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01 AUG -3 AM 9:14

1 August, 2001

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

011009-TX

Re: Heritage Technologies, Ltd. Application for Authority to Provide
Alternative Local Exchange Service within the State of Florida

Enclosed for filing is the original and six (6) copies of Heritage
Technologies, Ltd.'s Application for Authority to Provide Alternative Local
Exchange Service within the State of Florida.

Also enclosed is an application filing fee of \$250.00 made payable to the
Florida Public Service Commission.

Thank you for your attention to these matters, and please do not hesitate
to call if you have any questions, or if I can be of further assistance.

Very Truly Yours,

Helen S. Morgan

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:

Encls.

DOCUMENT NUMBER-DATE

09435 AUG -3

HERITAGE TECHNOLOGIES, LTD.
APPLICATION
FOR
AUTHORITY TO PROVIDE
ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA

09435-01
8-3-01

**** FLORIDA PUBLIC SERVICE COMMISSION ****

DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION

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

Instructions

- ◆ This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 12).
- ◆ Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.
- ◆ Use a separate sheet for each answer which will not fit the allotted space.
- ◆ Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **\$250.00** to:

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

- ◆ If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6480

APPLICATION

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

- Original certificate** (new company).
- Approval of transfer of existing certificate:** Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority.
- Approval of assignment of existing certificate:** Example, a certificated company purchases an existing company and desires to retain the certificate of authority of that company.
- Approval of transfer of control:** Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

Heritage Technologies, Ltd.

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

Heritage Technologies, Ltd.

4. Official mailing address (including street name & number, post office box, city, state, zip code):

2500A Central Parkway

Houston, TX 77092

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

13040 Old Cutler Road

Miami, Florida 33156

6. Structure of organization:

Individual

Corporation

Foreign Corporation

Foreign Partnership

General Partnership

Limited Partnership

Other Foreign Limited Partnership

7. If individual, provide:

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

8. If incorporated in Florida, provide proof of authority to operate in Florida:

(a) The Florida Secretary of State corporate registration number:

9. **If foreign corporation, provide proof of authority to operate in Florida:**

(a) The Florida Secretary of State corporate registration number:

10. **If using fictitious name-d/b/a, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:**

(a) The Florida Secretary of State fictitious name registration number:

11. **If a limited liability partnership, provide proof of registration to operate in Florida:**

(a) The Florida Secretary of State registration number:

12. **If a partnership, provide name, title and address of all partners and a copy of the partnership agreement.**

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

13. **If a foreign limited partnership, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.**

Please See Attachment E.

(a) The Florida registration number: B0100000061

14. **Provide F.E.I. Number(if applicable):** 76-0649939

15. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. Provide explanation.

None 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 any crime.

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

Mr. Robert Rubin, former president of Strategic Technologies, Inc. is no longer associated with the company. Mr. Rubin has fulfilled his contract with Strategic Technologies, Inc.

16. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

Name: Helen S. Morgan
Title: Vice President - Regulatory
Address: 2500A Central Parkway
City/State/Zip: Houston, Texas 77092
Telephone No.: (713) 812-7019 Fax No.: (713) 812-7026
Internet E-Mail Address: hsm-ht@swbell.net
Internet Website Address: Not Applicable

(b) Official point of contact for the ongoing operations of the company:

Name: J. F. Taylor
Title: President
Address: 2500A Central Parkway
City/State/Zip: Houston, Texas 77092
Telephone No.: (713) 812-7019 Fax No.: (713) 812-7026

Internet E-Mail Address: jft-ht@swbell.net
Internet Website Address: Not Applicable

(c) Complaints/Inquiries from customers:

Name: Sandra Johnston
Title: Vice President – Customer Service
Address: 2500A Central Parkway
City/State/Zip: Houston, Texas 77092
Telephone No.: (713) 812-7019 Fax No.: (713) 812-7026

Internet E-Mail Address: sj-ht@swbell.net
Internet Website Address: Not Applicable

17. List the states in which the applicant:

(a) has operated as an alternative local exchange company.

None

(b) has applications pending to be certificated as an alternative local exchange company.

None

(c) is certificated to operate as an alternative local exchange company.

Texas

(d) has been denied authority to operate as an alternative local exchange company and the circumstances involved.

None

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

None

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

None

18. Submit the following:

A. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

Please see Attachment A

B. Technical capability: give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

Please see Attachment B

C. Financial capability. Please see Attachment C

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

Heritage Technologies, Ltd., a Texas Company, was formed July 14, 2001. The attached financial statements reflect the most recent annual information.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer **affirming that the financial statements are true and correct** and should include:

1. the balance sheet:
2. income statement: and
3. statement of retained earnings.

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.*

Please see Attachment D

Further, the following (which includes supporting documentation) should be provided:

1. **written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

THIS PAGE MUST BE COMPLETED AND SIGNED

APPLICANT ACKNOWLEDGMENT STATEMENT

- 1. REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
- 2. GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
- 3. SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- 4. APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

Helen S. Morgan
Print Name

Helen S. Morgan
Signature

Vice President - Regulatory
Title

26 July, 2001
Date

(713) 812-7019 (713) 812-7026
Telephone No. Fax No.

Address: 2500A Central Parkway
Houston, TX 77092

THIS PAGE MUST BE COMPLETED AND SIGNED

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 company 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."

UTILITY OFFICIAL:

Helen S. Morgan
Print Name

Helen S. Morgan
Signature

Vice President - Regulatory
Title

26 July, 2001
Date

(713) 812-7019 (713) 812-7026
Telephone No. Fax No.

Address: 2500A Central Parkway
Houston, TX 77092

INTRASTATE NETWORK (if available)

Chapter 25-24.825 (5), Florida Administrative Code, requires the company to make available to staff the alternative local exchange service areas only upon request.

1. POP: Addresses where located, and indicate if owned or leased.

- | | |
|---|----------|
| 1) <u>702 N. Franklin St., 10th Flr.</u> | 2) _____ |
| <u>Tampa, FL 33602</u> | _____ |
| 3) _____ | 4) _____ |
| _____ | _____ |

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

- | | |
|--|----------|
| 1) <u>421 W. Church St., 4th Flr.</u> | 2) _____ |
| <u>Jacksonville, FL 32202</u> | _____ |
| 3) _____ | 4) _____ |
| _____ | _____ |

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

- | <u>POP-to-POP</u> | <u>OWNERSHIP</u> |
|-------------------|------------------|
| 1) _____ | _____ |
| 2) _____ | _____ |
| 3) _____ | _____ |
| 4) _____ | _____ |

Attachments

Attachment A	Managerial Capability
Attachment B	Technical Capability
Attachment C	Financial Capability
Attachment D	Financial Documentation
Attachment E	Proof of Compliance with the Foreign Limited Partnership Statute

Robert D. Rubin, Chairman

Mr. Rubin is the former President of Strategic Technologies, Inc. ("STI"), a wholly owned subsidiary of the Lennar Corporation (NYSE:LEN). He developed STI into a broadband bundled services provider offering video, alarm security and high-speed data in Florida and California. He grew STI from 0 to 17,000 subscribers with a \$50M market value.

Mr. Rubin came to STI following his tenure as the president and board member of Peoples Telephone Company (NASDAQ:PTEL).

Prior to his involvement in the telecommunications industry, he served as Corporate M&A and Securities Attorney with Greenberg, Traurig and Steel, Hector & Davis, respectively.

John W. Anderson, Chairman

Mr. Anderson is a veteran of 40+ years in the telecommunication industry. Mr. Anderson served in various managerial and executive positions with Southwestern Bell Telephone Company and retired in 1984 from the position of Vice President and General Manager for Network Distribution Operations in Texas. Subsequently, Mr. Anderson was Executive Vice President of Mid-South Telecommunications Company, wireless interests in the southwest and mid-west United States. Mr. Anderson is currently a member of the Board of Directors of Sysco and the Sam Houston Area Council of the Boy Scouts of America.

Jim F. Taylor, P.E., President

Mr. Taylor has been actively involved in the telecommunications industry for over 35 years. Most recently, Mr. Taylor served as President of En-Touch Systems, Inc.; the first facilities based competitive Telecommunications Company to be authorized to compete in Texas. Prior to his association with En-Touch, Mr. Taylor was a principal in Gabriel Resources, Inc., a telecommunications consulting firm based in Houston. Mr. Taylor retired from Southwestern Bell Telephone Company in 1991 after over 26 years in various engineering and management assignments. He holds a BS degree in Electrical Engineering from the University of Houston.

John W. Adams, P.E., Senior Vice President and Chief Financial Officer

Mr. Adams is President and a board member of Banchem Financial Services which provides strategic planning, corporate financial, and investment banking services to various high tech industries. He has an extensive background in engineering and strategic planning for all major oil companies such as Continental Pipeline, Shell Oil Company, and Tenneco. He serves on the boards of Directors for Focused Energy Technologies, Holston Companies, and Phase 1 Environmental. Mr. Adams holds a BS degree in Chemical Engineering from Texas A&M and a MBA from Harvard Graduate School of Business Administration where he was awarded Teagle Foundation Fellowship.

Virgil P. Bearden, P.E., Vice President, Network

Mr. Bearden is responsible for the overall design and operation of all facets of the advanced telecommunications network. Most recently, Mr. Bearden had the same responsibilities for En-Touch Systems, Inc. Mr. Bearden is a 50+ year veteran of the telecommunications industry. Prior to his assignment with En-Touch, Mr. Bearden, retired from Southwestern Bell Telephone Company where he was responsible for the planning and implementation of all network equipment projects in the state of Texas. Mr. Bearden holds a BS degree from the University of Houston.

Helen S. Morgan, Vice President, Regulatory

Ms. Morgan is responsible for all regulatory activities as well as inter-company relations and interconnection agreements, Ms. Morgan has 38+ years experience in the telecommunications industries. Her experience has been concentrated in the areas of finance, industry regulations, and governmental / regulatory relations. She retired in 1991 from Southwestern Bell Telephone Company after 29+ years primarily in financial operations. She has been a principal in Gabriel Resources since her retirement as well as serving as Vice President – Regulatory for En-Touch Systems, Inc.

Charles S. Fowler, P.E., Vice President, Distribution Services

Mr. Fowler is responsible for the planning, design, and construction of all out-side plant facilities including the advanced fiber optic network. Mr. Fowler has over 30 years experience in the telecommunications industry primarily in the areas of Outside Plant Engineering, Construction and Maintenance. He is the owner of Fowler Engineering Resources, Inc.; a Houston based engineering firm. He retired from Southwestern Bell Telephone Company in 1990 after over 20 years of management assignments primarily in the areas of Outside Plant Engineering and Maintenance. Mr. Fowler holds a BS degree in Industrial Engineering from Lamar University.

Sandra G. Johnston, Vice President, Customer Services

Ms. Johnston is responsible for all customer service operations including the staffing and operating of all call centers, service order activities, billing, collections, and the coordination of customer contact activities by various service partners. She is also responsible for the direction of repair analysis and the dispatching of maintenance personnel. Most recently, Ms Johnston had created and filled a similar position at En-Touch Systems, Inc. Ms. Johnson retired from Southwestern Bell Telephone Company after 26+ years in various management assignments with similar responsibilities.

Morris R. Sims (Ray), Director, Networks

Mr. Sims is responsible for network operations. Mr. Sims negotiates and administers interconnection agreements with ILECs and provides technical expertise in network design and implementation. Retiring with over 30 years from Southwestern Bell, his background includes CLEC network interconnection, and software implementation and deployment for major systems. He was a client liaison for software development for Bellcore (now Telcordia). Mr. Sims holds a BBA degree from the University of Houston and an MS degree in telecommunications from Southern Methodist University.

Jim F. Taylor, P.E., President

Mr Taylor has been actively involved in the telecommunications industry for over 35 years. Most recently, Mr. Taylor served as President of En-Touch Systems, Inc.; the first facilities based competitive Telecommunications Company to be authorized to compete in Texas. Prior to his association with En-Touch, Mr. Taylor was a principal in Gabriel Resources, Inc., a telecommunications consulting firm based in Houston. Mr. Taylor retired from Southwestern Bell Telephone Company in 1991 after over 26 years in various engineering and management assignments. He holds a BS degree in Electrical Engineering from the University of Houston.

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HERITAGE TECHNOLOGIES, LTD.

FINANCIAL STATEMENTS

DECEMBER 31, 2001

HERITAGE TECHNOLOGIES, LTD.
BALANCE SHEET
DECEMBER 31, 2000

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	\$137,893
Accounts receivable (no allowance deemed necessary)	<u>15,519</u>
TOTAL CURRENT ASSETS	<u>153,412</u>
FIXED ASSETS (NET)	0
INVESTMENTS (Note 2)	411,517
DEFERRED COMPENSATION (Note 3)	40,849
ORGANIZATION COSTS (NET) (Note 4)	34,833
OTHER ASSETS	<u>2,727</u>
TOTAL ASSETS	<u><u>\$643,338</u></u>

LIABILITIES AND PARTNERS' CAPITAL

CURRENT LIABILITIES:	
Accounts payable	\$39,458
Deferred Compensation payable	<u>40,849</u>
TOTAL CURRENT LIABILITIES	<u>80,307</u>
PARTNERS' CAPITAL	<u>563,031</u>
TOTAL LIABILITIES AND PARTNERS' CAPITAL	<u><u>\$643,338</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**HERITAGE TECHNOLOGIES, LTD.
INCOME STATEMENT
FOR THE PERIOD FROM OCTOBER 24 THROUGH DECEMBER 31, 2000**

REVENUE

Earnings from investment in FER, LTD. and FER GP, L.L.C.	\$142,419
Interest Income	1,291
	<hr/>
TOTAL REVENUE	143,710

OPERATING EXPENSES	92,430
	<hr/>

E.B.I.T.D.A.	51,280
---------------------	---------------

Interest Expense	531
Depreciation & Amortization	17,416
	<hr/>

NET INCOME	<u><u>\$33,333</u></u>
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SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**HERITAGE TECHNOLOGIES, LTD.
PARTNERS' CAPITAL
FOR THE PERIOD FROM OCTOBER 24 THROUGH DECEMBER 31, 2000**

	GENERAL PARTNER	LIMITED PARTNERS	TOTAL
BALANCE OCTOBER 24, 2000	\$0	\$0	\$0
CAPITAL CONTRIBUTIONS	1,000	528,698	529,698
NET INCOME	<u>333</u>	<u>33,000</u>	<u>33,333</u>
BALANCE DECEMBER 31, 2000	<u><u>\$1,333</u></u>	<u><u>\$561,698</u></u>	<u><u>\$563,031</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

HERITAGE TECHNOLOGIES, LTD.
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM OCTOBER 24 THROUGH DECEMBER 31, 2000

CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES :

Net Income (Loss)	\$33,333
Adjustments to reconcile net income (loss) to net cash provided by operating activities:	
Depreciation and amortization	17,416
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(15,519)
Increase (decrease) in accounts payable and accrued expenses	39,458
Change in other current assets and liabilities	40,849
(Increase) decrease in Deferred Compensation	(40,849)
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	<u>74,688</u>

CASH FLOWS FROM (USED FOR) FINANCING ACTIVITIES :

Partners' Equity Contributions	529,698
NET CASH FROM (USED FOR) FINANCING ACTIVITIES	<u>529,698</u>

CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES :

Additions to fixed assets, net	(14,926)
Investments	(411,517)
Additions to Organization costs and Other assets	(40,050)
NET CASH FROM (USED FOR) INVESTING ACTIVITIES	<u>(466,493)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS 137,893

CASH AND EQUIVALENTS, BEGINNING OF PERIOD 0

CASH AND EQUIVALENTS, END OF PERIOD 137,893

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**HERITAGE TECHNOLOGIES, LTD.
NOTES TO FINANCIAL STATEMENTS**

Note 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Heritage Technologies, LTD. (Heritage) is a limited partnership organized under the laws of Texas in October of 2000. The General Partner of Heritage is Heritage Technologies GP, LLC. . Heritage is located in Houston, Texas. Heritage provides a bundled package of telecommunications and television services to master-planned communities.

Income Taxes – Since Heritage is a limited partnership and not subject to federal income tax, there is no provision for income tax recorded on its financial statements. The individual partners are responsible for the income tax liability pertaining to their respective portion of the income from Heritage.

Use of Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Method of Accounting – The financial statements of Heritage are prepared on an accrual basis of accounting.

Fixed Assets – Fixed assets are recorded at historical cost and depreciated using accelerated income tax depreciation methods.

Cash Equivalents – Heritage maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Management believes Heritage is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 2 – INVESTMENTS

Investments consist of the following:

FER, LTD.	\$ 404,346
FER GP, LLC	7,171

	\$ 411,517
	=====

NOTE 2 – INVESTMENTS (Continued)

FER, LTD. (FER) is a limited partnership formed under the laws of Texas. The General Partner of FER is FER GP, L.L.C., a Texas limited liability company. Heritage owns 95% of FER. The following is summarized financial information for FER for 2000:

Balance Sheet

Cash and Equivalents	\$ 283,826
Accounts Receivable	124,148
Fixed Assets (net)	21,634
Other Assets	7,636

Total Assets	\$ 437,244
	=====
Current Liabilities	\$ 18,117
Long Term Debt	7,610
Partners' Capital	411,517

Total Liabilities & Capital	\$ 437,244
	=====

Statement of Income

Revenues	\$ 700,780
Operating Expenses	(557,034)
Other Income (Expenses)	(1,327)

Net Income	\$ 142,419
	=====

NOTE 3 – DEFERRED COMPENSATION

Deferred compensation represents employee compensation which has been deferred based upon agreements between certain employees and Heritage.

NOTE 4 – ORGANIZATION COSTS

Intangible assets resulted from the organization costs associated with the formation of Heritage. These costs are being amortized on a straight-line basis over five years. The provision for amortization of the organization costs for December 31,2000 was \$ 797.

NOTE 5 – COMMITMENTS & CONTINGENCIES

Heritage leases its office space from a third party. The following represents future minimum rental payments under noncancelable operating leases:

Year ending December 31,	
2001.....	\$ 21,068
2002.....	\$ 21,651
2003.....	\$ 19,391

NOTE 6 – RELATED PARTY TRANSACTIONS

Heritage purchased office furniture and fixtures from an entity controlled by Heritage limited partners. The purchase price was \$ 21,167 which approximates fair market value. Accounts payable include \$ 9,927 payable related to this transaction.

NOTE 7 – OPERATING LOSSES

Heritage incurred operating losses in 2000. However, these operating losses are consistent with start-up entities, and management believes as revenues increase, the company will reduce its dependence on equity contributions for operating capital.

1. Written Explanation that applicant has sufficient financial capability to provide the requested service in the geographic area.

The Company has the financial capability the requested service in the geographic area. The company through its internal cash flow, external equity investors, and external financial institutions and lenders will be able to make the necessary capital investments and provide the required working capital for service in the requested area.

2. Written explanation that the applicant has sufficient financial capability to maintain the requested service.

The Company has the financial capability to maintain the requested service. Based on the Company's historical expertise and the projected profit and loss statements the company will have the required cash flow and income to maintain service in the requested geographic area.

3. Written explanation that the applicant has sufficient financial capability to meet its lease or ownership obligations.

The Company has the financial capability to meet its lease and/or ownership obligations. Based on the Company historical performance and expertise and the projected profit and loss statements the Company will have the required cash flow and income to meet lease and/or ownership obligations.

**HERITAGE TECHNOLOGIES, LTD.
Credit/Account Documentation**

Legal Name Heritage Technologies, Ltd.
 Address 2500A Central Parkway
 Houston, Texas 77092-7713
 Contacts Jim Taylor, John Adams, Virgil Bearden, Charles Fowler
 Telephone 713-812-7019 Fax 713-812-7026
 Date Business started July 14, 2000
 Ownership Limited Partnership
 Federal Tax ID# 76-0649939
 Names of Principals:
 Jim Taylor President
 John Adams Sr. Vice President & CFO
 Virgil Bearden Vice President – Network
 Charles Fowler Vice President – OSP
 Bank:
 Sterling Bank 414 W 19th St., Houston, TX 77008
 Account # 51031333 Contact Mike Skowronek 713-507-2090

Company	Estimated Annual Billing	Contact	Telephone Number
<u>Sembera Security Systems, Inc.</u> (Provides Security Monitoring as part of Heritage Offerings)	\$120,000	Fred Sembera	713-467-0000
<u>Power & Telephone Supply</u> (Provides Construction and Fiber materials)	\$100,000	John Lawson	281-491-1100
<u>ITC DeltaCom</u> (Provides leased switching capacity, Trunking, and operator services)	\$125,000	Alex Markobrada	678-238-2300
<u>Mayor, Day, Caldwell & Keeton, LLP</u> (Legal Services)	\$70,000	Eddy Rogers	713-225-7047
<u>Dexter & Company</u> (Provides all Insurance coverage)	\$20,000	Jim Davis	979-764-8444
<u>National Cable Television Cooperative</u> (Provides programming and Digital Cable TV equipment)	\$150,000		913-599-5900
<u>Gabriel Resources, Inc.</u> (Provides Technical Consulting Services)	\$25,000	H. S. Morgan	713-664-9244
<u>Weingarten Realty</u> (Provides office and warehouse space)	\$40,000	April Ryan	713-866-6590
<u>Outsourcing Services, Inc.</u> (Provides Accounting Services)	\$50,000	Mike Thompson	713-621-0800

Business Relationships with Financial Institutions

Marconi Communications -- Equipment supplier Line of Credit ---
\$1,000,000

Orange Savings Bank -- Accounts Receivable financing up to \$600,000



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

February 21, 2001

FLORIDA FILING & SEARCH
TALLAHASSEE, FL

The Affidavit and Application of Limited Partnership for HERITAGE TECHNOLOGIES, LTD., a Texas limited partnership, were filed on February 21, 2001 and assigned document number B0100000061. Please refer to this number whenever corresponding with this office.

The certification you requested is enclosed.

The limited partnership annual report/uniform business 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. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4.

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

Should you have any questions concerning this matter, please telephone (850) 487-6051, the Registration and Qualification Section.

Buck Kohr
Corporate Specialist
Division of Corporations

Letter Number: 501A00011072

State of Florida



Department of State

I certify from the records of this office that HERITAGE TECHNOLOGIES, LTD. is a Texas limited partnership registered to transact business in the state of Florida on February 21, 2001.

The document number of this limited partnership is B0100000061.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this the
Twenty-first day of February, 2001




CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

State of Florida



Department of State

I certify the attached is a true and correct copy of the Affidavit and Application of Limited Partnership of HERITAGE TECHNOLOGIES, LTD., a Texas limited partnership, authorized to transact business within the state of Florida on February 21, 2001, as shown by the records of this office.

The document number of this limited partnership is B01000000061.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twenty-first day of February, 2001



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

**APPLICATION BY FOREIGN LIMITED PARTNERSHIP FOR
AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA**

1. HERITAGE TECHNOLOGIES, LTD.
(Name of limited partnership as it is in the home state)

2. _____
(If name is unavailable, name under which the limited partnership proposes to register or transact business in Florida must contain the word "LIMITED" or "LTD.")

3. Texas 4. July 14, 2000
(State of Formation) (Date of Formation)

5. Capitol Corporate Services, Inc.
(Name of Registered Agent for Service of Process)

6. 1333 North Duval St.,
(Street Address of Registered Office)

Tallahassee, Florida 32303
(City) (Zip Code)

7. Acceptance by the Registered Agent for Service of Process:

Gayle Wurdie asst. sec
(Agent must sign on this line)

8. 2015 Widdicomb Court
Houston, TX 77008
(Address of registered office required in state of formation or, if not required, address of principal office.)

9. NAMES OF GENERAL PARTNERS	STREET ADDRESS
<u>Heritage Technologies GP, LLC</u>	<u>2500 Central Parkway, Suite A, Houston, TX</u> <u>77092</u>
_____	_____
_____	_____

10. Heritage Technologies, Ltd., 2500 Central Parkway, Houston, TX 77092
(Office where Names, Addresses and Contributions of Limited Partners are kept.)

11. The limited partnership will undertake to keep the records listing the addresses and capital contributions of the limited partner or limited partners until the limited partnership's registration in Florida is canceled or withdrawn.

CONTINUED

01 FEB 21 PM 3:09
FILED
TALLAHASSEE, FLORIDA
SECRETARY OF STATE

12. Heritage Technologies, Ltd.

2500 Central Parkway, Suite A, Houston, TX 77092
(Mailing Address of Limited Partnership)

Under penalties of perjury I, being duly sworn, declare that I have read the foregoing and know the contents thereof and that the facts stated herein are true and correct.

Signed this 7th day of February, 2001.

[Signature]
General Partner

STATE OF Texas

COUNTY OF Harris

On this 7th day of February, 2001.

J. F. Taylor, personally appeared before me,

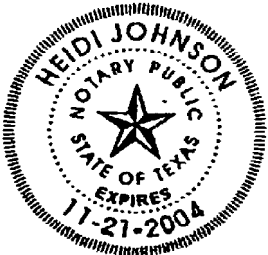
who is personally known to me

whose identity I proved on the basis of _____

Heidi Johnson
(Notary Public Signature)

Heidi Johnson
(Notary's Printed Name)

Seal My Commission Expires: 11-21-2004



FILED
01 FEB 21 PM 3:09
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

AFFIDAVIT OF CAPITAL CONTRIBUTIONS FOR A FOREIGN LIMITED PARTNERSHIP

J. F. Taylor, President of
BEFORE ME the undersigned personally appeared Heritage Technologies GP, LLC,
a general partner of Heritage Technologies, Ltd., a(an) Texas
limited partnership, hereinafter referred to as the "Partnership", who certifies as follows:

1. The amount of capital contributions of the limited partners is \$ 10,000.
2. The anticipated amount of the capital contributions of the limited partners that are allocated for the purposes of transacting business in Florida is \$ 1000.

Under the penalties of perjury I, being duly sworn, declare that I have read the foregoing and know the contents thereof and that the facts stated herein are true and correct.

Signed this 7th day of February, 2001.

J. F. Taylor
General Partner

FILED
01 FEB 21 PM 3:09
SECRETARIAT OF STATE
TALLAHASSEE, FLORIDA

STATE OF Texas
COUNTY OF Harris

On this 7th day of February, 2001

J. F. Taylor, personally appeared before me,

- who is personally known to me
- whose identity I proved on the basis of _____

Heidi Johnson
(Notary Public Signature)

Heidi Johnson
(Notary's Printed Name)

My Commission Expires: 11-21-2004





FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

February 21, 2001

FLORIDA FILING & SEARCH SERVICES

Qualification documents for HERITAGE TECHNOLOGIES GP, LLC were filed on February 21, 2001, and assigned document number M01000000390. Please refer to this number whenever corresponding with this office.

Your limited liability company is now qualified and authorized to transact business in Florida as of the file date. In accordance with section 608.406(2), F.S., the name of this limited liability company is filed with the Department of State for public notice only and is granted without regard to any other name recorded with the Division of Corporations.

The certification you requested is enclosed.

A limited liability company annual report/uniform business 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 limited liability company address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding this matter, please telephone (850) 487-6051, the Registration and Qualification Section.

Trevor Brumbley
Document Specialist
Division of Corporations

Letter Number: 901A00010970

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

State of Florida



Department of State

I certify the attached is a true and correct copy of the application by HERITAGE TECHNOLOGIES GP, LLC, a Texas limited liability company, authorized to transact business within the state of Florida on February 21, 2001, as shown by the records of this office.

The document number of this limited liability company is M01000000390.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twenty-first day of February, 2001



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

APPLICATION BY FOREIGN LIMITED LIABILITY COMPANY FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 608.503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN LIMITED LIABILITY COMPANY TO TRANSACT BUSINESS IN THE STATE OF FLORIDA:

1. HERITAGE TECHNOLOGIES GP, LLC
(Name of foreign limited liability company)

2. TEXAS 3. _____
(Jurisdiction under the law of which foreign limited liability company is organized) (FEI number, if applicable)

4. JULY 14, 2000 5. PERPETUAL
(Date of Organization) (Duration: Year limited liability company will cease to exist or "perpetual")

6. UPON QUALIFICATION
(Date first transacted business in Florida. (See sections 608.501, 608.502, and 817.155, F.S.)

7. 2500 CENTRAL PARKWAY, SUITE A
HOUSTON, TX 77092-7713
(Street address of principal office)

8. If limited liability company is a manager-managed company, check here

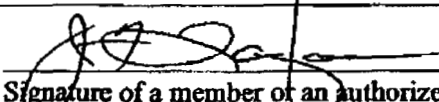
9. The name and usual business addresses of the managing members or managers are as follows:

J. F. Taylor, 2500 Central Parkway, Suite A, Houston, TX 77092-7713

10. Attached is an original certificate of existence, no more than 90 days old, duly authenticated by the official having custody of records in the jurisdiction under the law of which it is organized. (A photocopy is not acceptable. If the certificate is in a foreign language, a translation of the certificate under oath of the translator must be submitted.)

11. Nature of business or purposes to be conducted or promoted in Florida: _____

ANY LAWFUL PURPOSE ALLOWED UNDER FLORIDA LAW


Signature of a member or an authorized representative of a member.
(In accordance with section 608.408(3), F.S., the execution of this document constitutes an affirmation under the penalties of perjury that the facts stated herein are true.)

J. F. TAYLOR
Typed or printed name of signee

01 FEB 21 AM 11:30
STATE OFFICE OF STATE
TALLAHASSEE, FLORIDA

APR 10 2001
AM 11:30

CERTIFICATE OF DESIGNATION OF REGISTERED AGENT/REGISTERED OFFICE

PURSUANT TO THE PROVISIONS OF SECTION 608.415 or 608.507, FLORIDA STATUTES, THE UNDERSIGNED LIMITED LIABILITY COMPANY SUBMITS THE FOLLOWING STATEMENT TO DESIGNATE A REGISTERED OFFICE AND REGISTERED AGENT IN THE STATE OF FLORIDA.

1. The name of the Limited Liability Company is:

HERITAGE TECHNOLOGIES GP, LLC

2. The name and the Florida street address of the registered agent and office are:

CAPITOL CORPORATE SERVICES, INC.

(Name)

1333 NORTH DUVAL STREET

Florida street address (P.O. Box **NOT** ACCEPTABLE)

TALLAHASSEE FL 32303

City/State/Zip

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, F.S..

Delanie Case, asst. sec.
(Signature)

- \$ 100.00 Filing Fee for Application
- \$ 25.00 Designation of Registered Agent
- \$ 30.00 Certified Copy (optional)
- \$ 5.00 Certificate of Status (optional)

APPOINTED
 AND
 FILED
 01 FEB 21 AM 11:30
 SECRETARY OF STATE
 TALLAHASSEE, FLORIDA



The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED that
Articles of Organization of

HERITAGE TECHNOLOGIES GP, LLC
File No. 7071422-22

were filed in this office and a certificate of organization was issued to this limited liability company, and no certificate of dissolution is in effect and the company is currently in existence.

01 FEB 21 AM 11:30
SECRETARY OF STATE
SALLI ADAMS/STEF.FI@PS.DA

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on February 20, 2001.



DLM
Henry Cuellar
Secretary of State



The State of Texas
Secretary of State

JULY 14, 2000

CAPITOL SERVICES, INC.
800 BRAZOS
AUSTIN ,TX 78701

RE:
HERITAGE TECHNOLOGIES, LTD.

FILING NUMBER 00137139-10

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD YOUR
CERTIFICATE OF LIMITED PARTNERSHIP.

THE APPROPRIATE EVIDENCE IS ATTACHED FOR YOUR FILES AND THE
ORIGINAL HAS BEEN FILED IN THIS OFFICE.

PAYMENT OF THE FILING FEE IS ACKNOWLEDGED BY THIS LETTER.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.



A handwritten signature in cursive script, reading "Elton Bomer".

Elton Bomer, Secretary of State

CERTIFICATE OF LIMITED PARTNERSHIP

FOR

HERITAGE TECHNOLOGIES, LTD.

<p>FILED In the Office of the Secretary of State of Texas</p> <p>JUL 14 2000</p> <p>Corporations Section</p>
--

The undersigned, desiring to form a limited partnership pursuant to the Texas Revised Limited Partnership Act, Tex. Rev. Civ. Stat. Ann. Article 6132a-1 (the "Act"), hereby duly execute this Certificate of Limited Partnership for that purpose.

1. The name of the partnership is Heritage Technologies, Ltd. (the "Partnership").
2. The address of the registered office of the Partnership is 2015 Widdicomb Court, Houston, Texas 77008, and the name of the registered agent, whose business office address will be the same as the registered office address, is J. F. Taylor.
3. The address of the principal office of the Partnership in the United States where its partnership records are to be kept or made available under Section 1.07 of the Act is 2015 Widdicomb Court, Houston, Texas 77008.
4. The name, the mailing address and the street address of the business of the general partner of the Partnership is as follows

<u>NAME</u>	<u>STREET ADDRESS</u>
Heritage Technologies GP, LLC	2015 Widdicomb Court Houston, Texas 77008

SIGNED on this 13th day of July, 2000.

GENERAL PARTNER:

HERITAGE TECHNOLOGIES GP, LLC

By: 
Name: J. F. Taylor
Title: President