SUZANNE BROWNLESS, P. A. ATTORNEY AT LAW 1311-B Paul Russell Road, Suite 202

Tallahassee, Florida 32301

ADMINISTRATIVE LAW **GOVERNMENTAL LAW** PUBLIC UTILITY LAW

TELEPHONE (904) 877-5200

TELECOPIER (904) 878-0090

August 28, 1996

960987-TX

Blanca Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

ALEC Application - Florida Comm South

Dear Ms. Bayo:

Attached please find the original and six copies of the ALEC application of Florida Comm South along with a check in the amount of \$250.00 for the filing fee.

Thank you for your prompt attention to this matter. Please contact me if any additional information is needed in order to file this application.

Very truly yours,

Syanne Brownlen

Suzanne Brownless Attorney for Florida Comm South

ACK ____ AFA _____ c:1619 APP ____ cc: W. Toby Wilson, Esq. Jim Bob Graham CAF -

CIMU ---CTR ____ EAG ____ LEG ____ I IN OPC ____

OTH ____

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check:

RECEIVED & FILED DOCUMENT NUMBER - DATE SEC ___ W. 09139 AUG 28 % WAS ____ ERSC-BUREAU OF RECORDS FPSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION CAPITAL CIRCLE OFFICE CENTER - 2450 SHUMARD OAK BLVD. TALLAHASSEE, FLORIDA 32399-0850

APPLICATION FORM for

AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE WITHIN THE STATE OF FLORIDA

1. This is an application for:

Original Authority (new company)

2. Name of Applicant:

Onyx Distributing Company, Inc. d/b/a Florida Comm South, a Texas corporation.

 A. National mailing address including street name, number, post office box, city, state, zip code, and phone number:

> P. O. Box 740068 Dallas, Texas 75374

(800) 936-5223

(214) 690-8800 (214) 690-9056

(214) 690-9902

(800) 324-5223 Facsimile

or

101 E. Randol Mill, Suite 108

(817) 261-9097

Arlington, Texas 76011

(817) 277-4608 Facsimile

B. Florida mailing address including street name, number, post office box, city, state, zip code, and phone number:

N/A

O9139 AUG 28 # FPSC-RECORDS/REPORTING

C. Physical address of alternative local exchange service in Florida including street name, number, post office box, city, state, zip code, and phone number:

N/A

4. Structure of organization:

Foreign Corporation

Onyx Distributing Company Inc. d/b/a Florida Comm South is a Texas corporation that is a duly registered foreign corporation and is authorized to do business in the State of Florida. An organizational chart is attached hereto as Exhibit A.

5. If incorporated, please provide proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Texas corporate charter number: 1348942; attached hereto as Exhibit B is Letter number 096A00031990 issued by the Florida Department of State evidencing Onyx Distributing Company, Inc.'s authorization to transact business within the State of Florida.

6. Name under which the applicant will do business (d/b/a):

Florida Comm South

7. If applicable, please provide proof of fictitious name (d/b/a) registration.

Fictitious name registration number 696233000035

8. If applicant is an individual, partnership, or joint venture, please give name, title and address of each legal entity.

N/A

9. State whether any of the officers, directors, or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain. None.

10. Please provide the name, title, address, telephone number, internet address, and facsimile number for the person serving as ongoing liaison with the Commission, and if different, the liaison responsible for this application.

W. Toby Wilson, 101 E. Randol Mill, Suite 108, Arlington, Texas 76011, (817) 261-9097, (817) 277-4608 facsimile

11. Please list other states in which the applicant is currently providing or has applied to provide local exchange or alternative local exchange service.

Onyx Distributing Company, Inc. is an authorized local exchange carrier in Texas pursuant to certificate of operating authority number 60012 and in Georgia pursuant to certificate of operating authority number L004 issued to its wholly owned subsidiary Georgia Comm South, Inc., a Georgia corporation.

12. Has the applicant been denied certification in any other state? If so, please list the state and reason for denial.

N/A

13. Have penalties been imposed against the applicant in any other state? If so, please list the state and reason for penalty.

N/A

 Please indicate how a customer can file a service complaint with your company.

A customer may file a complaint with our company by either calling (800) 936-5223 toll free or by mailing such complaint to our offices. Our customer service hours of operation are 8:00 a. m. to 7:00 p. m. We anticipate increasing our customer service hours of operation to 7:00 a. m. to 10:00 p. m. in the very near future.

 Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida.

A. Financial capability.

Financial statements are attached hereto as Exhibit C. No statement of retained earnings for a three year period can be provided as the company has been in existence for only one year.

Company Background. Onyx Distributing Company, Inc. ("Onyx") was formed in March, 1995 by Toby Wilson, Jim Graham and Steve Harvanek. It has two principal divisions; (1) prepaid cellular telephone communications and related services and (2) resale of local exchange services to credit risk customers. With regard to the resale of local exchange services, Onyx has been operating in Texas as Texas Comm South and in Georgia through its wholly owned subsidiary Georgia Comm South, Inc. since February, 1996. Currently, the company has over 4,000 accounts.

The company contracts with the local exchange provider to establish and terminate line service and to install the various service options selected by the consumer. The company contracts with agents to provide store locations to enable customers to subscribe to the company's services and also to act as a pay station for future billings. The company believes that it has sufficient financial strength and technical expertise to meet the Commission's requirements for certification.

B. Managerial Capability. Mssr.'s Wilson, Graham and Harvanek believe that they have sufficient managerial capabilities to meet the needs and expectation of both consumers and the Commission. Mr. Graham has over thirty years of experience in the sale, rental and leasing of consumer electronics including owning, operating and managing multi-store chains. Mr. Harvanek has also operated and managed various types of consumer electronic store facilities for many years and has owned and operated companies in the computer hardware and software business. Mr. Wilson is a licensed attorney and practices in several areas, including various types of financial transactions.

Mr. Graham is currently in charge of managing the day to day operations of the company to ensure consumer satisfaction and also manages the company's relationships with local exchange carriers. Mr. Harvanek works primarily to coordinate the company's technical equipment needs as well as managing other operational needs. Mr. Wilson primarily concentrates his efforts on long range planning and financial matters.

The company is presently servicing over 4,000 accounts in Texas and Georgia and has not received any complaints.

C. <u>Technical Capability</u>. The company believes it has sufficient technical capabilities to fulfill the needs of its customers. Mr. Harvanek is experienced in the technical requirements of establishing residential dial tone service as well as PBX installations. Employees of the company have received training in residential installations and problem solving and are in compliance with USOC specifications on terminations. The technical ability of the company is reinforced by the Local Exchange Carrier as the company operates solely as a reseller. Each of the Local Exchange Carriers have teams of technical support staff assigned to deal with the company and its needs.

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

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 official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083".

Official:	Toly Win Signature	7/z4/94 Date
Title:	President	Bi7 zui 9097 Telephone Number
Address:	101 E. RANDOL MILL	
2000	Arlington, Texas Tuon	

FORM PSC/CMU 8 (07/95) Required by Chapter 364.337 F.S.

EXHIBIT A

ONYX DISTRIBUTING COMPANY, INC.
Owned by Toby Wilson, Steve Harvanek and Jim Graham

GEORGIA COMM SOUTH Wholly Owned Subsidiaryreseller of local exchange services

FLORIDA COMM SOUTH Assumed name-reseller of local exchange services TEXAS COMM SOUTH Assumed name- reseller of local exchange services

ONYX TECHNOLOGIES Assumed name- Sales, distribution and service of cellular telephones

EXHIBIT B



FLORIDA DEPARTMENT OF STATE Sandra B. Mortham Secretary of State

June 27, 1996

CT SYSTEM

Qualification documents for ONYX DISTRIBUTING COMPANY, INC. were filed on June 27, 1996 and assigned document number F96000003287. 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.

Letter Number: 096A00031990

Lee Rivers Document Examiner Division of Corporations

EXHIBIT C

AFFIDAVIT

I HEREBY CERTIFY that the attached Statement of Assets, Liabilities and Equity (Income Tax Basis) and Statement of Revenues and Expenses (Income Tax Basis) is true and correct to the best of my knowledge and belief.

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 official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

Official: Tom Wa

W. Toby Wilson

President and Chief Title:

Financial Officer

P. O. Box 740068 Address:

Dallas, Texas 75374

(214) 690-8800

7/24/94 Date

Spitzer & Company

Certified Public Accountants 2201 N. Collins, Suite 340 Arlington, Texas 76011

Member of American Institute of Certified Public Accountants (817) 261-2265 (metro) Fax (817) 261-2279 (metro)

Onyx Distributing Company, Inc. Arlington, Texas

I have compiled the accompanying statement of assets, liabilities and equity--income tax basis of Onyx Distributing Company, Inc. as of June 30, 1996 and the related statement of revenues and expense--income tax basis for the six months ended June 30, 1996, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Charles H. Spitzer, CPA

and High as

July 17, 1996

Onyx Distributing Company, Inc. Balance Sheet-Income Tax Basis June 30, 1996

ASSETS

Current Assets	1		
Operating Account	\$	37,892.21	
Operating Account-TC		47,312.40	
Escrow Account		145,305.96	
Savings Account		1,026.56	
Accounts Receivable		623,907.80	
A/R- TXComm Returned Checks		2,456.17	
Notes Receivable-Ga Comm South		10,000.00	
Reserve Account-Richards Cap.		77,878.50	
Empl;oyee Advances		850.00	
Inventory		289,754.48	
Federal Excise Tax-TC		659.19	
Total Current Assets			1,237,043.27
Property and Equipment			
Furniture & Fixtures		6,785.32	
Furniture/Fixtures-TC		2,513.41	
Store & Warehouse Equipment		1,498.64	
Store & Warehouse Equipt/TC		8,628.05	
Leasehold Improvements		3,004.93	
Leasehold Improvements-TC		3,806.88	
Computers		19,656.49	
Accum Deprec - Furn & Fixtures		<6,785.32>	
Accum Deprec - Lease Improv		<7.97>	
Total Property and Equipment			39,100.43
Other Assets			
Deposits		6,369.00	
Deposits-TC		3,140.54	
Total Other Assets			9,509.54
Total Assets		s	1,285,653.24

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$ 114,903.68	
Accounts Payable-TC	30,710.25	Mary Services
Accounts Payable-Curtis Market	5,614.21	
Sales Tax Payable-TC	4,351.81	
Payroll Tax Payable	3,250.74	
Payroll Tax Payable-TC	1,820.68	
Total Current Liabilities		160,651.37
Long-Term Liabilities		
Note Payable-Shareholders	882,504.63	
Total Long-Term Liabilities		882,504.63
Total Liabilities		1.043,156.00

Onyx Distributing Company, Inc. Balance Sheet-Income Tax Basis June 30, 1996

Capital Common Stock Retained Earnings Net Income

1,000.00 59,670.33 181,826.91

Total Capital

Total Liabilities & Capital

242,497.24

5 1,285,653.24

Onyx Distributing Company, Inc.
Statement of Revenues and Expenses-Income Tax Basis
For the Six Months Ended June 30, 1996
Year to Date

		1 cm to Date	
Revenues Sales-Phones and Accessories	s	3,136,401.48	89.96
Sales-TC		264,079.91	7.57
Sales-2nd Line/Store Revenue		47,783.41	1.37
Sales Returns and Allowances		<14,577.45>	<0.42>
Sales Returns and Allowances-T		<2,256.12>	<0.06>
		1,095.49	0.03
Interest Earned			0.03
Interest Earned-TC		261.74	
Reimbursed Expenses-TC		5,026.57	0.14
Reimbursed expenses-TC		2,882.66	0.08
Rental Income		19,533.58	0.56
Other Income		12,564.00	0.36
Other Income-TC	V Complete	13,506.66	0.39
Total Revenues		3,486,301.93	100,00
Cost of Sales		2,436,979.16	69.90
CGS-Phones and Accessories			4.44
CGS-TC		154,696.24	
Commissions		172,119,69	4.94
Commissions-TC		29,881.20	0.86
Freight Out		72,294.42	2.07
Freight Out-TC		2,477.08	0,07
Total Cost of Sales		2,868,447.79	82.28
Gross Profit		617,854.14	17.72
Expenses			
Wages Expense		66,881.49	1.92
Wages Expense-TC		6,698.68	0.19
Payroll Tax Expense		6,795.06	0.19
Payroll Tax Expense-TC		512.45	0.01
Utilities		1,487.51	0.04
Utilities-TC		1,353.70	0.04
Rent		18,119.94	0.52
Equiptment Lease		230.29	0.01
Rent-TC		8,353.24	0.24
Telephone		10,048.07	0.29
Telephone-TC		9,508.79	0.27
		336.98	0.01
Equiptment Lease-TC		5,596.66	0.16
Insurance			0.05
Insurance-TC		1,755.00	0.45
Office Expense		15,822.64	
Office Expense-TC		15,858.41	0.45
Travel & Auto		28.951.78	0.83
Travel & Auto-TC		759.21	0.02
Business Entertainment-TC		200,00	0.01
Accounting/Legal		21,110.08	0.61
Contract Labor		2,119.29	0.06
Accounting/Legal-TC		2,110.61	0.06
Advertising		21,472.62	0.62
Consulting Fees		4,800.13	0.14
Advertising-TC		43,138.19	1.24
Interest Expense		78,522.39	2.25
Contract Labor-TC		4,489.95	0.13
Consulting Fees-TC		2,855.00	0.08
Bank Charges		6,213.08	0.18
See Accountant's Compilation Report			

Onyx Distributing Company, Inc. Statement of Revenues and Expenses-Income Tax Basis For the Six Months Ended June 30, 1996

Bank Charges-TC		186.20	0.01
Repairs & Maint - Equipment		2,415.00	0.07
Repairs & Maint - Equipment-TC		2,663.89	0.08
Licenses & Permits-TC		5.00	0.00
Trade Shows		9,085.00	0.26
Outside Services		1,214.26	0.03
Outside Services-TC		6,212.39	0.18
Federal Income Tax Expense		48.00	0.00
Franchise Tax Expense		6,772.14	0.19
Tx Tele Assessment		226.00	0.01
Misc. expenses		20,774.11	0.60
Misc. expenses-TC		324.00	0.01
Total Expenses		436,027.23	12.51
Net Income	s	181,826.91	5.22
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DATE

SUZANNE BROWNIEST, P. A.

ATTORNEY AT LAW 1311-8 Paul Russell Road, Suite 202 Tallahassee, Florida 32301

TELEPHONE (804) 877-6600 TELECOPIER (804) 878-0080

ADMINISTRATIVE LAW GOVERNMENTAL LAW PUBLIC UTILITY LAW

August 28, 1996

960989-

Blanca Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahasses, Florida 32399-0850

RE: ALEC Application - Florida Comm South

Dear Me. Bayon

Attached please find the original and six copies of the ALEC application of Florida Comm South along with a check in the amount of \$250.00 for the filing fee.

Thank you for your prompt attention to this matter. Please contact me if any additional information is needed in order to file this application.

Very truly yours,

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Susanne Brownless Attorney for Florida Comm South

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SUZANNE BROWNLESS, P.A. 1311-B PAUL RUSSELL ROAD SUITE 202 TALLAHASSEE, FL 32301 (904) 877-5200

CAPITAL CITY BANK

2105

8/28/96

PAY TO THE ORDER OF

MEMO.

Public Service Commission

**250.00

Public Service Commission Records And Reporting 2540 Shumard Oak Blvd. Tallahassee, F1 32399-0870

ALEC filing fee

DOLLARS

DATE

SUZANNE BROWNERS, P. A.

AUG 29 '96'

ATTORNEY AT LAW 1311-8 Paul Russell Road, Suite 202 Tallehoosee, Florids 32301

TELEPHONE (804) 877-5200 TELECOPIER (804) 879-0080

ADMINISTRATIVE LAW GOVERNMENTAL LAW PUBLIC UTILITY LAW

August 28, 1996

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C:1619 cc: W. Toby Wilson, Esq. Jim Bob Graham

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Initials of person who forwarded offected A.J.

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SUZANNE BROWNLESS, P.A. 1311-6 PAIA RUSSELL ROAD SUITE 202 TALLAMABSEE. FL 22301 (904) 877-5200

CAPITAL CITY BANK

2105

DOLLARS

8/28/94

PAY TO THE Public Service Commission

Public Service Commission Records And Reporting 2540 Shumerd Oak Slvd.

Tallahassee, \$1 32399-0870

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ALEC filling fee

SUZANNE BROWNLESS, P. A. ATTORNEY AT LAW 1311-6 Paul Russell Road, Suits 202 Tatahassee, Florida 32301

ADMINISTRATIVE LAW GOVERNMENTAL LAW PUBLIC UTILITY LAW

TELEPHONE (904) 877-5200 TELECOPIER (904) 878-0090

August 28, 1996

960987-

Blanca Bayo, Director Division of Records and Reporting Florids Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

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Syanne Brewalen Suzanne Brownless Attorney for Florida Comm South

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initials of person who forwarded check:

BUZANNE BROWNLESS, P.A. 1311-8 PAIA RUSSELL ROAD BUTE 202 TALLANASSEE, Ft. 32301 (904) 877-5250

CAPITAL CITY BANK

2105

0/29/96

PAY TO THE Public Service Commission

s**250.00

Public Service Commission

DOLLARS

Records And Reporting 2540 Shumard Oak Blvd. Tallaheesee, F1 32399-0870

ALSC filling fee