDATION: No, staff recommends the Commission cancel the certificate of MCN and waive the \$10,000 fine for failure to respond to show cause Order No. 21424.

STAFF ANALYSIS: At the May 30, 1989 agenda conference the Commission voted to initiate a show cause proceeding against MCN for failure to file the the required 1988 IXC Annual Report which is in violation of Commission Rule 25-24.480. The conditions of the resulting show cause order no. 21424 (issued June 22, 1989, Attachment 6) required the company to show cause why they should not be fined \$10,000 and have their certificates revoked. A written response was required by July 12, 1989. The company did not file a timely response to the show cause order. However, the company did file a response (Attachment 7) with a copy of their annual report on August 31, 1989. MCN claims their annual report was filed February 21, 1989.

In addition, staff has discovered that MCN is no longer a legal entity with the Secretary of State and has been involuntarily dissolved (Attachment 8). After trying to call the company, staff learned MCN's telephone number had been disconnected. Staff also contacted the local exchange companies in MCN's operating area and was told MCN is no longer purchasing service. It appears that MCN is no longer providing service within Florida. Therefore, staff recommends the Commission waive the \$10,000 fine and cancel MCN's IXC Certificate No. 2061.

ISSUE 4: Should the Commission reconsider Order No. 22141 which imposed a \$2,000 fine against Metro Line, Inc for failure to file their 1988 annual report in a timely manner?

RECOMMENDATION: No, the Commission should deny Metro Line, Inc.'s request for reconsideration.

STAFF ANALYSIS: On November 21, 1989 Metro Line, Inc. (Metro Line) filed a request for reconsideration of Order No. 22141 (Attachment 9) issued in Docket No. 890570-TI. Order No. 22141 imposed a fine of \$2,000 against Metro Line and \$500 against Corporate Executive Offices, Inc. (CEO) for failure to file a 1988 annual report in a timely manner.

In Metro Line's request for reconsideration they stated that the Commission shouldn't impose a fine in excess of the fine imposed against CEO. Order No. 22141 clearly stated that CEO provided some evidence which showed that CEO's annual report may have been mailed by January 26, 1989. In addition to the evidence filed, CEO claimed that they had not received any written correspondence concerning the annual reports, excluding the December 19, 1988 letter which informed the IXCs of the annual report filing date. Metro Line has not filed any evidence to warrant a similar fine as CEO. As stated in the Order, Metro Line, Inc.'s only defense for not filing the annual report in a timely manner was some internal miscommunications within Metro Line's operations. In addition, Metro Line states that their company never received an offer of settlement from this Commission. That is true due to the fact that the offer of settlement was only given to the companies which had filed their annual reports prior to staff recommending a show cause proceeding. Metro Line did not fall into that category because the company

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had not filed its annual report by the time staff submitted its initial recommendation. Staff does not believe Metro Line has submitted any new evidence concerning the imposition of the \$2,000 fine. Therefore, staff recommends the Commission deny Metro Line's request for reconsideration.

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ISSUE 6: Should docket 890569-TI (MCN Services, Inc.) be closed?

RECOMMENDATION: Yes, this docket should be closed.

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JANUARY 30, 1990

ISSUE 7: Should docket 890570-TI (Metro Line, Inc.) be closed?

RECOMMENDATION: No, this docket should remain open for 30 days after issuance of the order. Metro Line, Inc. should be ordered to render the imposed fine to the Commission no later than the end of the 30 days. If Metro Line does not pay the assessed fine, the Commission should dekegate authority to staff to administratively cancel Metro Line's certificate, waive the imposed fine and close this docket. If Metro Line pays the assessed fine within the established period, the Commission should delegate authority to staff to administratively close this docket.

(0835c)

NAME OF CERTIFICATED CARRIER	DOCKET NUMBER	ORDER NO.	TYPE OF PENALTY ASSESSED BY THE COMMISSION
ADVANCED COMMUNICATIONS TECHNOLOGIES, INC.	D-890556-T1	22146	WAIVE FINE AND CANCELLED CERTIFICATE
ALL FLORIDA TEL COMPANY	D-890557-T1	22146	WAIVE FINE AND CANCELLED CERTIFICATE
ALLTELCO OF FLORIDA, INC.	D-890558-T1	22151	SHOW CAUSE ISSUED FOR \$4,000, NO RESPONSE RECEIVED THEREFORE, CERTIFICATE CANCELLED AND FINE WAIVED
AMERICAN NETWORK EXCHANGE INC.	D-890609-T1	21429	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
AMERISYSTEMS PARTNERSHIP	D-890559-T1	21428	FINED \$2,000 FOR FILING LATE SUSPENDED \$2,000 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
CARD*TEL, INC.	D-890610-T1	21429	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
CHATCO COMMUNICATIONS, INC.	D-890560-T1	22143	WAIVE FINE AND CANCELLED CERTIFICATE
COMMUNICATIONS PLANNING CORPORATION	D-890562-T1	22146	WAIVE FINE AND CANCELLED CERTIFICATE
CONSOLIDATED COMMUNICATIONS OF LEE COUNTY	D-890563-T1	22146	WAIVE FINE AND CANCELLED CERTIFICATE
CORPORATE EXECUTIVE OFFICES, INC.	D-890564-T1	22141	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
EXECUTIVE SUITES OF FT. LAUDERDALE	D-890611-T1	22151	SHOW CAUSE ISSUED FOR \$2,000, NO RESPONSE RECEIVED THEREFORE, CERTIFICATE CANCELLED AND FINE WAIVED
FLORIDA DIGITAL NETWORK	D-890566-T1	22136	CLOSED SHOW CAUSE DOCKETS WHICH WERE INADVERTENTLY OPENED, COMPANY'S CERTIFICATE CANCELLED 1988
* FUTURE TELECOMMUNICATION, INC.	D-890567-T1	ORDER STILL PENDING	FINED \$2,000 FOR FILING LATE AND CANCEL CERTIFICATE
LAYNE COMMUNICATIONS CORP. D/B/A COINPHONE SERVICES	D-890561-T1	22136	CLOSED SHOW CAUSE DOCKETS WHICH WERE INADVERTENTLY OPENED, COMPANY'S CERTIFICATE CANCELLED 1988
LIGHTNET	D-890612-T1	21429	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
MCI TELECOMMUNICATIONS CORPORATION	D-890568-T1	21428	FINED \$2,000 FOR FILING LATE SUSPENDED \$4,000 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
* MCI SERVICES, INC.	D-890569-T1	ORDER STILL PENDING	WAIVE FINE AND CANCELLED CERTIFICATE
* METRO LINE, INC.	D-890570-T1	ORDER STILL PENDING	FINED \$2,000 FOR FILING LATE, REQUESTED RECONSIDERATION

NAME OF CERTIFICATED CARRIER	DOCKET NUMBER	ORDER NO.	TYPE OF PENALTY ASSESSED BY THE COMMISSION
AMERICAN OPERATOR SERVICES FKA NATIONAL TELEPHONE SERVICES	D-890608-T1	21429	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
PSA, INC.	D-890613-T1	21429	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
ST. JOE COMMUNICATIONS, INC.	D-890571-T1	21428	FINED \$2,000 FOR FILING LATE SUSPENDED \$4,000 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
SHARED NETWORK TECHNOLOGIES, INC.	D-890577-T1	22146	WAIVE FINE AND CANCELLED CERTIFICATE
SOUTHERNNET SERVICES, INC.	D-890614-T1	21427	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
SOUTHLAND FIBERNET, INC.	D-890572-T1	21428	FINED \$2,000 FOR FILING LATE SUSPENDED \$4,000 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
SOUTHLAND SYSTEMS, INC.	D-890573-T1	21428	FINED \$2,000 FOR FILING LATE SUSPENDED \$4,000 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
TELEMARKETING CORPORATION OF LOUISIANA	D-890615-T1	21427	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
TELECOMMUNICATIONS SERVICES CORPORATION OF CENTRAL FLORIDA	D-890616-T1	21427	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
TELE-FILER NETWORK CORPORATION	D-890574-T1	21427	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
TELEFIND CORPORATION	D-890575-T1	22146	WAIVE FINE AND CANCELLED CERTIFICATE
TRIPLE CROWN INDUSTRIES, INC.	D-890617-T1	21427	FINED \$500 FOR FILING LATE SUSPENDED \$1,500 UNTIL NEXT YEAR'S FILING DATE, DOCKET CLOSED
TRIPLE A MANAGEMENT ASSOCIATION	D-890576-T1	22146	WAIVE FINE AND CANCELLED CERTIFICATE
BOO TELPATCH SERVICE, INC.	D-890565-T1	22144	SHOW CAUSE ISSUED FOR \$4,000, NO RESPONSE RECEIVED THEREFORE, CERTIFICATE CANCELLED AND FINE WAIVED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause)	
proceedings for failure to file 1988)	
annual reports:)	
)	
-ADVANCED COMMUNICATIONS TECHNOLOGIES	)	DOCKET NO. 890556-TI
-ALL FLORIDA TEL COMPANY	)	DOCKET NO. 890557-TI
-COMMUNICATIONS PLANNING CORPORATION	)	DOCKET NO. 890562-TI
-CONSOLIDATED COMMUNICATIONS OF)	
LEE COUNTY, INC.	)	DOCKET NO. 890563-TI
-CORPORATE EXECUTIVE OFFICES, INC.	)	DOCKET NO. 890564-TI
-FLORIDA DIGITAL NETWORK	)	DOCKET NO. 890566-TI
-FUTURE TELECOMMUNICATIONS, INC.	)	DOCKET NO. 890567-TI
	)	ORDER NO. 21425
	)	ISSUED: 6-23-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
THOMAS M. BEARD
BETTY EASLEY
GERALD L. GUNTER
JOHN T. HERNDON

ORDER INITIATING SHOW CAUSE PROCEEDINGS

BY THE COMMISSION:

Rule 25-24.480, Florida Administrative Code (the Rule), requires that each interexchange carrier (IXC) file reports with this Commission. The reports, due on January 31st of each year, require basic company information as well as construction and capacity data.

On December 19, 1988, Staff sent a memorandum to all certificated IXCs directing their attention to the Rule. The memorandum included a copy of the Rule, and a "fill in the blank" annual report form to help simplify the IXC's task. On February 9, 1989, Staff sent a second notice to 49 IXCs that failed to respond to the initial letter by the required January 31, 1989 filing date. The second letter warned the IXCs that if they did not comply with the Rule and submit an annual report, the Commission would impose a fine or possibly cancel their certificates. Again, this letter included a copy of the Rule and an annual report form, as well as the name of a Staff member who would be available to answer any questions the IXC may have.

It appears that the IXCs listed in the caption of this Order have failed to respond to either letter. We do not tolerate such a total disregard of our rules by regulated utilities, and if necessary, we are compelled to cancel the certificates of IXCs that ignore our rules. Given the lack of response by the IXCs listed above, we are led to consider whether they are still providing service in Florida. We find it appropriate, pursuant to Section 364.285, Florida Statutes, to require these IXCs to show cause why they should not be required to pay \$10,000 and have their certificates revoked. Each company must file its written response by July 12, 1989.

DOCUMENT 1989-753-DATE

06172 JUN 22 1989

FPSC-RECORDS/REPORTING

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Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the interexchange carriers listed in the caption of this docket shall show cause in writing why a \$10,000 fine should not be assessed against each and why its certificate should not be revoked for its failure to file timely reports required by Rule 25-24.480, Florida Administrative Code, and for its failure to respond to Commission correspondence. It is further

ORDERED that the written responses to this show cause order by the interexchange carriers listed in the caption of this docket must be received by the Director of Records and Reporting, 101 E. Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on July 12, 1989. It is further

ORDERED that any response filed by the interexchange carriers listed in the caption of this docket must contain specific statements of law and fact. It is further

ORDERED that the failure by any of the interexchange carriers listed in the caption of this docket to file a written response within the prescribed time period will constitute an admission of noncompliance and a waiver of any right to a hearing. It is further

ORDERED that the failure by any of the interexchange carriers listed in the caption of this docket to request a hearing in any written response that is submitted will constitute a waiver of any right to a hearing.

By ORDER of the Florida Public Service Commission,
this 22nd day of JUNE, 1989.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

by Kay Flynn
Chief, Bureau of Records

DLC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that

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apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

This order is preliminary, procedural or intermediate in nature. Any person whose substantial interests are adversely affected by the action proposed by this order may file a petition for a formal proceeding pursuant to Rule 25-22.037(1), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on July 12, 1989. Failure to respond by July 12, 1989 shall constitute a admission of all facts and a waiver of the right to a hearing pursuant to Rule 25-22.037(3), Florida Administrative Code, and a default pursuant to Rule 25-22.037(3), Florida Administrative Code, and a Default pursuant to Rule 25-22.037(4), Florida Administrative Code. Such default shall be effective on July 13, 1989. Moreover, the failure to request a hearing in any petition that is filed will constitute a waiver of any right to a hearing.

If an adversely affected person fails to respond to this order within the time prescribed above, that party may request judicial review by the Florida Supreme Court in the case of any electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of the default date set forth in this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

FUTURE TELECOMMUNICATIONS, INC.
15476 N.W. 77TH COURT
SUITE 210
MIAMI, FLORIDA 33016

RECEIVED

OCT 02 1989

Florida Public Service Commission
Communication Department

September 25, 1989

Mr. Stan Greer
Florida Public Service Commission
Bureau of Network and Engineering Studies
Flother Building
101 East Gaines Street
Tallahassee, Florida 32399-0866

RECEIVED
FLORIDA PUBLIC SERVICE COMM.

OCT 2 - 1989

ELECTRIC AND GAS

Dear Mr. Greer:

This is in reference to our phone conversation last week. U.S. Enterprises Inc., a State of Florida corporation, a company in which Walter P. Loebenberg is a principal, had been advised that there is a Florida Public Service Commission regulatory assessment fee due on or before July 29, 1989.

The three (3) Northern Telecom SL-1 telephone switches were acquired on April 1, 1988 from Future Telecommunication Inc. by Mr. Walter P. Loebenberg who is/was a shareholder of Future Telecommunications Inc. during a hostile corporate takeover by Miami Communications Inc. of which Mr. Walter P. Loebenberg is also a principal and shareholder.

Since April 1, 1988 I have had no knowledge or control of any actions or omissions by Mr. Walter P. Loebenberg or his agents in regards to any of the above named corporations and are not accountable in these matters.

On April 1, 1988 a purchase agreement was executed between Mr. Paul Martin, an agent for Mr. Walter P. Loebenberg, on behalf of Miami Communications Inc. and Mr. Ernest W. Pruitt and myself as shareholders and officers of Future Telecommunications Inc. Although Mr. Pruitt and myself made a good faith effort to comply with the terms of this agreement neither Mr. Martin or Mr. Loebenberg executed or complied with the terms of the agreement, which were as follows.

- 1) All major equipment, assets, institutional debt and Miami Beach Convention Center cabling were purchased by Miami Communications Inc. which thereupon became the telecommunications service sub-contractor at the Miami Beach Convention Center.
- 2) In return, Future Telecommunications Inc. (Mr. Ernest Pruitt and myself) would retain all contracts, cabling and wiring at the Dadeland Towers And Culter Ridge Office building sites.

- 3) A Voting Trust Agreement executed by and among the shareholders of FTI, dated June 12, 1987, would be cancelled and all stock held by the trustee, returned forthwith.
- 4) All FTI stock held in the name of Mr. Walter P. Loebenberg would immediately be surrendered for redemption which would result in 100% percent of FTI stock being under the control of Mr. Pruitt and myself.
- 5) Letters of resignation from FTI for Mr. Gerald Rush and Mr. Delton Biggerstaff would be immediately tendered.
- 6) All amounts of equity and debt due Mr. Loebenberg from FTI would be converted to a ten year promissory note at 9% percent interest per annum, without prepayment penalty.

Both Mr. Pruitt and myself agreed to this contract in a good faith effort to keep our business dreams alive. It is now apparent that we have become victims of a carefully conceived take-over plan which exploited our relative inexperience. I have made numerous request to Mr. Paul Martin, the agent for Mr. Walter P. Loebenberg, to abide by the provisions of the purchase agreement of April 1, 1988. As of this date we have received no satisfactory explanation as to his failure to fulfill Mr. Loebenbergs obligations under this agreement or as to how he has been legally controlling and operating both Miami Communications and Future Telecommunications at the same time.

One of my concerns involves the changing of corporate records by Mr. Martin (see attachment). On January 25, 1989 I had the occasion to speak to Mr. Martin and he informed me at that time that I had been removed as President of FTI. I obtained a copy of the FTI Annual Report, dated September 1, 1988, from the Florida Division of Corporations. It reflected that Mr. Martin was President and Director, Mr David Loebenberg was Secretary and Director and Mr. Walter P. Loebenberg was a Director. My concern is by whose authority, and by what shareholders action were these changes instituted. Neither Mr. Pruitt or I, as majority stockholders were aware of, had knowledge of or authorized these corporate changes.

Secondly, I have obtained a statement from Mr. James Pierce, the FTI accountant who prepared the 1987 Financial Statement which carried an equipment loss entry of \$489,423. Mr. Pierce states that Mr. Martin specifically directed him to delete the SL-I switch and cabling located at the Dadeland office site from the financial statement, explaining that it was not at that location. Mr. Martin did not provide any type of documentation to substantiate his assertion.

I, as well as Mr. Pruitt personally observed and can attest to the existence of this switch at its Dadeland location. It was removed by Mr. Martin and stored at the Miami Beach Convention Center, where it was later repossessed by Southern Bell Advanced Systems and Dade County Sheriffs Deputies. This is the switch that is currently under litigation by Southern Bell.

Finally, despite repeated request, as of this date all FTI's corporate books, business records and files which were illegally removed by Mr. Martin are still in his possession. FTI employees did not receive their IRS W-2 earnings statements before the January 31, 1989 deadline because of this fact.

I hope this offers you some insight into the problems I have been faced with during our dealing with Mr. Loebenberg. If you require any additional information or clarification please do not hesitate to contact me. It is my sincere desire to rectify this untenable situation.

Thank you for your interest and cooperation in this matter.

Sincerely


RONALD E. TRUSSELL

RET/ep
Attachment

TABLE OF CONTENTS

- 1) Future Telecommunications , Inc. (FTI) And Miami Communications, Inc. (Micom) Purchase Agreement
- 2) Correspondence with Miami Communications, Inc.
- 3) Correspondence with Mr. Walter P. Loebenberg.
- 4) Banking information:
 - A. Community Bank of Homestead
 - B. Sun Bank of Miami
 - C. Fortune Savings Bank
- 5) Florida Public Service Commission
- 6) Florida Department of State-Division of Corporations
- 7) FTI payroll paid by Mr. Walter P. Loebenberg
- 8) Riden and Earle P.A. (Mr. Loebenbergs Attorney)
- 9) Summary of Actionable Conduct

PURCHASE AGREEMENT

AGREEMENT made this 1st day of April, 1988, by and between MIAMI COMMUNICATIONS, INC., a Florida corporation (hereinafter called "Purchaser") and FUTURE TELECOMMUNICATIONS, INC., a Florida corporation (hereinafter called "Seller") and RONALD E. TRUSSELL and ERNEST W. FRUITT (hereinafter called "Stockholders").

WITNESSETH

WHEREAS, Seller desires to sell certain of its assets upon the terms and conditions hereinafter set forth; and

WHEREAS, Purchaser desires to purchase such assets of the Seller, upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, in consideration of the covenants, warranties and mutual agreements herein set forth and in reliance upon the representations and warranties contained herein, the parties do hereby agree as follows:

1. Sale and Purchase of Assets

Subject to the terms and conditions hereof, Seller hereby agrees to sell, assign, transfer and deliver to Purchaser at closing the assets of Seller set forth in Exhibit A annexed hereto and made a part hereof (the "Assets") free and clear of any and all liens or encumbrances, except those liens or encumbrances set forth in Exhibit B, to which the Assets purchased shall or may be subject, and Purchaser agrees to purchase the Assets and pay to Seller the purchase price set forth in paragraph 2, at the time and in the manner set forth in paragraph 3.

2. Purchase Price

The Purchase price for the Assets is \$2,220,000.00. The purchase price is based upon the value of the Assets, and the lien and encumbrances thereon, as set forth in Exhibits A and B.

Nothing herein contained shall be construed to prevent the Purchaser from contesting the validity of any lien or encumbrance to which the Asset may be subject.

3. Payment of Purchase Price

The purchase price set forth in paragraph 2 hereof shall be paid as follows:

a) Upon execution of this Agreement, Purchaser shall pay to Seller, the sum of \$13,204.18, plus or minus the adjustments provided for in this Agreement and approximately \$2,200,000.00 by taking title to the Assets, subject to the obligations set forth in Exhibit B.

b) On or before the Closing Date, Purchaser shall pay to Seller the sum of \$6,795.82, plus or minus the adjustments provided for in this Agreement.

4. Representations and warranties of Seller and Stockholders.

As a material inducement to Purchaser to enter into this Agreement and to close hereunder, Seller and Stockholders jointly and severally represent and warrant as follows, which representations and warranties shall survive closing and any investigation made with respect thereto:

a) Seller (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has the corporate power to own its property and to carry on its business as now conducted.

b) Shareholders have full and sole authority to enter into this Agreement on behalf of the Seller and to bind Seller to all of the terms hereof.

c) All payroll, income, franchise, sales, use and other tax returns required by any jurisdiction to be filed by Seller have been filed or will be filed on or before the due date thereof, except for returns with respect to which extensions have been granted. All federal, state and local payroll, income,

excess profits, franchise, sales, use and other taxes due and payable by Seller and any assessments received by Seller, have been paid and no deficiencies have been claimed or proposed.

d) Seller owns and has good, complete and indefeasible title to the Assets, set forth in Exhibit A. Such title is free and clear of any security interests, mortgages, liens, claims, charges, exceptions or encumbrances, except as set forth in Exhibit B.

e) To the best of their knowledge, all of the equipment set forth in Exhibit A is in a good state of repair, has been well maintained, and is in good working order, reasonable wear and tear excepted.

f) All contracts set forth in Exhibit A are in full force and effect in accordance with their terms and are freely assignable to Purchaser.

g) Shareholders acknowledge and agree that the Assets purchased hereunder are to be used by Purchaser in a similar business to that conducted by Seller and which may be in direct competition with Seller and that Purchaser may pursue any and all business opportunities which may otherwise be those of the Seller. Seller and Shareholders further waive any restrictive covenant which might otherwise restrict a shareholder, officer or director of the Seller from being or becoming a principal in the Purchaser.

3. Covenants of Seller and Stockholders

Seller and Stockholders covenant and agree that:

a) Purchaser and its representatives shall have access during normal business hours throughout the period prior to the Closing Date to inspect all of Seller books, and all books and records of Future Communications, Inc. (or Future Computer), and Stockholders will cause Seller to furnish Purchaser during such period with all information concerning the Assets and the applicable affairs of Seller and Future Communications, Inc. (or

Future Computer), as Purchaser may reasonably request. This right shall survive closing in the event of any default or misrepresentation by Seller hereunder.

b) Between the date of this agreement and the Closing Date, except as otherwise permitted by the prior written consent of Purchaser, Seller will not become a party to or become obligated by any contract, commitment or agreement for the sale, encumbrance or other disposition of any part of the Assets set forth in Exhibit A or for the cancellation of any agreement or contract sold hereunder.

c) At or after the Closing Date, as may reasonably be requested by Purchaser, Stockholders shall execute and deliver or cause to be executed and delivered all such other instruments and shall take or cause to be taken all such further action as may be necessary to fully vest and confirm to Purchaser title to and possession of all of the Assets set forth in Exhibit A.

d) Within ninety (90) days after Closing, Seller shall pay and discharge all of its obligation other than those to which Purchaser shall take subject to.

6. Conditions to Closing

The obligation of Purchaser to purchase the assets hereunder shall be subject to the satisfaction, at or prior to the Closing Date, of the following conditions (any of which may be waived by Purchaser):

a) All instruments and documents incident to the transfer and assignment of the Assets to the Purchaser shall be satisfactory in form as reasonably may be required by counsel for Purchaser.

b) All representations and warranties of Seller and Stockholders contained in this Agreement shall be true on and as of the Closing Date with the same effect as though such representations and warranties had been made at and as of the Closing Date, and Seller and Stockholders shall have fully performed and complied with all of their obligations contained in this Agreement.

c) That on or prior to the Closing Date, all necessary consents to transactions contemplated by this Agreement shall be obtained, including but not limited to written release from any agreements which may restrict the performance of this Agreement by Seller.

7. Adjustments

The purchase price and the portion thereof due on the Closing Date shall be adjusted by giving Purchaser credit for any deposits which Seller may hold, the liability for which Purchaser shall assume.

8. Closing

a) The Closing of the transactions contemplated by this Agreement ("Closing Date") shall take place within 30 days of the date hereof or, at the option of the Purchaser, when all of the obligations of Seller and Stockholders under this Agreement are completed, at 9000 S. W. 87th Court, Suite 209, Miami, Florida 33176.

b) Commencing upon the execution of this Agreement and to be completed no later than the Closing Date, the Seller shall deliver to the Purchaser Assignments, Bills of Sale and other instruments of transfer sufficient to assign, transfer, grant and confirm to Purchaser all right, title and interest to the Assets sold to Purchaser hereunder, free and clear of any and all liens or encumbrances, except as provided in this Agreement, plus physical possession of all of the Assets, and Purchaser shall deliver to Seller the portion of the purchase price due by the Closing Date. Any time and from time to time after the Closing Date, at Purchaser's request, Seller shall do, execute, acknowledge and deliver all such further acts, assignments, transfers and other documents as may be reasonably required in conformity with this Agreement for the adequate assigning, transferring, granting, confirming and delivering to Purchaser the Assets sold to Purchaser hereunder.

EXHIBIT A

**TO PURCHASE AGREEMENT BETWEEN
MIAMI COMMUNICATIONS, INC. AND FUTURE TELECOMMUNICATIONS, INC.**

Schedule of Assets

CASH:

All cash in banks and wherever found, including, but not limited to, banks, account numbers and amount, as listed in Sub-Schedule A1.

ACCOUNTS RECEIVABLE:

Sub-Schedule A2	\$	63,507.68
Sub-Schedule A3	\$	

Sub-Schedule A3 to be supplied on or before April 6, 1988 and to include all billed and unbilled accounts receivable from the Tile Show, the Home Show and the Construction Trailers at the Miami Beach Convention Center, to date.

Sub-Schedules A2 and A3 shall contain all names, addresses and amounts.

EQUIPMENT:	\$	1,457,611.00
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As listed in Sub-Schedule A4*, plus all cable, wiring, and other equipment, wherever located, including but not limited to the Miami Beach Convention Center, but specifically excluding cable and wiring at Dadeland Towers, Cutler Ridge I and Cutler Ridge II.

UTILITY DEPOSITS AT THE MIAMI BEACH CONVENTION CENTER:

CONTRACT RIGHTS:

All contract rights, including contract with Miami Beach Convention Center, but specifically excluding Dadeland Towers, Cutler Ridge I and Cutler Ridge II (also excluding the cabling at Dadeland Towers, Cutler Ridge I and Cutler Ridge II).

*As revised on April 8, 1988.

9. Brokers

Seller and Purchaser represent and warrant that negotiations relative to this Agreement and the transactions contemplated hereby have been carried on by Seller directly with Purchaser and the Shareholders, in such manner as not to give rise to any claim against any of the parties hereto for a brokerage commission, finder's fee or other like payment.

10. Breach of Representations, Warranties and Covenants

a) The representations, warranties, covenants and agreements of Seller and Stockholders contained in this Agreement, or in any document delivered pursuant to the provisions of this Agreement, shall survive the making of this Agreement and any examination made by or on behalf of the parties hereto and shall survive the Closing Date.

b) Seller and Stockholders jointly and severally agree to indemnify and hold Purchaser harmless from and against and will pay to Purchaser the full amount of any and all of the following: (i) any and all loss, damage or deficiency resulting from any misrepresentation, breach of warranty or any nonfulfillment of any warranty, representation, covenant or agreement on the part of Seller and the Stockholders contained herein; (ii) any and all loss, damage or deficiency resulting from any error contained in any document or instrument delivered to Purchaser pursuant to this Agreement.

c) It is understood that any recoveries on account of assertions by Purchaser or Seller and Stockholders of their respective rights hereunder shall be deemed an adjustment in the amount of the consideration for the Assets.

11. Notices

All notices, requests, demands and other communications hereunder must be in writing and shall be deemed to have been duly given if delivered by hand or mailed by first class.

registered or certified mail, return receipt requested, postage and registry fees prepaid and addressed as follows:

a) if to Seller:
or Stockholders: FUTURE TELECOMMUNICATIONS, INC.
10700 Caribbean Blvd.,
Miami, Florida 33189

with copy to:

b) if to Purchaser: MIAMI COMMUNICATIONS, INC.
c/o U.S. Enterprises
5200 E. Bay Drive
Clearwater, Florida 34624

with a copy to: MORTIMER H. KASS, ESQUIRE
9000 S.W. 87th Ct. Suite 209
Miami, Florida 33176

Addresses may be changed by notice signed by the addressee:

12. Miscellaneous

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All covenants and agreements in this Agreement contained by or on behalf of either of the parties hereto shall bind and inure to the benefit of Seller, Stockholders, Purchaser and their respective heirs, administrators, executors, successors and assigns, as the case may be. This Agreement represents the entire understanding of the parties hereto, supersedes any and all other and prior agreements between the parties and the terms and provisions of this Agreement may not be modified or amended, except in writing. The headings in this Agreement are for convenience of reference only and shall not be considered as part of this Agreement nor limit or otherwise affect the meaning hereof.

13. Governing Law

This Agreement shall be construed and enforced in

accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

PURCHASER:

MIAMI COMMUNICATIONS, INC.

By: _____

SELLER:

FUTURE TELECOMMUNICATIONS, INC.

By: *[Signature]*

Attest: _____

STOCKHOLDERS:

[Signature]
RONALD V. RUSSELL

[Signature]
ERNEST V. FRUIT

EXHIBIT B
TO PURCHASE AGREEMENT BETWEEN
MIAMI COMMUNICATIONS, INC. AND FUTURE TELECOMMUNICATIONS, INC.

Schedule of Liens and Encumbrances

NOTE PAYABLE - WESTINGHOUSE		0
NOTE PAYABLE - SUN BANK, MIAMI M.A.		0
NOTE PAYABLE - FORTUNE SAVINGS BANK		0
TRADE ACCOUNTS PAYABLE:		
Southern Bell Network	\$	54,224.00
Pierce and Sapp		919.00
Eiden & Goldstein	=	2,762.00
Other (printing)	=	<u>317.00</u>
		\$ <u>58,222.00</u>
TOTAL LIENS AND ENCUMBRANCES 0		

Mr. Dizon

FUTURE TELECOMMUNICATIONS, INC.
5200 East Bay Drive
Clearwater, Florida 34624
(813) 536-5533

April 19, 1988

Mr. Robert L. Epling
President
Community Bank of Homestead
28801 Southwest 157th Avenue
Homestead, Florida 333030

Dear Mr. Epling:

I am receipt of the audited financial statements for Future Telecommunications, Inc., dated December 31, 1987. As President of FTI, my auditors have received a confirmation indicating a \$25,000 loan from your bank to Future Telecommunications, Inc.

Upon investigation with the auditor and with the former president, Mr. Ron Trussell, I am informed by Mr. Trussell that this loan is properly titled to Future Computer Services, Inc.

Mr. Trussell also informs me that he has taken the appropriate action with you to see that the loan is recast in the appropriate corporate name. It is not now nor ever was an obligation of Future Telecommunications, Inc. My personal relationship with Community Bank of Homestead and its officers should have been sufficient for them to understand clearly our intentions not to become indebted to Community Bank of Homestead and any any such indebtedness was entered into without corporate authority nor shareholder approval on behalf of FTI. I would appreciate your examination of this matter and correspondence directly to me at this address which is the correct corporate address of FTI.

Sincerely,

Paul W. Martin Jr.

Paul W. Martin, Jr.
President

PWMjr/plm

April 29, 1980

Sun Bank of Miami, N.A.
777 Brickell Avenue
Miami, Florida 33131

Attention: Mr. H. Monty Weigel,
Vice President

Dear Mr. Weigel:

As you are aware, Future Telecommunications, Inc., and Walter Loebenberg are in the process of dissolving their relationship. This letter will outline for you what we are trying to accomplish regarding the transfer of certain assets of Future Telecommunications, Inc., to Miami Communications, Inc., subject to the debt of secured creditors of which you are one and requests your formal consent to our actions.

I am the temporary president of both entities and charged with effecting this transfer. All shareholders of Future Telecommunications, Inc., Mr. Ron Trussell, Mr. Ernest Pruitt and Mr. Walter Loebenberg have given their consent to the transfer of essentially all secured equipment assets and the phone service contract at the Miami Beach Convention Center to Miami Communications, Inc., in consideration of the surrender to Future Telecommunications, Inc., payment of certain accounts payable, twenty thousand dollars, and the agreement of Miami Communications, Inc., to pay the obligations of Westinghouse Credit Corporation, Sun Bank Miami, N.A., and Fortune Savings Bank as they mature and as they relate to the secured assets being transferred. Additionally, Mr. Jon Solow, a guarantor of the Westinghouse credit, has also given his consent to the transfer.

Miami Communications, Inc., is wholly-owned by Mr. Walter Loebenberg. It is a start up company formed solely for the purpose of acquiring the secured equipment assets and the Miami Beach contract from Future Telecommunications, Inc. It intends to pursue the shared tenant service business in Dade County, Florida, in hotels and office buildings in

excess of 250,000 square feet. The secured liability proposed to be assumed by Miami Communications, Inc., including your credit obligations will total approximately \$2,100,000. Please note, however, that I am presently unable to reconcile a payoff number for the Westinghouse Credit and have estimated same for the purpose of this letter at \$850,000.00.

Even though the proposed transaction is subject to your debt and security interest and should in no way adversely affect your position or the obligations of the guarantors, we nonetheless seek your formal approval of this transaction. We have received verbal approval from Fortune Savings Bank and you may contact them should you so desire. The account officer at Fortune Savings Bank is Mr. Duane J. Crithfield at 813-538-1405.

For purposes of all notices and official correspondence concerning Miami Communications, Inc., Future Telecommunications, Inc., or Walter P. Loebenberg, you should cause your records to reflect the following address:


5200 East Bay Drive
Clearwater, Florida 34624

I am available to you to answer any questions you may have concerning this transaction or other items of information regarding the two companies. Your early response will be sincerely appreciated.

Sincerely,

FUTURE TELECOMMUNICATIONS, INC., and
MIAMI COMMUNICATIONS, INC.

By:


Paul W. Martin, Jr.,
President

cc: Ron Trussell
Ernest Pruitt
Jon Solow
Walter Loebenberg

April 23, 1988

Fortune Savings Bank
2120 U.S. 19 South
Clearwater, Florida 33546-6895

Attention: Mr. Duane Crithfield,
Vice President

Dear Mr. Crithfield:

As you are aware, Future Telecommunications, Inc., and Walter Loebenberg are in the process of dissolving their relationship. This letter will outline for you what we are trying to accomplish regarding the transfer of certain assets of Future Telecommunications, Inc., to Miami Communications, Inc., subject to the debt of secured creditors of which you are one and requests your formal consent to our actions.

I am the temporary president of both entities and charged with effecting this transfer. All shareholders of Future Telecommunications, Inc., Mr. Ron Trussell, Mr. Ernest Pruitt and Mr. Walter Loebenberg have given their consent to the transfer of essentially all secured equipment assets and the phone service contract at the Miami Beach Convention Center to Miami Communications, Inc., in consideration of the surrender to Future Telecommunications of all of Mr. Loebenberg's stock in Future Telecommunications, Inc., payment of certain accounts payable, twenty thousand dollars, and the agreement of Miami Communications, Inc., to pay the obligations of Westinghouse Credit Corporation, Sun Bank Miami, N.A., and Fortune Savings Bank as they mature and as they relate to the secured assets being transferred. Additionally, Mr. Jon Solow, a guarantor of the Westinghouse credit, has also given his consent to the transfer.

Miami Communications, Inc., is wholly-owned by Mr. Walter Loebenberg. It is a start up company formed solely for the purpose of acquiring the secured equipment assets and the Miami Beach contract from Future Telecommunications, Inc. It intends to pursue the shared tenant service business in Dade County, Florida, in hotels and office buildings in excess of 250,000 square feet. The secured liability proposed to be assumed by Miami Communications, Inc., including your credit obligations will total approximately \$2,100,000. Please note, however, that I am presently unable to reconcile a payoff number for the Westinghouse Credit and have estimated same for the purpose of this letter at \$850,000.00.

Even though the proposed transaction is subject to your debt and security interest and should in no way adversely affect your position or the obligations of the guarantors, we nonetheless seek your formal approval of this transaction. We have received verbal approval from Sun Bank and you may contact them should you so desire. The account officer at Sun Bank is Mr. H. Monty Weigel, Vice President and his phone number is (305) 577-5172.

For purposes of all notices and official correspondence concerning Miami Communications, Inc., Future Telecommunications, Inc., or Walter P. Loeberberg, you should cause your records to reflect the following address:


5200 East Bay Drive
Clearwater, Florida 34624

I am available to you to answer any questions you may have concerning this transaction or other items of information regarding the two companies. Your early response will be sincerely appreciated.

Sincerely,

FUTURE TELECOMMUNICATIONS, INC., and
MIAMI COMMUNICATIONS, INC.

By:


Paul W. Martin, Jr.,
President

cc: Ron Trussell
Ernest Pruitt
Jon Solow
Walter Loeberberg

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings for failure to file 1988 annual reports:)	
)	
LAYNE COMMUNICATIONS CORPORATION	)	DOCKET NO. 890561-TI
MCN SERVICES, INC.	)	DOCKET NO. 890569-TI
METRO LINE, INC.	)	DOCKET NO. 890570-TI
TELEFIND CORPORATION	)	DOCKET NO. 890575-TI
TRIPLE A MANAGEMENT ASSOCIATES	)	DOCKET NO. 890576-TI
SHARED NETWORK TECHNOLOGIES, INC.	)	DOCKET NO. 890577-TI
	)	ORDER NO. 21424
	)	ISSUED: 6-22-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. MERNDON

ORDER INITIATING SHOW CAUSE PROCEEDINGS

BY THE COMMISSION:

Rule 25-24.480, Florida Administrative Code (the Rule), requires that each interexchange carrier (IXC) file reports with this Commission. The reports, due on January 31st of each year, require basic company information as well as construction and capacity data.

On December 19, 1988, Staff sent a memorandum to all certificated IXCs directing their attention to the Rule. The memorandum included a copy of the Rule, and a "fill in the blank" annual report form to help simplify the IXC's task. On February 9, 1989, Staff sent a second notice to 49 IXCs that failed to respond to the initial letter by the required January 31, 1989 filing date. The second letter warned the IXCs that if they did not comply with the Rule and submit an annual report, the Commission would impose a fine or possibly cancel their certificates. Again, this letter included a copy of the Rule and an annual report form, as well as the name of a Staff member who would be available to answer any questions the IXC may have.

It appears that the IXCs listed in the caption of this Order have failed to respond to either letter. We do not tolerate such a total disregard of our rules by regulated utilities, and if necessary, we are compelled to cancel the certificates of IXCs that ignore our rules. Given the lack of response by the IXCs listed above, we are led to consider whether they are still providing service in Florida. We find it appropriate, pursuant to Section 364.785, Florida Statutes, to require these IXCs to show cause why they should not be required to pay \$10,000 and have their certificates revoked. Each company must file its written response by July 12, 1989.

DOCUMENT NUMBER-DATE

06171 JUN 22 1989

FPSC-RECORDS/REPORTING

ORDER NO. 21424
 DOCKET NO. 890561-TI, 890569-TI, 890570-TI, 890575-TI,
 890576-TI AND 890577-TI
 PAGE 2

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the interexchange carriers listed in the caption of this docket shall show cause in writing why a \$10,000 fine should not be assessed against each and why its certificate should not be revoked for its second failure to file timely reports required by Rule 25-24.480, Florida Administrative Code, and for its failure to respond to Commission correspondence. It is further

ORDERED that the written responses to this show cause order by the interexchange carriers listed in the caption of this docket must be received by the Director of Records and Reporting, 101 E. Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on July 12, 1989. It is further

ORDERED that any response filed by the interexchange carriers listed in the caption of this docket must contain specific statements of law and fact. It is further

ORDERED that the failure by any of the interexchange carriers listed in the caption of this docket to file a written response within the prescribed time period will constitute an admission of noncompliance and a waiver of any right to a hearing. It is further

ORDERED that the failure by any of the interexchange carriers listed in the caption of this docket to request a hearing in any written response that is submitted will constitute a waiver of any right to a hearing.

By ORDER of the Florida Public Service Commission,
 this 22nd day of JUNE, 1989.

 STEVE TRIBBLE, Director
 Division of Records and Reporting

(S E A L)

by Kare Johnson
 Chief, Bureau of Records

DLC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that

ORDER NO. 21424
DOCKET NO. 890561-TI, 890569-TI, 890570-TI, 890575-TI,
890576-TI AND 890577-TI

PAGE 3

apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

This order is preliminary, procedural or intermediate in nature. Any person whose substantial interests are adversely affected by the action proposed by this order may file a petition for a formal proceeding pursuant to Rule 25-22.037(1), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0670, by the close of business on July 12, 1989. Failure to respond by July 12, 1989 shall constitute an admission of all facts and a waiver of the right to a hearing pursuant to Rule 25-22.037(2), Florida Administrative Code, and a default pursuant to Rule 25-22.037(3), Florida Administrative Code, and a default pursuant to Rule 25-22.037(4), Florida Administrative Code. Such default shall be effective on July 13, 1989. Moreover, the failure to request a hearing in any petition that is filed will constitute a waiver of any right to a hearing.

If an adversely affected person fails to respond to this order within the time prescribed above, that party may request judicial review by the Florida Supreme Court in the case of any electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of the default date set forth in this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(e), Florida Rules of Appellate Procedure.

August 24, 1989

RECEIVED

MCN

Florida Public Service Commission
Communication Department

Mr. Walter D'Haeseleer, Director
Florida Public Service Commission
Fletcher Building
101 E. Gaines Street
Tallahassee, Florida 32399-0865

re: Complications arising from show cause against MCN. Services, Inc.
Docket No. 890569-TI

Dear Sir,

Today I spoke with Mr. Mike Reicht. He suggested I write a letter to you explaining the circumstances surrounding our Annual Report.

As best I can recall, this event began with MCN Services filing it's annual report late. Our records indicate this was done on February 21, 1989. I've enclosed a copy of the cover letter and a copy of the report filed.

In April we were audited as to our usage and the appropriate regulatory assessment fee was collected. Assuming all was clear at this point we proceeded forward.

A short time later we received correspondence indicating that we had not filed an annual report. Bewildered, we began telephoning the Commission as to the nature of the request. Since we had been on the assumption that this report was filed we could only assume these letters were erroneous. However, to be safe I instructed my staff to begin phoning the Commission to make sure. Subsequently, our calls were not returned. Time and time again we would call and be informed that someone would have to call us back. So we would patiently wait while no call would be forthcoming. There have been approximately 10-15 such calls over the past 2-3 months.

Gradually, the status of the request from the Commission was escalated from mere request to full blown "SHOW CAUSE". Again our calls seem to be ignored. I even called personally to the legal dept. on a number of occasions. Each time being told that the appropriate people were either unavailable or out. Each time someone would take a message each time the call was not returned. Finally, yesterday I was able to reach Mr. Don Crosby. Within 2 sentences of the conversation I was told by him he could not speak to me because he had another call to take but that he would call back. Today, Mr. Mike Reicht called on behalf of Mr. Crosby. He explained to me that the Commission had never received the Annual Report. I explained my deep and resounding frustration with trying to get someone at the Commission to return our calls. He was apologetic but informed me that my efforts were immaterial and that this request should have been in writing.

These answers seem very arbitrary! If someone would have returned our calls we could have easily responded in writing. Had we known this in advance we could have avoided the tangle and downward spiral we seem to be entangled by. Hindsight would tell me I'm negligent for not writing a letter when the first of our series of calls were not returned. I assumed that being in the telecommunications industry would give us somewhat of an edge. At the very least we could have been afforded a jump on the pending doom we are now faced with.

For our company to be faced with the potential of a fine of \$10,000 would effectively shut down our operation. We barely gross that amount. I realize that this is not of great concern to the Commission however, I'm not sure we can establish who is at fault.

Don't misunderstand my point, I do not wish to assess blame on anyone I just want to operate my company. We wish to be in compliance. We assumed we were in compliance. We thought we were trying to resolve the discrepancy.

Any help you can offer us in this matter would be regarded with deepest gratitude. I can only hope these enclosures contain the necessary information to resolve this matter.

Please contact myself immediately if you have any questions. For security sake I will also contact you to make sure that you have all you need to process this material.

Sincerely,



Michael J. Rogers
President

MJR/bp
enclosures

01/17/90 STATE OF FLORIDA CORPORATE DOCUMENT 09:28:32
DOCUMENT NUMBER: J67853 FILED DATE: 04/17/1987 EFFECTIVE DATE: 04/15/1987
STATUS: INVOLUNTARILY DISSOLVED.....ON 10/13/1989 FOR PROFIT
LAST 3 A.R.'S FILED -----> 1925-07/21/1988 0000-00/00/0000 0000-00/00/0000
--- CORPORATE NAME ---

MCN SERVICES, INC. STATE OF INC
FL

----- CORPORATE ADDRESS -----
201 S ORANGE AVE #810 ADDR CHANGE DATE
P O BOX 1113
ORLANDO, FL 32802-8113 07/21/1988

AUT-ORIZED STOCK: 7,500 SHS COM @ \$1.00

----- REGISTERED AGENT -----
ROGERS, JACK B. JR. NAME CHANGE DATE ADDR CHANGE DATE
201 S ORANGE AVE #810
ORLANDO, FL 32801 07/21/1988 07/21/1988

----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
1. RETURN TO NAME PAGE 4. NOT AVAILABLE 7. VIEW OFFICERS
2. VIEW AMENDMENT HISTORY 5. NOT AVAILABLE 8. RETURN TO CDR MENU
3. NOT AVAILABLE 6. VIEW NEXT CORPORATE RECORD IN ALPHA SEQUENCE

01/17/90 STATE OF FLORIDA CORPORATE OFFICERS/DIRECTORS 09:28:57
DOCUMENT NUMBER: J67853
CORPORATE NAME: MCN SERVICES, INC.
NAME

----- OFFICERS AND DIRECTORS TITLE-NAME -----
EO -ROGERS, JACK B. JR. PD -PATRICK, ROBERT B.
201 S ORANGE AVE #810 201 S ORANGE AVE #810
ORLANDO, FL. ORLANDO, FL.

----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
1. RETURN TO NAME PAGE 4. NOT AVAILABLE 7. VIEW CORPORATE REC
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3. NOT AVAILABLE 6. VIEW NEXT CORPORATE RECORD IN ALPHA SEQUENCE

01/17/90 STATE OF FLORIDA CORPORATE AMENDMENT HISTORY 09:29:14
DOCUMENT NUMBER: J67853 FILED DATE: 04/17/1987 EFFECTIVE DATE: 04/15/1987
CORPORATE NAME: MCN SERVICES, INC.
- FILED --- EFFECTIVE --- AMENDMENT HISTORY -----
10/13/1989 INVOLUNTARILY DISSOLVED

----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
1. RETURN TO NAME PAGE 4. NOT AVAILABLE 7. VIEW OFFICERS
2. VIEW AMENDMENT HISTORY 5. NOT AVAILABLE 8. RETURN TO CDR MENU
3. NOT AVAILABLE 6. VIEW NEXT CORPORATE RECORD IN ALPHA SEQUENCE
** NO MORE AMENDMENTS FOR T

MS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause)
proceedings for failure to file 1988)
annual reports)
)
CORPORATE EXECUTIVE OFFICES, INC.	) DOCKET NO. 890564-TI
METRO LINE, INC.	) DOCKET NO. 890570-TI
	) ORDER NO. 22141
	) ISSUED: 11-6-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. HERNDON

ORDER IMPOSING FINES

BY THE COMMISSION:

By Orders Nos. 21424 and 21425, issued June 22 and 23, 1989, respectively, we required Corporate Executive Offices, Inc. (CEO), and Metro Line, Inc. (Metro), to show cause why they should not be fined \$10,000 and have their certificates revoked for failure to file the required 1988 IXC annual report, in violation of Rule 25-24.480, Florida Administrative Code. A written response was required by July 12, 1989.

CEO did not file a timely response to Order No. 21425. However, the company did file a response with a copy of their annual report on August 17, 1989, claiming that its annual report was filed on January 26, 1989. The company was able to provide some evidence that its report may have been mailed by the date claimed. Further, the company states that all of the other correspondence which Staff has sent out concerning the annual reports, excluding the December 19, 1989 letter, has not been received by CEO. The address to which Staff sent the requests for the annual report information is the official address on file with the Division of Records and Reporting. We must point out that it is CEO's responsibility to update our records with any changes in its corporate address.

DOCUMENT NUMBER DATE

ORDER NO. 22141
DOCKETS NOS. 890564-TI AND 890570-TI
PAGE 2

We believe that the imposition of a \$10,000 fine may be excessive in this case in view of the response submitted by the company. Since the company wishes to continue providing long distance service, we believe that CEO's fine should be no more than those imposed on companies that filed their annual report late for the first time and accepted our offer of settlement. For this reason, we impose a fine of \$500 on CEO.

Metro responded to Order No. 21424 on July 12, 1989. In its response, the company admits failing to file timely the 1988 IXC annual report and claims it did not do so willfully, citing internal miscommunication as the reason for not filing in a timely manner. Included with the show cause response was a completed 1988 IXC annual report for the company.

We note that Metro did not receive its certificate until September 29, 1988. In light of the company's response to the show cause order as well as its submission of a 1988 IXC annual report, we believe that Metro should be treated the same as those companies that filed their annual reports late for the first time but did not respond to our offer of settlement. Therefore, we impose a fine of \$2,000 on Metro.

Dockets Nos. 890564-TI and 890570-TI should be held open pending the companies' satisfaction of the obligations imposed herein. If the fines are paid within 30 days after the issuance date of this Order, we authorize our Staff to close these dockets administratively. If either fine is not paid within 30 days after the issuance date of this Order, we authorize our Staff to cancel the failing company's Certificate of Public Convenience and Necessity and to close the appropriate docket administratively. In the event of such a cancellation, we will waive the fine that we have under consideration.

It is therefore,

ORDERED by the Florida Public Service Commission that a fine of \$500 is hereby imposed in accordance with the terms and conditions contained in the body of this Order on Corporate Executive Offices, Inc., for its violation of Rule 25-24.480, Florida Administrative Code. It is further

ORDERED by the Florida Public Service Commission that a fine of \$2,000 is hereby imposed in accordance with the terms

ORDER NO. 22141
DOCKETS NOS. 890564-TI AND 890570-TI
PAGE 3

and conditions contained in the body of this Order on Metro Line, Inc., for its violation of Rule 25-24.480, Florida Administrative Code. It is further

ORDERED that Dockets Nos. 890564-TI and 890570-TI should be held open pending the satisfaction of the obligations imposed in the body of this Order; provided, however, that if the fines are paid within 30 days after the issuance date of this Order, our Staff is hereby delegated the authority to close these dockets administratively; and further provided, however, that if either fine is not paid within 30 days after the issuance date of this Order, our Staff is hereby delegated the authority to cancel the failing company's Certificate of Public Convenience and Necessity and to close the appropriate docket administratively, with the fine being waived in the event of such a cancellation.

By ORDER of the Florida Public Service Commission,
this 6th day of NOVEMBER, 1989.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

DLC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders

ORDER NO. 22141
DOCKETS NOS. 890564-TI AND 890570-TI
PAGE 4

that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

ACK _____
AFA _____
APP _____
CAF _____
CMU 1 _____
CTR _____
EAG _____
LEG _____
LIN 1 _____
OPC _____
RCH _____
SEC 1 _____
WAS _____
OTH _____