

COLE, RAYWID & BRAVERMAN, L.L.P.

ATTORNEYS AT LAW

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1010 PENNSYLVANIA AVENUE, N.W.

WASHINGTON, D.C. 20006-3458

(202) 659-9750

DEPOSIT TREAS. REC.

DATE

D424
December 20, 1996

DEC 20 '96

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TEL: 313-8811

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(202) 452-0067

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LISA A. LEVENTHAL*
JAMES W. TOMLINSON

*ADMITTED IN VIRGINIA ONLY
*ADMITTED IN MARYLAND ONLY

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Boulevard
Gerald Gunter Building
Tallahassee, FL 32399-0850

961508-JX

Re: ALEC Application for Atlantic Telecommunication Systems, Inc.

Dear Madam or Sir:

Enclosed for filing please find an original and twelve (12) copies of the Application Form for Authority to Alternative Local Exchange Service on behalf of Atlantic Telecommunication Systems, Inc. ("ATSI"). Also enclosed please find ATSI's check in the amount of \$250.00, which is the required filing fee associated with this application.

Upon advice of the Commission staff, and given that ATSI has yet to execute an interconnection agreement, ATSI's ALEC application does *not* include price lists. Price lists will be submitted to the Commission once ATSI executes an interconnection agreement.

A.J.

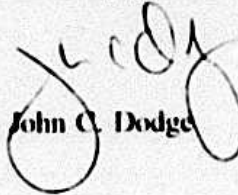
DN 13555-96
12/20/96

Florida Public Service Commission
December 20, 1996
Page -2-

Kindly date-stamp as received the enclosed "Stamp & Return" copy, and return it to the undersigned in the FedEx envelope provided.

Any questions regarding this application may be directed to the undersigned.

Sincerely yours,



John C. Dodge

Enclosures

FLORIDA ALEC APPLICATION
12/11/96

1. This is an application for (check one):

Original authority (new company)

Approval of transfer (to another certificated company)

Example. a certificated company purchases an existing company and desires to retain the original certificate authority.

Approval of assignment of existing certificate (to a noncertificated company)

Example. a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.

Approval for transfer of control (to another certificated company)

Example. a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of applicant:

Atlantic Telecommunication Systems, Inc.

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

*5849 Okeechobee Boulevard
Suite 201
West Palm Beach, Fl. 33417
561-471-1864*

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

*5849 Okeechobee Boulevard
Suite 201
West Palm Beach, FL 33417
561-471-1864*

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

*5849 Okeechobee Boulevard
Suite 201
West Palm Beach, FL 33417
561-471-1864*

4. Structure of organization:

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Corporation |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Joint Venture | <input type="checkbox"/> Other, Please explain: _____ |

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

Corporate Charter Number: *1199683*

Please see Exhibit C.

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

Atlantic Telecommunication Systems, Inc.

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

N/A

Fictitious name registration number:

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 of the officers, directors, or any of the ten largest stockholders of Atlantic Telecommunication Systems, Inc. have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, nor might such actions result from pending proceedings.

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.

*Jerry Stabler, President
Atlantic Telecommunication Systems, Inc.
5849 Okeechobee Boulevard
Suite 201
West Palm Beach, FL 33417
(V) 561-471-1864
(F) 561-640-1720
(Email) alcom.com*

*John C. Dodge
Its Attorney
Cole, Raywid & Braverman
1919 Pennsylvania Ave., N.W., Ste. 200
Washington, D.C. 20006
(V) 202-659-9750
(F) 202-452-0067
(Email) jdodge%crb@mcimail.com*

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

N/A

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

The applicant has not been denied certification in any other state.

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

No penalties have been imposed against the applicant in any other state.

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

A customer can file a service complaint with Atlantic Telecommunication Systems, Inc. by telephoning, writing, faxing, or emailing the company at the above-listed number and addresses. Any such complaints will be kept on file at the company for one (1) year, along with a narrative description of the resolution reached by the company.

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

A. Financial capability.

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements for the most recent 3 years, including:

1. The balance sheet.
2. Income statement.
3. Statement of retained earnings.

Please see Exhibit D for Applicant's 1993, 1994, and 1995 financial statements and associated certificate of their accuracy.

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability.

The financial ability of Atlantic Telecommunication Systems Inc. to provide local exchange telephone services is derived from the financial resources of its existing operations and affiliated companies.

Atlantic Telecommunication Systems, Inc. fully intends to be a strong and viable competitor in the local exchange business, and is prepared to provide all necessary financial support during the inevitable start-up period following entry into the business.

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

Please see the answer to Question 15A, above, and documents supporting Atlantic Telecommunication Systems, Inc.'s financial capability in Exhibit E.

2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.

Please see the answer to Question 15A, above, and documents supporting Atlantic Telecommunication Systems, Inc.'s financial capability in Exhibit E.

3. Please provide documentation that the applicant has sufficient financial capability to meet its lease or ownership obligations.

Please see the answer to Question 15A, above, and documents supporting Atlantic Telecommunication Systems, Inc.'s financial capability in Exhibit E.

Note: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should attest that the financial statements are true and correct.

B. Managerial capability.

Atlantic Telecommunication Systems, Inc., through its directors, and by means of access to the managerial experience of its affiliated entities, has the requisite managerial ability to render

local exchange telephone services. A summary of the relevant experience of these individuals is included as Exhibit F.

C. Technical capability.

Atlantic Telecommunication Systems, Inc. has extensive experience in the provision of telecommunications services to 1300 customers in Florida and throughout the United States. This experience provides a solid background in areas such as the leasing of facilities used for transmitting communications signals, installation and maintenance of on-site and customer premises equipment, as well as experience in areas such as billing and customer service. This experience will be brought to bear on the efforts of Atlantic Telecommunication Systems, Inc. to provide local exchange services.

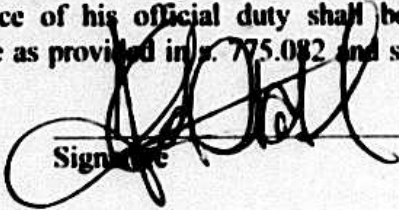
The fact that Atlantic Telecommunication Systems, Inc. is committed to providing only the highest-quality telephone service to its customers affects the technical means by which the firm will offer its services. Atlantic Telecommunication Systems, Inc. will deploy the most reliable and cost-effective technology available, including leased and resold facilities, for providing telephone services in light of the actual switching and processing technology deployed by the telecommunications affiliates of Atlantic Telecommunication Systems, Inc.

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:


Signature

12/19/96
Date

Title:

President

561-471-1864
Telephone Number

Address:

**5849 Okeechobee Boulevard
Suite 201
West Palm Beach, FL 33417**

LIST OF EXHIBITS

- Exhibit A **List of Officers, Directors and Legal Counsel**
- Exhibit B **Articles of Incorporation and Amendments**
- Exhibit C **Certificate of Good Standing to Do Business in Florida**
- Exhibit D **Annual Reports for 1993, 1994 and 1995 and Certificate of Accuracy**
- Exhibit E **Documentation in Support of Applicant's Financial Capability**
- Exhibit F **Summary of Experience of Key Personnel**
- Exhibit G **Proposed Price Lists**

Exhibit A
List of Officers, Directors, and Legal Counsel of
Atlantic Telecommunication Systems, Inc.

Officers:

**Jerry Stabler, President
Amy Stabler, Vice President**

**Atlantic Telecommunication Systems, Inc.
5849 Okeechobee Boulevard
Suite 201
West Palm Beach, FL 33417
(V) 561-471-1864**

Legal Counsel:

**John C. Dodge
Its Attorney
Cole, Raywid & Braverman
1919 Pennsylvania Ave., N.W., Suite 200
Washington, D.C. 20006
(V) 202-659-9750
(F) 202-452-0067**

Exhibit B
Articles of Incorporation of
Atlantic Telecommunication Systems, Inc.
and Amendments

ARTICLES OF INCORPORATION
OF
ATLANTIC ANSWERING SERVICE,

FILED
1966 FEB 17 PM 2:45
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLE I

NAME

The name of this Corporation shall be ATLANTIC ANSWERING SERVICE, INC.

ARTICLE II

PURPOSE, POWERS AND NATURE OF BUSINESS

This corporation is hereby authorized to carry on all or any part of the several businesses enumerated in this Article II, and enumeration of such businesses expresses the purpose of this corporation, to wit:

To perform all functions and have all powers customarily associated with an answering service including theanswering of telephones and taking and relaying messages, telephonically or by other means of communication for a fee and all business incidental thereto.

To manage, purchase or otherwise acquire and to hold, own, mortgage, pledge, rent, lease, sell, assign, transfer or otherwise dispose of, and to invest in, trade in, deal in and with goods, wares, merchandise, real and personal property, and services of every class, kind, and description; except that it is not to conduct a banking, safe deposit, trust, insurance, express, railroad, canal, telegraph, telephone or cemetery company, a building and loan association, mutual fire insurance association, cooperative association, fraternal benefit society, state or fair exposition.

To purchase, hold, sell, improve, and lease real estate, and to mortgage and encumber the same, and to erect, manage, care for and maintain, extend and alter buildings thereon, within or without the State of Florida.

To acquire the good will, rights and property and to undertake the whole or any part of the assets and the liabilities

Offices: Powell, Thompson & McLean, P.C.

of any person, firm, association or corporation, to pay for the same in cash, the stock of this corporation, bonds or otherwise, to hold, or in any manner dispose of the whole or any part of the property so purchased; to conduct in any lawful manner the whole or any part of any business so acquired and to exercise all of the powers necessary to or convenient in and about the conduct of such business, within or without the State of Florida.

To enter into, make or perform contracts of every kind for any lawful purpose, with any person, firm, association, or corporation, town, city, county, body politic, state, territory, government or colony or dependency thereof, within or without the State of Florida.

The objects and purposes specified herein shall be regarded as independent objects and purposes, and, except as otherwise expressed shall in no way be limited or restricted by reference to or inference from the terms of any other clause or paragraph of these Articles of Incorporation.

In addition to any and all of the purposes, object and powers set forth above, this Corporation shall be authorized to conduct and engage in any lawful business and shall have all powers necessary and convenient to affect its purposes. The foregoing shall be construed both as objects and purposes and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred upon this Corporation by the laws of Florida.

ARTICLE III

DURATION

This Corporation shall have perpetual existence.

ARTICLE IV

CAPITAL STOCK

There will be only one class of stock in this Corporation.

The maximum number of shares of stock that the Corporation is authorized to have outstanding at any time is one

thousand (1,000) shares of a par value of one dollar (\$1.00) per share.

ARTICLE V
PRINCIPAL OFFICE

The initial principal office and place of business of this Corporation shall be located at 3154 Okeechobee Blvd., West Palm Beach, Palm Beach County, Florida, with the privilege of establishing offices and places of business at other places in the United States of America or in the State of Florida or abroad. The permanent post office address of this Corporation shall be the same as the principal place of business set forth above.

ARTICLE VI
INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of this Corporation is 325-C Clematis Street, West Palm Beach, Palm Beach County, Florida 33401. The initial registered agent of the Corporation at the address is JOHN B. POWELL, IV.

ARTICLE VII
INITIAL BOARD OF DIRECTORS

This Corporation shall have one (2) directors initially. The number of directors may be either increased or decreased from time to time by By-Laws adopted by the Board of Directors, but shall never be less than one (1) nor more than five (5). The names and addresses of the initial directors of the Corporation are:

Jerold Stabler	11372 Torchwood Court West Palm Beach, FL.
Sidney Bernstein	3154 Okeechobee Blvd. Suite 2 F West Palm Beach, FL.

ARTICLE VIII
INCORPORATOR

The name and address of the person signing these Articles of Incorporation as Incorporator is JOHN B. POWELL, IV,

325-C Clematis Street, West Palm Beach, Palm Beach County,
Florida.

IN WITNESS WHEREOF, the undersigned Incorporator has
executed these Articles of Incorporation this 31 day of January,
1986.


John B. Powell, IV

STATE OF FLORIDA)
) ss
COUNTY OF PALM BEACH)

BEFORE ME, the undersigned authority, authorized to
take acknowledgements in the State of Florida and County of Palm
Beach, personally appeared JOHN B. POWELL, IV, known to me and
known by me to be the person who executed the foregoing Articles
of Incorporation, and he has acknowledged before me that he has
executed these Articles of Incorporation.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my official seal in the State and County aforesaid, this
31st day of January, 1986.


Notary Public
My Commission Expires:

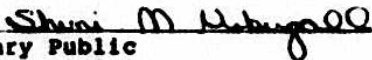
Notary Public, State Of Florida At Large
My Commission Expires Jan 11 1988

ACCEPTANCE OF REGISTERED AGENT

I the undersigned, hereby accept the designation of
Registered Agent for service of process of ATLANTIC ANSWERING
SERVICE, INC.


John F. Powell, IV Esquire

Sworn to and subscribed before me
this 31 day of January, 1986.


Notary Public

My Commission Expires:

Notary Public, State Of Florida At Large
My Commission Expires Jan. 10, 1988
Bound By SPTCO Insurance Company of America

FILED
1986 FEB 17 PM 2:45
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Amended and Restated Articles of Incorporation

of

ATLANTIC TELECOMMUNICATION SYSTEMS, INC.

The undersigned hereby certify that, at a duly called meeting of the Shareholders held on December 10 1996, at which the number of votes cast was sufficient, the undersigned agreed to, and hereby amend and restate, the Articles of Incorporation of a corporation formed under the laws of the State of Florida.

ARTICLE I. CORPORATE NAME

The name of this Corporation is:

Atlantic Telecommunication Systems, Inc.

ARTICLE II. MAILING ADDRESS OF CORPORATION

The mailing address of this Corporation is:

**5849 Okeechobee Blvd., Suite 201
West Palm Beach, Florida 33417**

ARTICLE III. CAPITAL STOCK

The aggregate number of shares of stock that this Corporation is authorized to issue and have outstanding at any one time is One Thousand (1,000) shares of common stock having a par value of \$1.00 per share. The Board of Directors of this Corporation shall have the power to divide and issue the Common Stock into one or more series and to determine the limitation and relative rights of each such series, consistent with the laws of the State of Florida. Shares of one series may be issued as a share dividend in respect of shares of another series.

ARTICLE IV. COMMENCEMENT AND TERM OF EXISTENCE

This Corporation commenced its corporate existence on January 31, 1986. This Corporation shall have perpetual existence.

ARTICLE V. REGISTERED OFFICE AND REGISTERED AGENT

The street address of the registered office of this Corporation in the State of Florida and the Corporation's registered agent at that office shall be:

Jarold Stabler
5849 Okeechobee Blvd.,
Suite 201
West Palm Beach, Florida 33417

ARTICLE VI. BOARD OF DIRECTORS

This Corporation shall have two (2) directors. The number of directors may be increased or decreased from time to time as provided in the By-Laws, but shall never be less than one (1).

ARTICLE VII. INCORPORATORS

The names and street addresses of the persons signing these Amended and Restated Articles of Incorporation are:

Jarold Stabler
Amy Stabler
5849 Okeechobee Blvd.
Suite 201
West Palm Beach, Florida 33417

ARTICLE VIII. AMENDMENT

These Articles of Incorporation may be amended in the manner prescribed by law, except that upon the issuance of shares, every amendment must be approved by the Board of Directors of the Corporation before it is submitted to the shareholders of the Corporation for their approval.

ARTICLE IX. INDEMNIFICATION

Except as may otherwise be provided in the Bylaws of this Corporation, this Corporation shall indemnify its incorporators, officers and directors to the fullest extent permitted by law either now or hereafter in effect.

IN WITNESS WHEREOF, the undersigned have executed the foregoing Amended and Restated Articles of Incorporation as of December 11, 1996.



Jerry Stabler

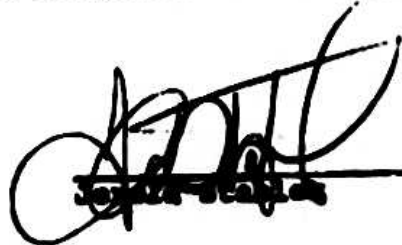


Amy Stabler

**CERTIFICATE ACCEPTING DESIGNATION AS
AN AGENT UPON WHOM SERVICE OF PROCESS WITHIN
THIS STATE MAY BE SERVED**

The following is submitted pursuant to Sections 48.091 and
607.0501 of the Florida Statutes:

Having been appointed registered agent of Atlantic
Telecommunication Systems, Inc. in its Amended and Restated
Articles of Incorporation, at the place designated in such
Amended and Restated Articles of Incorporation, the undersigned
heraby agrees to act in this capacity and affirms that it is
familiar with, and accepts, the obligations of such position.



~~South State~~

Dated: December 11, 1996

D:\VLCHEN\ANALYSIS\TEL\ANALYSIS.MD

DEC-06-1996 11:34

ANDREW L. MANN PA

954 476 7207



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

December 2, 1996

CORPORATE ACCESS

TALLAHASSEE, FL

Re: Document Number H99683

The Articles of Amendment to the Articles of Incorporation of ATLANTIC ANSWERING SERVICE, INC. which changed its name to ATLANTIC TELECOMMUNICATION SYSTEMS, INC., a Florida corporation, were filed on November 21, 1996.

Should you have any questions regarding this matter, please telephone (904) 487-6050, the Amendment Filing Section.

Thelma Lewis
Corporate Specialist Supervisor
Division of Corporations

Letter Number: 008A(XX)b2967

FILED

ARTICLES OF AMENDMENT 96 NOV 21 PM 12:52
TO
ARTICLES OF INCORPORATION
OF
ATLANTIC ANSWERING SERVICE, INC.
TALLAHASSEE, FLORIDA

1. The name of the Corporation is: ATLANTIC ANSWERING SERVICE, INC.

2. Article I of the Articles of Incorporation of ATLANTIC ANSWERING SERVICE, INC. is hereby amended to read in its entirety as follows:

ARTICLE I. CORPORATE NAME

The name of this corporation is:

ATLANTIC TELECOMMUNICATION SYSTEMS, INC.

3. The foregoing amendment was unanimously adopted by the sole Director of the Corporation on November 12, 1996 and was approved on November 12, 1996 by written consent of the sole Shareholder of the Corporation sufficient for the approval of the foregoing amendment.

IN WITNESS WHEREOF, I have executed these Articles of Amendment this 12th day of November, 1996.

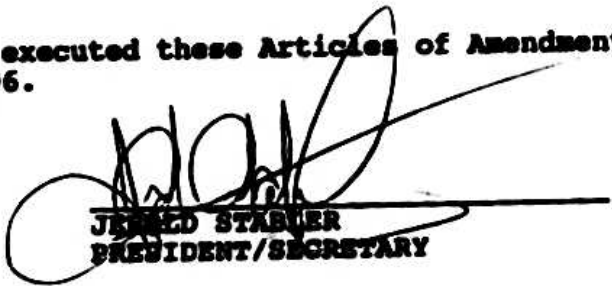

JERALD STABLER
PRESIDENT/SECRETARY

Exhibit C
Atlantic Telecommunication Systems, Inc. Authority To Do Business In Florida

State of Florida



Department of State

I certify that the attached is a true and correct copy of the
Articles of Incorporation of ATLANTIC ANSWERING
SERVICE, INC., a corporation organized under the Laws of
the State of Florida, filed on February 17, 1986, as shown by
the records of this office.

The document number of this corporation is H99863.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
20th day of February, 1986.



George Firestone
Secretary of State

CR2C022 (10-85)

Exhibit D
Atlantic Telecommunication Systems, Inc. Annual Report, 1993, 1994, 1995
and Certificate of Accuracy

Certificate of Accuracy of Financial Statements

By my signature below, I, the undersigned officer, attest to the truth and accuracy of the information contained in the attached financial statements of the Atlantic Telecommunication Systems, Inc. for years 1993, 1994, and 1995.

Officer:

Jerry Stabler


Signature

12-15-96
Date

Title:

President

561-471-1864
Telephone Number

Address:

5849 Okeechobee Boulevard
Suite 201
West Palm Beach, FL 33417

ATLANTIC ANSWERING SERVICE, INC.

**FINANCIAL STATEMENTS
(UNAUDITED)**

DECEMBER 31, 1993

**BLAKESBERG & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
951 S. W. FOURTH AVENUE
BOCA RATON, FLORIDA 33432-5803**



BLAKESBERG & COMPANY

Certified Public Accountants

951 S.W. Fourth Avenue
Boca Raton, Florida 33432-5803
(407) 750-8300 Fax (407) 750-8332

MEMBER
American Institute of
Certified Public Accountants
Florida Institute of
Certified Public Accountants
New Jersey Society of
Certified Public Accountants

William J. Blakesberg, CPA
Jon D. Blakesberg, CPA

**To the Management of
Atlantic Answering Service, Inc.
West Palm Beach, Florida**

We have compiled the accompanying balance sheet of Atlantic Answering Service, Inc. (an S Corporation) as of December 31, 1993, and the related statement of revenues and expenses for the year then ended, 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them. However, we did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Company, with the consent of its shareholder, has elected to have its income taxed under Section 1372 of the Internal Revenue Code, which provides that, in lieu of corporation income taxes, the shareholder is taxed on his proportionate share of the Company's taxable income. Therefore, no provision or liability for Federal income taxes is included in these financial statements.

Blakesberg & Company
Certified Public Accountants
March 2, 1994

ATLANTIC ANSWERING SERVICE, INC.
BALANCE SHEET
DECEMBER 31, 1993

ASSETS

CURRENT ASSETS		
ACCOUNTS RECEIVABLE	\$ 47,785.96	
TOTAL CURRENT ASSETS		\$ 47,785.96
FIXED ASSETS		
FURNITURE AND FIXTURES	36,592.36	
TELEPHONE EQUIPMENT	25,968.94	
COMPUTERS	70,447.96	
LEASEHOLD IMPROVEMENTS	5,786.32	
ACCUMULATED DEPRECIATION	(66,539.50)	
TOTAL FIXED ASSETS		72,256.08
OTHER ASSETS		
GOODWILL	5,000.00	
SECURITY DEPOSITS	4,663.34	
TOTAL OTHER ASSETS		9,663.34
TOTAL ASSETS		\$ 129,705.38

SEE ACCOUNTANTS' COMPILATION REPORT

**ATLANTIC ANSWERING SERVICE, INC.
BALANCE SHEET
DECEMBER 31, 1993**

**LIABILITIES AND
STOCKHOLDER'S EQUITY**

CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 47,619.73	
CUSTOMER DEPOSITS	31,601.88	
PAYROLL TAXES PAYABLE	586.27	
RENT SECURITY	2,200.00	
	<hr/>	
TOTAL CURRENT LIABILITIES		\$ 82,007.88
LOANS FROM SHAREHOLDER		80,724.33
		<hr/>
TOTAL LIABILITIES		162,732.21
STOCKHOLDER'S EQUITY		
CAPITAL STOCK	100.00	
PAID IN CAPITAL	64,261.00	
RETAINED DEFICIT	(97,629.11)	
CURRENT EARNINGS	241.28	
	<hr/>	
TOTAL STOCKHOLDER'S EQUITY		(33,026.83)
		<hr/>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY		\$ 129,705.38
		<hr/>

SEE ACCOUNTANTS' COMPILATION REPORT

**ATLANTIC ANSWERING SERVICE, INC.
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1993**

FEE INCOME		\$ 662,614.94
COST OF SALES		
TELEPHONE EXPENSES	100,861.73	
BOOKER EXPENSES	35,731.73	
DIRECT LABOR	140,755.20	
POSTAGE AND SHIPPING	8,233.70	
ADVERTISING	24,953.90	
TOTAL COST OF SALES		310,536.26
GROSS PROFIT		352,078.68
OPERATING EXPENSES		
SALARIES - OFFICERS	13,000.00	
SALARIES AND WAGES	89,164.33	
ADVERTISING	11,138.49	
AUTO AND TRAVEL	18,354.29	
BANK CHARGES	1,288.34	
COMPUTER EXPENSES	15,633.04	
CONTRIBUTIONS	70.00	
DEPRECIATION	41,792.50	
DUES AND SUBSCRIPTIONS	2,851.04	
ENTERTAINMENT	718.44	
EQUIPMENT RENTAL	51,314.02	
INSURANCE	7,976.65	
OFFICERS' LIFE INSURANCE	250.00	
INTEREST EXPENSE	4,699.98	
LICENSES AND PERMITS	54.00	
OFFICE EXPENSE	9,784.45	
OUTSIDE SERVICES	4,785.35	
PAYROLL TAXES	20,794.51	
POSTAGE	420.48	
PROFESSIONAL FEES	3,429.77	
RENT	39,920.76	
REPAIRS AND MAINTENANCE	5,410.20	
SEMINARS AND MEETINGS	820.00	
TAXES - OTHER	5,372.42	
TELEPHONE	2,794.34	
TOTAL OPERATING EXPENSES		351,837.40
NET INCOME		\$ 241.28

SEE ACCOUNTANTS' COMPILATION REPORT



BLAKESBERG & COMPANY

Certified Public Accountants

951 S.W. Fourth Avenue
Boca Raton, Florida 33432-5803
(407) 750-8300 Fax (407) 750-8332

MEMBER
American Institute of
Certified Public Accountants
Florida Institute of
Certified Public Accountants
New Jersey Society of
Certified Public Accountants

William J. Blakesberg, CPA
Jon D. Blakesberg, CPA

**To the Management of
Atlantic Answering Service, Inc.
5849 Okeechobee Blvd, Suite 201
West Palm Beach, FL 33417**

We have compiled the accompanying balance sheet of Atlantic Answering Service, Inc. (an S corporation) as of December 31, 1994 and the related statement of revenues and expenses for the twelve months then ended, in accordance with Statements on Standards for Accounting and Review Services issued 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. We 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 and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Company, with the consent of its shareholder, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the shareholder of an S corporation is taxed on his proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.


Certified Public Accountants
March 3, 1995

**ATLANTIC ANSWERING SERVICE, INC.
BALANCE SHEET
DECEMBER 31, 1994**

ASSETS

Current Assets

Cash

\$ 4,149.84

Accounts Receivable

41,459.09

Employee Advances

350.00

Total Current Assets

\$ 45,958.93

Fixed Assets

Furniture and Fixtures

36,592.36

Telephone Equipment

27,480.19

Computers

75,622.80

Leasehold Improvements

5,786.32

Accumulated Depreciation

(101,725.07)

Total Fixed Assets

43,756.60

Other Assets

Goodwill

5,000.00

Security Deposits

4,663.34

Total Other Assets

9,663.34

Total Assets

\$ 99,378.87

See Accountants' Compilation Report

ATLANTIC ANSWERING SERVICE, INC.
BALANCE SHEET
DECEMBER 31, 1994

**LIABILITIES AND
STOCKHOLDER'S EQUITY**

Current Liabilities		
Accounts Payable	\$	17,576.97
Customer Deposits		36,670.29
Payroll Taxes Payable		320.78
Rent Security		<u>1,575.00</u>
Total Current Liabilities	\$	56,143.04
Long-Term Liabilities		
Loans from Shareholder		<u>66,830.18</u>
Total Long-Term Liabilities		<u>66,830.18</u>
Total Liabilities		122,973.22
Stockholder's Equity		
Capital Stock		100.00
Paid in Capital		64,261.00
Retained Earnings		(97,387.83)
Current Earnings		<u>9,432.48</u>
Total Stockholder's Equity		<u>(23,594.35)</u>
Total Liabilities And Stockholder's Equity	\$	<u>99,378.87</u>

See Accountants' Compilation Report

**ATLANTIC ANSWERING SERVICE, INC.
STATEMENT OF REVENUES AND EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1994**

Sales	\$ 781,949.95
Cost of Sales	48,146.95
Advertising	27,588.08
Beeper Expenses	183,128.79
Payroll - Operators	1,073.20
Postage and Shipping	98,864.12
Telephone Expenses	<u> </u>
Total Cost of Sales	<u>358,801.14</u>
Gross Profit	<u>423,148.81</u>
Operating Expenses	59,875.00
Salary - Officer	113,386.50
Salaries and Wages	10,212.62
Advertising	17,352.00
Auto and Travel	1,462.87
Bank and Credit Card Fees	620.00
Commissions	16,174.27
Computer Expenses	220.00
Contributions	35,185.57
Depreciation	2,947.00
Dues and Subscriptions	1,431.95
Entertainment	22,093.52
Equipment Rental	13,483.72
Insurance	6,835.62
Interest Expense	13,530.58
Office Expenses	7,654.25
Outside Services	29,628.83
Payroll Taxes	6,784.83
Postage & Shipping	4,116.08
Professional Fees	39,920.76
Rent	3,994.63
Repairs and Maintenance	3,092.32
Taxes - Other	3,713.41
Telephone	<u> </u>
Total Operating Expenses	<u>413,716.33</u>
Net Income	<u>\$ 2,432.48</u>

See Accountants' Compilation Report

ATLANTIC ANSWERING SERVICE, INC.

FINANCIAL STATEMENTS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1995

**BLAKESBERG & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
951 S.W. FOURTH AVENUE
BOCA RATON, FLORIDA 33432-5803**



BLAKESBERG & COMPANY

Certified Public Accountants

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Atlantic Answering Service, Inc.
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West Palm Beach, FL 33417

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A compilation is limited to presenting in the form of financial statements information that is the representation of management. We 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 and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Company, with the consent of its shareholders, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.


Certified Public Accountants
March 9, 1996

**BALANCE SHEET
DECEMBER 31, 1995**

ASSETS

Current Assets		
Cash	\$	1,604.85
Accounts Receivable		71,828.87
Employee Advances		<u>115.85</u>
Total Current Assets	\$	73,549.57
Fixed Assets		
Furniture and Fixtures		43,647.46
Telephone Equipment		40,012.78
Computers		82,565.14
Leasehold Improvements		5,786.32
Accumulated Depreciation		<u>(124,330.23)</u>
Total Fixed Assets		47,681.47
Other Assets		
Goodwill		10,000.00
Customer List		109,132.94
Security Deposits		<u>4,663.34</u>
Total Other Assets		<u>123,796.28</u>
Total Assets	\$	<u>245,027.32</u>

See Accountants' Compilation Report

**ATLANTIC ANSWERING SERVICE, INC.
BALANCE SHEET
DECEMBER 31, 1995**

**LIABILITIES AND
STOCKHOLDERS' EQUITY**

Current Liabilities		
Notes Payable - Current	\$	50,275.15
Accounts Payable		56,580.68
Customer Deposits		43,243.29
Payroll Taxes Payable		485.98
Rent Security		<u>1,275.00</u>
Total Current Liabilities	\$	151,860.10
Long-Term Liabilities		
Loans from Shareholders		21,759.33
Note Payable - Long Term		<u>128,041.43</u>
Total Long-Term Liabilities		<u>149,800.76</u>
Total Liabilities		301,660.86
Stockholders' Equity		
Capital Stock		100.00
Paid in Capital		64,261.00
Retained Deficit		(87,955.51)
Current Earnings		14,002.15
Distributions		<u>(47,041.18)</u>
Total Stockholders' Equity		<u>(56,633.54)</u>
Total Liabilities And Stockholders' Equity	\$	<u>245,027.32</u>

See Accountants' Compilation Report

**STATEMENT OF REVENUES AND EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1995**

Sales	\$ 1,030,256.62
Cost of Sales	
Advertising	60,679.65
Beeper Expenses	16,698.17
Payroll - Operators	283,559.31
Telephone Expenses	146,644.55
Outside Services	<u>967.36</u>
Total Cost of Sales	<u>508,549.04</u>
Gross Profit	<u>521,707.58</u>
Operating Expenses	
Salaries - Officers	93,900.00
Salaries and Wages	113,581.89
Advertising	16,335.17
Auto Expenses	12,072.53
Bank and Credit Card Fees	1,222.45
Computer Expenses	27,707.74
Contributions	200.00
Seminars and Meetings	1,157.00
Depreciation	22,605.00
Dues and Subscriptions	1,751.75
Entertainment	3,463.36
Insurance	16,417.24
Interest Expense	7,566.53
Leasing Expense	27,000.14
Office Expenses	20,349.72
Outside Services	10,745.39
Payroll Taxes	39,504.39
Postage and Shipping	8,056.87
Professional Fees	21,051.02
Rent	41,663.61
Repairs and Maintenance	8,738.58
Taxes - Other	888.41
Telephone	3,520.10
Travel Expense	<u>8,206.54</u>
Total Operating Expenses	<u>507,705.43</u>
Net Income	<u>\$ 14,002.15</u>

See Accountants' Compilation Report

Exhibit E
Documentation in Support of Applicant's Financial Capability

**First Union National Bank
of Florida**
5849 Okeechobee Boulevard
West Palm Beach, Florida 33417-2599

**FIRST
UNION**

December 4, 1996

To Whom It May Concern:

Re: Atlantic Telecommunication Systems Inc.
(Formerly D/B/A Atlantic Answering Services Inc.)

We refer to the representations made by Atlantic Telecommunication Systems Inc., (ATSI) concerning its financial ability to conduct certain telecommunication business.

Subject only to satisfactory documentation we are pleased to commit such reasonable capital to Atlantic Telecommunications Systems Inc., as the company might require to conduct the telecommunication businesses it has referenced. We understand that allocations will be made at the discretion of ATSI.

Please contact us with any questions.

Very truly yours,



Barbara Bernstein
Assistant Vice President
Financial Services Manager



BLAKESBERG & COMPANY

Certified Public Accountants

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New Jersey Society of
Certified Public Accountants

William J. Blakesberg, CPA
Jon D. Blakesberg, CPA

November 27, 1996

To Whom It May Concern:

**RE: Atlantic Telecommunication Systems, Inc.
5849 Okaschobee Boulevard
West Palm Beach, Florida 33417**

Please be advised that my above captioned client, its principals and affiliates have substantial resources available to undertake whatever expansion that may be required.

Very Truly Yours,

**William J. Blakesberg
Certified Public Accountant**

Exhibit F
Summary of Experience of Key Personnel

JEROLD STABLER, PRESIDENT AND CEO

Mr. Stabler established Atlantic Answering Service, Inc. in 1981. Atlantic Answering Service is committed to offer its clientele the most advanced technology in the telecommunications industry.

Prior to establishing Atlantic Answering Service, Inc., Mr. Stabler owned and operated several cable television companies in both Florida and Maine. His twenty-five years of experience in the cable television business included the management of cable television business for large multiple systems such as TelePrompTer and Warner Communications.

Mr. Stabler is on the Board of Directors of both Southern Telemessaging Association (STA), and the Association of Telemessaging Services International (ATSI), and evolving all-in-one resource for telemessaging professionals.

Besides being President and CEO of Atlantic Answering Service, Inc. and serving on several Boards of Directors, Mr. Stabler is actively involved in the High Technology Industry Council's telecommunications study.

Exhibit G
Proposed Price Lists