

BudgeTel Systems, Inc.
12550 Biscayne Blvd.
Suite #220
North Miami, FL. 33181

DEPOSIT
D 568

DATE
JUL 16 1997

(305) 899-1155

June 19, 1997

State of Florida
Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL. 32399-0850

Att: Thomas E. Williams III, Engineer
Bureau of Service Evaluation


970887-TX

Dear Sir:

Kindly find herewith enclosed our completed application forms to provide and be certificated as an Alternative Local Exchange Company.

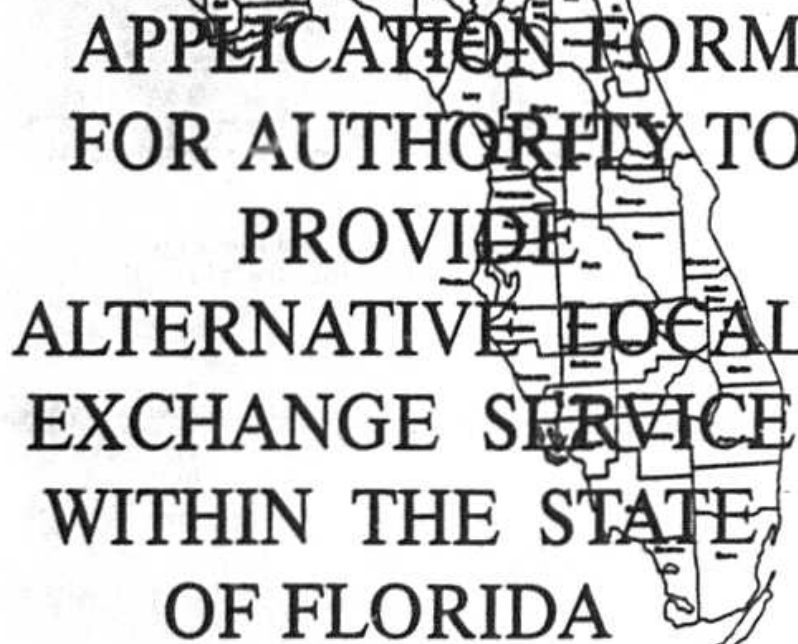
We appreciate your review of same and if there are any further questions regarding same please advise us.

Yours truly,


H.B. Schlenger, President
BudgeTel Systems, Inc.

Encl: Filing fee check for the sum of \$250.00

RECEIVED
81 214 91 700 26
COMMUNICATIONS BOARD
07-145 JUL 16 5
FRESH BREAD REPORTING



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

DOCUMENT NUMBER-DATE

071165 III 165

FPSC-RECORDS/REPORTING

**FLORIDA PUBLIC SERVICE COMMISSION
CAPITAL CIRCLE OFFICE CENTER - 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850**

**APPLICATION FORM
for**

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

INSTRUCTIONS

1. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing alternative local exchange certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee.
2. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
3. Use a separate sheet for each answer which will not fit the allotted space.
4. If you have questions about completing the form, contact:

**Florida Public Service Commission
Division of Communications, Certification & Compliance Section
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0856
(904) 413-6600**

5. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250 made payable to the Florida Public Service Commission at the above address.
-

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

(x) 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:

RudgeTel Systems, Inc.

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

12550 Biscayne Blvd. Suite #220
N. Miami, Fl. 33181 (305) 899-1155

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

12550 Biscayne Blvd. Suite #220
N. Miami, Fl. 33181 (305) 899-1155

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

12550 Biscayne Blvd. Suite #220
N. Miami, Fl. 33181 (305) 899-1155

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: 987000047520

Incorporated in the State of Florida

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

N/A

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

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

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.

H. B. Schlenger, President Phone (305) 899-1155
12550 Biscayne Blvd. Suite #220
N. Miami, Fl. 33154 Fax# (305) 899-1021

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

None

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

No

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

No

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

1.) Telephone 2.) Fax #. 3.) U.S. Mail 4.) Personal delivery
at our address

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. See attached

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 See attached
2. income statement
3. statement of retained earnings.

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

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

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

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

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. See attached

C. Technical capability. See attached

Item 15.)

BudgeTel Systems, Inc. is a new corporation entity filed in the State of Florida May 27, 1997, effective May 21, 1997.

- A. A proforma balance sheet herewith appendix.

1./2./3. BudgeTel Systems, Inc. as a provider of Alternative Local Exchange Service has sufficient financial capability to provide to its anticipated customers requested service for the geographic area it intends to serve. BudgeTel Systems, Inc. proposed market penetration is initially limited. BudgeTel Systems, Inc. is a conservative and prudent organization in its operations and wants to be sure its operation functions properly.

The initial provider of Exchange Service for BudgeTel Systems, Inc. will be BellSouth Interconnection Services. Financial arrangements acceptable to BellSouth Interconnection Services will enable BudgeTel Systems, Inc. to provide its customers with an acceptable, established, standard of service. All functions, equipment, switches, etc. will be provided by BellSouth, the same facilities presently in use for their own customers.

B. Managerial Capability:

The President and Chief Operating Officer of BudgeTel Systems, Inc. broad based Business/Managerial background:

Education: University of Miami majoring in Business Administration/Accounting. North Carolina State College of Agriculture and Engineering of the University of North Carolina - Bachelor of Science + Engineering Graduate Studies.

Experience: Management Positions
Belding Hemingway - New York Stock Exchange Listed Corp. 4,000 employees. Outsourced to DuPont and Celanese Corp. of America.

Majority Stockholder/ C.E.O.:
United W.P.D. & F. Co. Passaic, N.J. 500 employees
Brussels Mills, Inc. Passaic, N.J./Turin, Italy/
Basle, Switzerland - 600 employees.
Red Ball Trucking Co.
Campbell Investment Co. - Industrial/Residential Properties

Founder: Intercontinental Insurance Company
Accredited Service Corporation - Florida licensed provider of insurance and financial services.

Budgetel Systems, Inc.

Proforma
Opening
Balance Sheet
June, 1997

Assets

Current Assets:

Cash	\$10,000.	
Securities/Bonds	92,000.	
Pre-paid Rent	<u>6,000.</u>	
Total Current Assets		\$108,000.

Fixed Assets:

Office equipment	7,000.	
Total Fixed Assets		7,000.

Intangible Assets:

Computer software Programs Development	15,000.	
Total Intangible Assets		<u>15,000</u>
Total Assets		<u>\$130,000.</u>

Liabilites and Stockholders Equity

Current Liabilities 0

Non-Current Liabilites

Loans Payable		
2 years	50,000.	
3 years	<u>79,000.</u>	
	129,000	
Total Non-current Liabilities		
Total Liabilities		129,000.

Stockholders Equity:

Common Stock	1,000	
Retained Earnings	<u>-0-</u>	
Total Stockholders Equity		<u>1,000.</u>
Total Liabilities and Stockholders Equity		<u>\$130,000.</u>

C. Technical Capability

President/Chief Executive Officer:

Engineering education and experience

Engineer Staff Advisor: R. R. Matesich - M.S. - Massachusetts
Institute of Technology.

Telephone career at AT&T and Bell Laboratories
approximately 20 years. System engineer and
Project Manager.

State of Florida



Department of State

I certify from the records of this office that BUDGETEL SYSTEMS, INC. is a corporation organized under the laws of the State of Florida, filed on May 27, 1997, effective May 21, 1997.

The document number of this corporation is P97000047520.

I further certify that said corporation has paid all fees and penalties due this office through December 31, 1997, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capitol, this the
Twenty-ninth day of May, 1997



CR2EO22 (2-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

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:

H. B. Schlegel, Inc.
Signature

6/9/87
Date

Title:

President
BudgeTel Systems, Inc.

(305) 899-1155
Telephone Number

Address:

12550 Biscayne Blvd. Suite #220
N. Miami, FL. 33181

The President/Chief Operating Officer of the BudgeTel Systems, Inc. has maintained corporate and personal banking relationships with Barnett Bank of South Florida for in excess of ten (10) years.

I attest that the financial statements are true and correct.



H.B. Schlenger, President
BudgeTel Systems, Inc.

970887-TX

BudgeTel Systems, Inc.
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North Miami, FL. 33181

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Yours truly,

H.B. Schlenger
H.B. Schlenger, President
BudgeTel Systems, Inc.

Encl: Filing fee check for the sum of \$250.00

BudgeTel Systems, Inc.		0027
PAY TO THE ORDER OF <u>Florida Public Service Commission</u>		7/14 1997
<u>TWO HUNDRED FIFTY DOLLARS AND 00/100</u>		\$250.00
DOCUMENT NUMBER-DATE		DOLLARS
07145 JUL 16 97		
FOR <u>FILING FEE - ALTERNATIVE LOCAL EXCHANGE SERVICE</u>		<i>H.B. Schlenger, Pres</i>

FOR YOUR SAFETY, PLEASE REVERSE SIDE