

ORIGINAL

Date: April 26, 2004

Florida Public Service Commission Division of Communications Certificate of Compliance Section 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0866

040385-72

Re:\Payless Telephone Company, LLC.- Application for Authority

Dear Sir or Madam,

Enclosed is an original and six (6) copies of Payless Telephone Company, LLC's. Application for Authority to provide Local Exchange Service within the State of Florida ("Application"), including the companies proposed Price List and \$250.00 filing fee. This Application is filed in accordance with the Rules of the Florida Public Service Commission, Chapter 25-24, Section 25-24.810, and PSC/CMU 8 (11/95).

An extra copy of this letter is enclosed for date stamping, please return to the address above.

Questions concerning this Application may be addressed to the undersigned.

Sincerely,

Jorge Mena, Managing Partner

Check received with filling and forwarded to Figuration deposet. Fiscal to tonward deposit information to Records.

person who forwarded check:

07 Vby 30 bil 1: 5e

Original Tauff 1550 NE Miami Gardens Dr., Suite 200 TN Miami Beach, FL 33179 DOCUMENT MUNDER-DATE ferwarded to CUP Phone: (305) 770-0375 - Fax: (305) 940-2134 OF DOCUMENT MUNDER-DATE

** 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

APPLICATION

			74.7 210, 111011	
1.	Thi	is i	s an application for √ (check one):	
	(X)	0	riginal 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: <u>Example</u> , a certificated company purchases an existing company and desires to retain the certificat of authority of that company.	е
	()	Approval of transfer of control: Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.	
2.	Na	me	of company: <u>Payless Telephone Company, LLC.</u>	
3.	Na	me	e under which the applicant will do business (fictitious name, etc.):	
	Pa	yle	ss Telephone Company	
4.			al mailing address (including street name & number, post office box, cit zip code):	t y
	Su	ite	N.E. Miami Gardens Drive 200 Skylake State Bank Building Miami Beach, Florida 33179	h

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

1550 N.E. Miami Gardens Drive Suite 200 Skylake State Bank Building North Miami Beach, Florida 33179

6. Structure of organization:

() Individual	(X) Corporation
() Foreign Corporation	() Foreign Partnership
() General Partnership	() Limited Partnership
() Other	,

7. If individual, provide:

Not Applicable

- 8. <u>If incorporated in Florida</u>, provide proof of authority to operate in Florida:
 - (a) The Florida Secretary of State corporate registration number:

L04000022448



- 9. <u>If foreign corporation</u>, provide proof of authority to operate in Florida:
 - (a) The Florida Secretary of State corporate registration number:

Not Applicable, Applicant is a Florida Corporation.

- 10. <u>If using fictitious name-d/b/a</u>, 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:

Not Applicable

- 11. <u>If a limited liability partnership</u>, provide proof of registration to operate in Florida:
 - (a) The Florida Secretary of State registration number:

L04000022448.

12. <u>If a partnership</u>, provide name, title and address of all partners and a copy of the partnership agreement.

Not Applicable

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

(a) The Florida registration number: Not Applicable

14. Provide F.E.I. Number(if applicable): 56-2446251

- 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. <u>Provide</u> explanation.

No officers, directors or any of the ten largest stockholders of Payless Telephone Company, LLC. have been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of 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.

No officers, directors or any of the ten largest stockholders of Payless Telephone Company, LLC. have been affiliated with any other Florida certified phone company.

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

(a) The application:

Name: <u>Jorge Mena</u> Title: <u>Managing Partner</u>

Address: 1550 N.E. Miami Gardens Drive

Suite 200 Skylake State Bank Building City/State/Zip: North Miami Beach, Florida 33179

Telephone No.: 305-770-0375 Fax No.: 305-940-2134 Internet E-Mail Address: mena6759@bellsouth.net

Internet Website Address: www.paylesstelecom.net

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

Name: <u>Jorge Mena</u> Title: <u>Managing Partner</u>

Address: 1550 N.E. Miami Gardens Drive

Suite 200 Skylake State Bank Building City/State/Zip: North Miami Beach, Florida 33179

Telephone No.: <u>305-770-0375</u> Fax No.: <u>305-940-2134</u>

Internet E-Mail Address: mena6759@bellsouth.net

Internet Website Address: www.paylesstelecom.net

(c) Complaints/Inquiries from customers:

Name: <u>Jorge Mena</u> Title: <u>Managing Partner</u>

Address: 1550 N.E. Miami Gardens Drive

Suite 200 Skylake State Bank Building City/State/Zip: North Miami Beach, Florida 33179

Telephone No.: 305-770-0375 Fax No.: 305-940-2134 Internet E-Mail Address: mena6759@bellsouth.net

Internet Website Address: www.paylesstelecom.net

17. List the states in which the applicant:

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

Payless Telephone Company, LLC. has never operated in any State as a Local Exchange Company.

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

Payless Telephone Company, LLC. has no other applications pending as an Alternative Local Exchange Company.

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



Payless Telephone Company, LLC. is not certified in any State as a Local Exchange Company.

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

Payless Telephone Company, LLC. has not been denied authority to operate in any other state as an Alternative Local Exchange Company.

- has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.
 - Payless Telephone Company, LLC. has not had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.
- (f) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

Payless Telephone Company, LLC. has not been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.



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.

<u>UTILITY OFFICIAL:</u>	1-0 11
Jorge Mena	1/4.
Print Name	Signature
Managing Partner	04 13 2004
Title	Date /
305-770-0375	305-940-2134
Telephone No.	Fax No.

Address: 1550 N.E. Miami Gardens Drive, Suite 200 Skylake State Bank Building North Miami Beach, Florida 33179

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:	An M	
Jorge Mena	11/2	\wedge
Print Name	Signature	
Managing Partner	04/13/2004	A CANADA CONTRACTOR
Title	Date	3
305-770-0375	305-940-2134	
Telephone No.	Fax No.	

Address: 1550 N.E. Miami Gardens Drive, Suite 200 Skylake State Bank Building North Miami Beach, Florida 33179

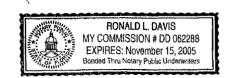
STATE OF FLORIDA	SS
COUNTY OF MIAMI-DADE'	

SWORN TO AND SUBSCRIBED BEFORE ME this /3 day of APRIL, 2004 at North Miami Beach, Miami-Dade County, Florida.

MOTARY PUBLIC, STATE OF FLORIDA

MY COMMISSION EXPIRES:

BEFORE THE PUBLIC SERVICE COMMISSION



OF THE STATE OF FLORIDA

In the Matter of the Application)
of Payless Telephone Company, LLC.)
for Original Authority to Provide) Docket No.
Alternative Local Exchange)
Services Within the State of Florida)

LIST OF EXHIBITS

EXHIBIT A	ARTICLES OF Organization
EXHIBIT B	PRICE LIST
EXHIBIT C	FINANCIAL INFORMATION (Filed Under Seal)
EXHIBIT D	MANAGEMENT EXPERIENCE



EXHIBIT A

ARTICLES OF INCORPORATION CERTIFICATE OF FOREIGN AUTHORITY

(Attached)



FLORIDA DEPARTMENT OF STATE Glenda E. Hood Secretary of State

March 24, 2004

RONALD L. DAVIS, P.A. 1550 N.E. MIAMI GARDENS DRIVE SUITE 407, SKYLAKE STATE BANK BLDG. NORTH MIAMI BEACH, FL 33179

The Articles of Organization for PAYLESS TELEPHONE COMPANY LLC were filed on March 15, 2004, and assigned document number L04000022448. Please refer to this number whenever corresponding with this office.

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 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 may 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 liability company address changes, it is the responsibility of the limited liability to notify this office.

Should you have any questions regarding this matter, please telephone (850) 245-6051, the Registration Section.

Letter Number: 504A00019507

Agnes Lunt
Document Specialist
Division of Corporations

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

Apr 08 04 12:47p REGUS MIRAMAR 954 874 1699 p.1

EXHIBIT B

PRICE LIST (Attached)

FLORIDA TELECOMMUNICATIONS PRICE LIST LOCAL EXCHANGE TELECOMMUNICATIONS SERVICE

This Price List contains the rates applicable to the furnishing of local exchange telecommunications services provided by Payless Telephone Company, LLC. ("Payless Telephone") within the State of Florida. This Price List is on file with the Florida Public Service Commission ("Commission"). Copies may be inspected during normal business hours at the Company's principal place of business: 1550 N.E. Miami Gardens Drive, Suite 200, Skylake State Bank Building, N. Miami Beach, Florida 33179.

Issued: April 26, 2004

Issued By:

Effective Date:

CHECK SHEET

The Title Sheet and Sheets 1 through 53 inclusive of this Price List are effective as of the date shown at the bottom of the respective sheet(s). Revised sheets as named below contain all changes from the original filing that are in effect on the date listed.

SHEET	REVISION	SHEET	REVISION
1	Original	27	Original
2	Original	28	Original
3	Original	29	Original
4	Original	30	Original
5	Original	31	Original
6	Original	32	Original
7	Original	33	Original
8	Original	34	Original
9	Original	35	Original
10	Original	36	Original
11	Original	37	Original
12	Original	38	Original
13	Original		
14	Original		
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21	Original		
22	Original		
23	Original		
24	Original		
25	Original		
26	Original		

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EXPLANATION OF SYMBOLS

- (D) To signify a deletion
- (I) To signify a rate increase
- (M) To signify material moved in the Price List
- (N) To signify a new rate or regulation
- (R) To signify a rate reduction
- (T) To signify a change in text but no change in rate or regulation

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PRICE LIST FORMAT

- A. **Sheet Numbering** Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, occasionally, when a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers Revision numbers also appear in the upper right corner of each sheet. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the 3rd Revised Sheet 14. Because of various suspension periods, deferrals, etc. the Commission follows in their Price List approval process, the most current sheet number on file with the Commission is not always the sheet in effect. Consult the Check Sheet for the sheet currently in effect.
- C. **Paragraph Numbering Sequence** There are nine levels of paragraph coding. Each level of code is subservient to its next higher level:
 - 2. 2.1. 2.1.1. 2.1.1.A. 2.1.1.A.1. 2.1.1.A.1.(a). 2.1.1.A.1.(a).I. 2.1.1.A.1.(a).I.

2.1.1.A.1.(a).I.(i).(1).

D. Check Sheets - When a Price List filing is made with the Commission, an updated Check Sheet accompanies the Price List filing. The Check Sheet lists the sheets contained in the Price List with a cross reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by and asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc., remains the same, just revised revision levels on some sheets). The Price List user should refer to the latest Check Sheet to find if a particular sheet is the most current on file with the Commission.

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APPLICATION OF PRICE LIST

This Price List governs Company local exchange services originating and terminating at points within the State of Florida for BellSouth exchanges, Verizon exchanges and Sprint/Centel/United exchanges.

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SECTION 1 – TECHNICAL TERMS AND ABBREVIATIONS

Add:

The addition of a vertical service to existing equipment and/or service at one location.

ADSL

Asymmetrical Digital Subscriber Lie (ADSL) is an access data technology service which allows for the transmission of high speed connections services over existing copper facilities.

Authorized User:

A person, firm, corporation, or other entity that either is authorized by the Customer to use local exchange service or is placed in a position by the Customer, either through acts or omissions, to use local exchange service.

Business Service:

A service which conforms to one or more of the following criteria:

- A. used primarily for commercial, professional, or institutional activity; or
- B. the service is situated in a commercial, professional or institutional location, or other location serving primarily or substantially as a site of an activity for pay; or
- C. the service number is listed as the principal or only number for a business in any telecommunications directory; or
- D. the service is used to conduct promotions, solicitations, or market research for which compensation or reimbursement is paid or provided.

Call Forwarding:

A local exchange feature which permits the station user to have his incoming calls transferred automatically to any other access line.

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Call Forwarding - Busy Line:

An optional feature which automatically routes incoming calls to a preset number when called station is busy.

Call Waiting:

An enhancement to basic service that enables the called party to be notified and have the option to pickup a call from a second party while engaged in conversation with the first calling party.

Calling Area:

An area within underlying ILEC service areas which are considered "Local" to the originating calling party's exchange.

Called Station:

The terminating point of a call (i.e., the called number).

Caller ID:

An optional service which, when combined with appropriate end-user equipment, delivers the calling party telephone number to the called party during the ring cycle and during conversation for that call.

Carrier or Common Carrier:

Any individual, partnership, association, corporation or other entity engaged in intrastate communications for hire by wire or radio between two or more exchanges.

Channel Terminal

The term "Channel Terminal" denotes that portion of a service required to terminate within a central office, the interoffice or interexchange transmission system.

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Channel

A communications path between two or more points of termination.

Commission:

Florida Public Service Commission

Change:

Includes the rearrangement or reclassification of existing service at the same location.

Company:

Azul Tel, Inc. ("Azultel")

Credit Card:

A valid bank or financial organization card, representing and account to which the costs of products and services purchased by the card holder may be charged for future payment. Such cards include those issued by VISA or MasterCard.

Customer:

The person, firm, corporation or other entity which orders or uses service and is responsible for payment of charges and compliance with Price List regulation.

Disconnect or Disconnection:

The termination of a circuit connection between the originating station and the called station or the Company's operator.

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Exchange

A central office or group of central offices, together with the Customer's stations and lines connected thereto, forming a local system which furnishes means of telephonic intercommunication without toll charges between subscribers within a specified area, usually a single city, town or village. When an exchange includes only one central office, it is termed a single office exchange, but when it includes more than one central office, the exchange is termed a multi-office exchange.

Exchange Service Area

The territory, including the base rate, suburban and rural areas served by an exchange, within which local telephone service is furnished at the exchange rates applicable within that area.

Exchange Service

The general telephone service rendered in accordance with Price List provisions. Exchange service is a general term describing as a whole the facilities provided for local intercommunication, together with the right to originate and receive a specified or an unlimited number of local messages at charges in accordance with the provisions of this Price List.

- Α. Flat Rate Service: A classification of exchange service for which a stipulated charge is made, regardless of the amount of use.
- Individual Residence Line B.

Individual Line Service: A classification of exchange service which provides that only one Exchange Access Line shall be served by the line connecting such Access Line with the central office or other switching unit.

Frame Relay

Frame Relay is a service which provides for the transfer of variable length frames across a wide geographic area through statistical multiplexing of data.

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Holidays:

Holidays include New Year's Day (January 1), Independence Day (July 4), Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November) and Christmas Day (December 25).

ISDN

Integrated Services Digital Network is a set of transmission protocols that provides end-to-end digital connectivity ad integration of voice, data and video, on a single subscriber loop.

LATA:

A Local Access and Transport Area ("LATA") is a geographic area established for the provision and administration of communications service. A LATA encompasses designated exchanges, which are grouped to serve common social, economic and other purposes.

Local Exchange:

A geographic area within which the local telephone company provides telephone services and/or facilities that are not subject to a toll charge.

Local Exchange Carrier:

A Company which furnishes local exchange telecommunications service.

Move:

The disconnection of existing equipment at one location and reconnection of the same equipment at a new location in the same building or in a different building.

Premises:

A building or buildings on contiguous property, not separated by a public highway or right-of-way.

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Service Line:

A two-way residential individual line, or an extension of a residential line which is required for testing of certain services provided by the Company and which is billed at the rates within this Price List.

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SECTION 2 – RULES AND REGULATIONS

2.1. UNDERTAKING OF COMPANY

- 2.1.1. Company's services are furnished for residential telecommunications service for local calling within the State of Florida. As a reseller, the quality of service provided to the companies end-users will be equal to that received from the company's underlying carrier(s).
- 2.1.2. Company is a facilities-based provider of telecommunications to Customers for their direct transmission and reception of voice or data residential communications.
- 2.1.3. Company provides access, switching, transport and termination services provided by other underlying telecommunications local carriers.
- 2.1.4. The Company's services are provided on a monthly basis unless otherwise provided, and are available twenty-four (24) hours per day, seven (7) days per week.
- 2.1.5. The Company reserves the right to refuse further service due to late or non payment by the Customer. As a reseller the quality of service provided as a reseller to the company's end-users will be equal to that received from the company's underlying carrier.

2.2. LIMITATIONS

- 2.2.1. Service is offered subject to availability of the necessary facilities and/or service and subject to the provisions of this Price List.
- 2.2.2. The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.3. The Customer obtains no property right or interest in the use of any specific type of facility, service, equipment, telephone number, process or code. All rights, titles and interests remain, at all times, solely with the Company.

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2.2. LIMITATIONS, Continued

- 2.2.4. Prior written permission from the Company is required before any assignment or transfer of service from one subscriber to another. All regulations and conditions contained in this Price List shall apply to all such permitted assignees or transferees, as well as all conditions of service. Transfers are not acceptable unless written permission from the Company is received by the transferring and the receiving transferee parties.
- 2.2.5. The Company may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether the terms and conditions of this Price List are being complied with in the installation, operation or maintenance of the Customer's or the Company's facilities or equipment.

2.3. USE

- 2.3.1. Service may be used for the transmission of communications by the Customer for any lawful purpose for which it is technically suited.
- 2.3.2. Service may not be used for any unlawful purpose or for any purpose for which any payment or other compensation is received by the Customer, except when the Customer is a duly authorized and regulated common carrier. This provision does not prohibit an arrangement between the Customer, authorized user or joint user to share the cost of service.
- 2.3.3. The name(s) of the Customer(s) desiring to use the service must be set forth in the application for service.

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2.3. USE, Continued

- 2.3.4. The Company strictly prohibits use of the Company's services without payment or an avoidance of payment by the Customer by fraudulent means or devices including providing falsified calling card numbers or invalid calling card numbers to the Company, providing falsified or invalid credit card numbers to the Company or in any way misrepresenting the identity of the Customer.
- 2.3.5. Recording of telephone conversations of service provided by the Company under this Price List is prohibited except as authorized by applicable federal, state and local laws.
- 2.3.6. Service will not be used to call another person so frequently or at such times of day or in any other manner so as to annoy, abuse, threaten or harass the called party.
- 2.3.7. Service will not be used in any manner which interferes with other persons in the use of their service, prevents other persons from using their service or otherwise impairs the quality of service to other Customers.

2.4. LIABILITIES OF THE COMPANY

2.4.1. The liabilities of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission occurring in the course of furnishing service or other facilities and not caused by the negligence of the Customer, commences upon activation of service and in no event exceeds an amount equivalent to the proportionate charge to the Customer for the period of service during which such mistakes, omissions, interruptions, delays, errors, or defects in transmission occur. For the purpose of computing such amount a month is considered to have thirty (30) days. In no event will the Company be responsible for consequential damages for any losses suffered by a Customer or end user as the result of interrupted or unsatisfactory service.

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2.4. LIABILITIES OF THE COMPANY, Continued

- 2.4.2. Company shall be indemnified and held harmless by the Customer against:
 - A. Claims for libel, slander, infringement of copyright or unauthorized use of any trademark, trade name or service mark arising out of the material, data, information or other content transmitted over Company's facilities; and
 - B. Claims for patent infringement arising from combining or connecting Company's resold facilities with apparatus and systems of the Customer; and
 - C. All other claims arising out of any act or omission of the Customer in connection with any service provided by Company.
 - D. Use of subscriber provided information, use of subscriber call detail records from any source, or any information derived from these sources when used in the investigation or prosecution of potential fraud, potential illegal activities, or any law enforcement organization's investigation that might involve the subscriber in any way.
- 2.4.3. Company is not liable for any defacement of, or damage to, the equipment or premises of a Customer resulting from the furnishing of services when such defacement or damage is not the result of the Company's negligence.
- 2.4.4. Company shall not be liable for, and the Customer indemnifies and holds harmless from, any and all loss claims, demands, suits, or other action or liability whatsoever, whether suffered, instituted or asserted by the Customer or by any other party of person, for any personal injury to, death of any person or persons, and for any loss, damage, defacement or destruction of the premises of the Customer or any other property, whether owned by the Customer or by others, caused or claimed to have be caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of equipment or wiring provided by Company's underlying carrier where such installation, operation, failure to operate, maintenance, condition, location or use is not the direct result of Company's negligence.

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2.4. LIABILITIES OF THE COMPANY, Continued

- 2.4.5. No agents or employees of connecting, concurring or other participating carriers or companies shall be deemed agents or employees of the Company without written authorization.
- 2.4.6. The Company is not liable for any failure of performance hereunder due to causes beyond its control, including, but not limited to, unavoidable interruption in the working of its circuits or those of another common carrier; acts of nature: storms, fire, flood, or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or any other governmental entity having jurisdiction over the company or of any department, agency, commission, bureau, corporation, or other instrumentality or any one or more of such instrumentality or any one of more of such governmental entities, or of any civil or military authority; national emergencies, insurrections, riots, rebellions, wars, strikes, lockouts, work stoppages or other labor difficulties; or notwithstanding anything in this Price List to the contrary, the unlawful acts of the Company's agents and employees, if committed beyond the scope of their employment.
- 2.4.7. The Company shall not be liable for damages or adjustments, refunds or cancellation of charges unless the Customer has notified the Company, in writing, of any dispute concerning charges, or the basis of any claim for damages, within 20 days of when invoice is rendered by the company for the call giving rise to such dispute or claim, unless ordered by the Commission pursuant to Florida law. Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claim or demands.
- 2.4.8. The Company shall not be liable for any damages, including usage charges, that the Customer may incur as a result of the unauthorized use of its communications equipment. The unauthorized use of the Customer's communications equipment includes, but is not limited to, the placement of calls from the Customer's premises and the placement of calls through Customer-controlled or Customer-provisioned equipment that are transmitted or carried over the Company's network services without the authorization of the Customer. The Customer shall be fully liable for all such charges.

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Issued By:

Effective Date:

2.4. LIABILITIES OF THE COMPANY, Continued

2.4.9. The Company shall not be liable for the Customer's failure to fulfill its obligations to take all necessary steps, including obtaining, installing and maintaining all necessary equipment, materials and supplies for interconnecting the terminal equipment or communications system of the Customer, or any third party acting as the Customer's agent, to the Company's underlying carriers' networks.

2.4.10. With respect to Emergency Number 911 Service:

- A. This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer, or by any other party or person, for any personal injury to, or death of, any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by:

 (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of this service; or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
- B. Neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of Emergency 911 Service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing Emergency 911 Service, and which arises out of the negligence or other wrongful act of the Company, the Customer, its users, agencies or municipalities, or the employees or agents of any one of them.

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2.4. LIABILITIES OF THE COMPANY, Continued

- 2.4.11. In the absence of gross negligence or willful misconduct, no liability for damages arising from errors, mistakes in or omissions of directory listings, or errors, mistakes or omissions of listings obtainable from the directory assistance operator, including errors in the reporting thereof, will attach to the Company.
- 2.4.12. The Company's liability arising from errors or omissions in directory listings will be limited to \$1.00.
- 2.4.13. As part of providing any private listing or semi-private listing services, the Company will not be liable for failure or refusal to complete any call to such telephone when the call is not placed by dialing a number which includes the number of the party called. The Company will try to prevent the disclosure of unpublished listings, but will not be liable in any manner should such a number be divulged.
- 2.4.14. When a Customer with a non-published telephone number places a call to the Emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for the Emergency 911 Service, upon request of such governmental authority. By subscribing to service under this Price List, the Customer agrees to the release of such information under the above provision.
- 2.4.15. The Company will use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of, and compliance by the Customer with, the regulations contained in this Price List. The Company does not guarantee availability by any such date and will not be liable for any delays in commencing service to any Customer. The minimum time frame for Customer installation will be three days from the time of order. The maximum time frame for customer repair will be 3 days from time of customer complaint or interruption in service.

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2.5. EQUIPMENT AND FACILITIES

- 2.5.1. The Company will not be responsible for the installation, operation or maintenance of any Customer-provided communications equipment. Where Customer-provisioned equipment is connected to the facilities furnished under this Price List, the responsibility of the Company will be limited to the furnishing of facilities offered pursuant to this Price List. Beyond this responsibility, the Company will not be responsible for:
 - A. the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 - B. the reception of signals by Customer-provided equipment; or
 - C. network control signaling when performed by Customer-provided network control signaling equipment.
- 2.5.2. At the request of the Customer, installation or maintenance may be performed outside of the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material or other costs incurred by or charged by the Company will apply. If installation or maintenance is started during regular business hours, but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays and/or night hours, additional charges may apply.

2.6. CUSTOMER RESPONSIBILITIES

- 2.6.1. The Customer is responsible for the payment of all charges for services furnished to the Customer and for all additional charges for calls the Customer elects to continue making.
- 2.6.2. The Customer is responsible for compliance with applicable regulations set forth in this Price List.

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2.6. CUSTOMER RESPONSIBILITIES, Continued

- 2.10.6. The Customer is responsible for establishing its identity as often as necessary during the course of the call or when seeking credits from the Company.
- 2.10.6. The Customer shall be responsible for reimbursing the Company for damage to, or loss of, the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer's premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company. The Company will, upon reimbursement for damages, cooperate with the Customer in prosecuting a claim against the person causing such damage and the Customer shall be subrogated to the Company's right of recovery of damages to the extent of such payment.
- 2.10.6. This Customer is responsible for not creating or allowing to be placed or maintained any liens or other encumbrances on the Company's underlying carriers' facilities.

2.7. INTERRUPTION OF SERVICE

- 2.7.1. Credit allowance for interruptions of service which are not due to Company's testing or adjusting, to the negligence or willful act of the Customer, or to the failure of channels, equipment and/or communications equipment provided by the Customer, are subject to the general liability provisions set forth in Section 2.4., herein. It shall be the obligation of the Customer to notify Company of any interruptions of service. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission of the Customer, not within the Customer's control.
- 2.10.6. For purposes of credit computation for service, every month shall be considered to have 720 hours. No credit shall be allowed for an interruption of a continuous duration of less than two (2) hours

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2.7. INTERRUPTION OF SERVICE, continued

2.7.3. The subscriber shall be credited for an interruption of two (2) hours or more at the rate of 1/720th of the monthly charge for the services affected for each hour or major fraction thereof that the interruption continues.

Credit formula: Credit - (A/720) X B

A - outage time in hours

B - total monthly charge for affected utility

- 2.10.6. No credit will be made for:
 - b) Interruptions due to the negligence of, or noncompliance with the provisions of this Price List by, the Customer;
 - c) Interruptions due to the negligence of any person using the Company's services with the Customer's permission;
 - d) Interruptions due to the failure or malfunction of non-Company equipment.

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2.8. RESTORATION OF SERVICE

- 2.8.1. The use and restoration of service in emergencies shall be in accordance with part 64, Subpart D of the Federal Communications Commission's Rules and Regulations on file with the Commission, which specifies the priority system for such activities.
- 2.8.2. When a Customer's service has been disconnected in accordance with this Price List and the service has been terminated through the completion of a Company service order, service will be restored only upon the basis of application or the Company's re-connect form for new service.

2.9. MINIMUM SERVICE PERIOD

The minimum service period is one month (30 days).

2.10. PAYMENTS AND BILLING

- 2.10.6 Known charges for subscription service will be billed in advance for the ensuing monthly subscription period. Ancillary services such as Directory Assistance and Operator Services will be bill in arrears in the month following the month in which the charges were incurred. The Company reserves the right to impose an additional Advance Payment amount equal to the highest amount of incurred ancillary charges, which shall be added to the Escrow account established by the Company as referenced in Section 2.12 of this Price List.
- 2.10.7 The Customer is responsible for payment of all charges for service furnished by the Company to the Customer or Authorized Users. Objections must be received by the Company within 20 days after statement of account is rendered, or the charges shall be deemed correct. Should the Customer pay the charges under protest, he may have an additional 30 days to dispute same in writing or the charges will become binding upon Customer. If an entity other than the Company imposes charges on the Company, in addition to its own internal costs, in connection with a service for which a Company Non-Recurring Charge is specified, those charges may be passed on to the Customer. Customer will not be required to pay disputed portion of bill during complaint resolution period.

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2.10. PAYMENTS AND BILLING, Continued

- 2.10.6 Taxes: The Customer is responsible for the payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income imposed on or based upon the provision of Local Exchange Service, all of which shall be separately designated on the Company's invoices. Any taxes imposed by a local jurisdiction (e.g. County and municipal taxes) will only be recovered from those Customers residing in the affected jurisdictions. It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.
- 2.10.6 Reserved for Future Use.
- 2.10.6 Billing disputes should be addressed to Company's customer service organization by mail at: P.O. Box 1319 Greenwood, MS 38935 or via telephone. Customer service representatives are available from 9:00 a.m. to 5:59 p.m. Central Standard Time. Messages may be left for the Customer Service Department from 6:00 p.m. to 8:59 a.m. Central Standard Time, which will be answered on the next business day, unless in the event of an emergency, which threatens Customer service, in which case customer service personnel may be paged.
- 2.10.6 In the case of a dispute between the Customer and the Company for service furnished to the Customer, which cannot be settled with mutual satisfaction, the Customer can take the following course of action:
 - A. First, the Customer may request, and the Company will perform, an in-depth review of the disputed amount. The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnection.

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2.10. PAYMENTS AND BILLING, Continued

B. Second, if there is still disagreement over the disputed amount after the investigation and review by a manager of the Company, the Customer may appeal to the Florida Public Service Commission's Division of Consumer Affairs for its investigation and decision.

Florida Public Service Commission Division of Consumer Affairs 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Toll free number: 800.342.3552

2.11. DISCONTINUANCE OF SERVICE

- 2.10.6. Reserved for Future Use.
- 2.10.7. Upon violation of any of the other material terms or conditions for furnishing service, the Company may, by giving 10 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- 2.10.8. Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.

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2.11. **DISCONTINUANCE OF SERVICE**, Continued

- 2.10.9. Upon any governmental prohibition, or required alteration of the services to be provided or any violation of any applicable law or regulation, the Company may immediately discontinue or suspend service without incurring any liability.
- 2.10.10. The Company may discontinue the furnishing of any and/or all service(s) to a Customer, without incurring any liability: immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services, including the follow:
 - A. Reserved for Future Use.
 - B. Reserved for Future Use.
 - C. The Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part, of the tariffed charges for the service by:
 - 2. Using or attempting to use service by rearranging, tampering with, or making connections to the Company's service not authorized by this Price List:
 - 3. Using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or
 - 4. Any other fraudulent means or devices;
 - D. The Customer uses service in such a manner as to interfere with the service of other users; or
 - E. The Customer uses service for unlawful purposes.

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Issued By:

Effective Date:

2.11 **DISCONTINUANCE OF SERVICE**, Continued

- 2.11.6. Upon five (5) working days prior written notice, upon written notice to a Customer who has failed to pay any sum within five (5) days of the date when payment was due; or
- 2.10.6. Ten (10) days after sending the Customer written notice of noncompliance with any provision of this Price List if the noncompliance is not corrected within that ten (10) day period.
- 2.10.6. The suspension or discontinuance of service(s) by the Company pursuant to this Section does not relieve the Customer of any obligation to pay the Company for charges due and owing for service(s) furnished during the time or up to suspension or discontinuance.
- 2.10.7. Upon the Company's discontinuance of service to the Customer, all applicable charges, including termination charges, shall become due and payable. This is in addition to all other remedies that may be available to the Company at law or in equity under any other provision of this Price List.

2.12. ADVANCE PAYMENTS AND DEPOSITS

To safeguard its interest, the Company may require a Customer to make Processing/Application Fee before services are furnished. This fee will not exceed an amount equal to the Non-Recurring Charge(s) and month's charges for the service.

Applicants shall not be required to pay a security deposit prior to receiving service.

An Escrow Account shall be maintained by the Company, with a bank of its selection, into which shall be placed monies which shall be available to reimburse any Customer who does not receive services for which Customer has paid in advance.

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Issued By:

Effective Date:

2.13. FULL FORCE AND EFFECT

Should any provision or portion of this Price List be held by a court or administrative agency of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions of this Price List will remain in full force and effect.

2.14. CREDIT LIMIT

The Company may, at any time and at its sole discretion, set a credit limit for any Customer's consumption of services for any monthly period.

2.15. UNCERTIFICATED RESALE PROHIBITED

Resale of any Price Listed service appearing herein by uncertificated resellers is strictly prohibited. Applicable services may be resold only by Companies authorized by the Florida Public Service Commission to provide intrastate telecommunications services, in accordance with the Commission's rules. The Company requires proof of certification in the form of a Telephone Certificate of Public Convenience and Necessity (or the equivalent thereof), or a copy thereof, prior to providing services for resale.

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Effective Date:

SECTION 3 - SERVICE DESCRIPTION

3.1. LOCAL EXCHANGE SERVICE

3.1.1 General

- A. Local Exchange Service provides a customer a single, analog, voice grade telephonic communications channel which can be used to place or receive one call at a time to and from, respectively, other stations on the public switched telephone network. Local exchange service also provides a customer with a unique telephone number address on the public switched telephone network and access to certain interstate and international services offered by Company. (a 'basic access line').
- B. A basic access line includes free access to Operator Services, Directory Assistance services, Telecommunications Relay Services and emergency services by dialing 0 or 911, with unlimited local calling at a flat rate.
- C. Local exchange service requires the classification by the customer of the basic access line as either of a business or residence basic access line. Residence access lines may include an allowance for calls for which there are no usage charges. One listing in the alphabetical directory is included for both residential and business access lines.

3.1.2. Service Description

A. Local Exchange Service will be offered throughout the State of Florida and will consist of, minimally a residential or business basic access line. Optional Services features will be available for order by the Customer, consisting of all or any of the following: Caller ID, Call Waiting, Call Forwarding and or Voice mail. 911 Service will be available at all times including disconnection of service.

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Section 3.2 CUSTOM CALLIING FEATURES

3.2.1 General

The Custom Calling features in this section are made available on an individual basis or as part of multiple feature packages. All features are provided subject to availability; features may not be available with all classes of service.

3.2.2 Description of Features

A. Three Way Conference

The Three Way Calling feature allows a customer to add a third party to an existing two-way call and form a three-way call. The call must have been originated from outside the station group and terminate to a station within the station group. The Call Hold feature allows a customer to put any in-progress call on hold by flashing the switchhook and dialing a code. This frees the line to allow the customer to make an outgoing call to another number. Only one call per line can be on hold at a time. The third party cannot be added to the original call.

B. Call Forwarding

Call Forwarding, when activated, redirects attempted terminating calls to another customer-specific line. The customer may have to activate and deactivate the forwarding function and specify the desired terminating telephone number during each activation procedure. Call originating ability is not affected by Call Forwarding.

The calling party is billed for the call to the called number. If the forwarded leg of the call is chargeable, the customer with the Call Forwarding is billed for the forwarded leg of the call.

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3.2 CUSTOM CALLIING FEATURES, Continued

3.2.3. Description of Features, Continued

C. Call Waiting/Cancel Call Waiting

Call Waiting provides a tone signal to indicate to a customer already engaged in a telephone call that a second caller is attempting to dial in. It will also permit the customer to place the first call on hold, answer the second call and then alternate between both callers. Cancel Call Waiting (CCW) allows a Call Waiting (CW) customer to disable CW for the duration of an outgoing telephone call. CCW is activated (i.e., CW is disabled) by dialing a special code prior to placing a call, and is automatically deactivated when the customer disconnects from the call.

D. Distinctive Ringing

This feature enables a user to determine the source of an incoming call from a distinctive ring. The user is provided with up to two additional telephone numbers.

E. Multiline Hunting

This feature is a line hunting arrangement that provides sequential search of available numbers within a multiline group. Circular and uniform hunting can also be selected.

Hunt group charges apply to sequential, circular and uniform hunting and queuing with announcement per queue slot.

F. Speed Calling

This feature allows a user to dial selected numbers using one or two digits. Up to eight numbers (single digit, or thirty numbers with two digits) can be selected.

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3.2 DIRECTORY ASSISTANCE

A Directory Assistance Charge applies for each telephone number, and area code, and/or general information requested from Directory Assistance operator. There is no charge for the first three calls per month to Directory Assistance. The Customer can request a maximum of two numbers per call to Directory Assistance. Charges set forth in Section 4.2 will apply for each additional request made to the Directory Assistance Operator.

Directory Assistance Local Call Completion

Directory Assistance Call Completion allows the Customer the option to have their local calls completed to a requested number by either the Directory Assistance operator or the Directory Assistance audio response system that provide the requested number. All completed calls will be charged the Directory Assistance Call Completion Charge, in addition to any other appropriate charges. See Section 4.2 for Rates.

3.3 DIRECTORY LISTINGS

One Listing, termed the initial listing, is included with each Customer's service. Additional listings are confined to the names of those who are entitled to the use of the Customer's service. Telephone numbers of non-published service are not listed in the Telephone Company's directories or on directory assisted records. Listing information (name, address and number) on non-published service is not available to the general public, notwithstanding any claim of emergency the calling party may present. Telephone numbers of non-directory listed service are omitted or deleted from the Company's alphabetical directory, however, they are carried in the Company's directory assistance and other records and are given to any calling party.

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3.4 LOCAL OPERATOR SERVICES

Operator Services provide for live or automated operator treatment of calls when a customer dials "0". Services include, but are not limited to Busy Line Verification, Operator Verification \ Interrupt Service and Operator Assisted Call Completion Services. Access to Operator Services is provided at no charge, however, a per-call service charge and a per minute usage rate will apply when the customer elects to utilize a chargeable Operator Service.

3.4.1 Busy Line Verification

Utilizing operator assistance, the caller is able to accomplish any of the following:

- B. verify that a called line is in use
- B. verify that a called line is in use, or if it is clear, have the operator place the call
- C. verify and interrupt a call that is in progress

3.4.2 Operator Verification \ Interrupt Service

Where facilities and operating conditions permit, Carrier's operators may verify busy line conditions and/or interrupt a conversation in progress at the calling party's request.

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3.4 LOCAL OPERATOR SERVICES, Continued

3.4.3 Operator Assisted Call Completion

Operator Assisted Call Completion provides the called with access to the operator for assistance in completing telephone calls. Local calls may be completed or billed with live or mechanical assistance. Calls may be billed collect to the called party, to an authorized third party number, to the originating line, or to a valid authorized calling card. The operator can assist the caller by placing the call either person-to-person, station-to-station or other designated basis. In addition to a per request charge, a per minute usage rate applies to each call completed. See Section 4.2.

A. Person-to-Person

Allows a Customer to place a call through a operator to one particular person.

B. Station-to-Station

Allows a Customer to place a call through an operator to any person.

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3.5 NON-ROUTINE INSTALLATION AND/OR MAINTENANCE

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours, or (in the Company's sole discretion and subject to any conditions it may impose) in hazardous locations. In such cases rates and charges will be applied on an 'Individual Case Basis' (ICB), where such rates and charges will be developed by the Company based on the circumstances (such as costs of labor, material, engineering and administration) in each case. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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Effective Date:

3.6 HEARING AND SPEECH IMPAIRED CUSTOMERS

3.6.1 Reserved for future use.

3.7 TELECOMMUNICATIONS RELAY SERVICE

The Relay Service provides specialized telecommunications equipment to qualified Florida Residents who have a certified hearing or speech impairment, pursuant to the Telecommunications Access System Act of 1991. For calls received from the relay service, the company will, when billing relay calls, discount relay service calls by fifty percent off of the otherwise applicable rate for a voice non-relay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted sixty percent off of the otherwise applicable rate for a voice non-relay call.

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SECTION 4 – RATES AND CHARGES

4.1 Local Exchange Service

Non-recurring Non-recurring

Charges

Charges

Package

Monthly

Line Install

*MACD

Basic

\$39.99

\$20.00

\$20.00

Call Waiting: \$ 6.00
Call Forwarding: \$ 5.00
Three Way (Conf.)Calling \$ 5.00
Unpublished Number \$ 5.00
Call Return \$ 5.00

** Super Saver Package:

\$20.00

Call Waiting: Call Forwarding: Three Way (Conf.)Calling Unpublished Number Call Return

Service as second line:

\$ 2.57

Caller ID:

\$10.00 (Box not included)

\$10.00 One time install

*MACD: Moves, adds, changes or deletes.

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EXHIBIT C

FINANCIAL INFORMATION

Payless Telephone Co., LLC Balance Sheet As of March 31, 2004

ASSETS	
Current Assets	
Checking/Savings	
Business Checking Acctg	15,000.00
Total Checking/Savings	15,000.00
Total Current Assets	15,000.00
Fixed Assets	
Furniture	12,412.28
Leasehold Improvements	2,168.30
Total Fixed Assets	14,580.58
Other Assets	
Start Up Costs	11,500.00
Website Development	10,611.00
Total Other Assets	22,111.00
TOTAL ASSETS	51,691.58
LIABILITIES & PARTNERS' CAPITAL	
Equity	

Partners' Capital

Net Income

TOTAL LIABILITIES & CAPITAL

Total Capital

50,000.00

50,000.00

50,000.00

0.00

PAYLESS TELEPHONE CO., LLC - PROJECTIONS

	FY2005	FY2005 FY2006	
Sales	\$2,785,989	\$15,238,544	\$35,453,365
Direct Cost of Sales	\$1,356,630	\$7,077,686	\$16,383,323
Total Cost of Sales	\$1,356,630	\$7,077,686	\$16,383,323
Gross Margin	\$1,429,359	\$8,160,858	\$19,070,042
Gross Margin %	51.31%	53.55%	53.79%
Operating expenses:			
Advertising/Promotion	\$171,000	\$305,000	\$465,000
Advertising / 30 Sec TV Spot Production	\$17,000	\$36,000	\$42,000
Advertising / Radio Spot Production	\$10,500	\$20,000	\$30,000
Travel	\$15,500	\$24,000	\$30,000
Miscellaneous	\$32,500	\$52,000	\$60,000
Total Sales and Marketing Expenses	\$246,500	\$437,000	\$627,000
Payroll Expense	\$363,837	\$699,072	\$808,445
Payroll Burden	\$54,576	\$104,861	\$121,267
Leased Equipment (USA)	\$10,000	\$30,000	\$50,000
Utilities - USA	\$2,400	\$3,600	\$4,200
Insurance for Business	\$1,950	\$4,000	\$5,000
Rent USA	\$18,000	\$30,000	\$42,000
Total General and Administrative Expenses	\$450,763	\$871,533	\$1,030,912
Internet T-1 USA	\$6,000	\$7,200	\$10,000
Phone Expense USA	\$5,000	\$7,200	\$9,000
Rent Overseas (Call Center)	\$6,000	\$10,000	\$15,000
Leased Equipment (Overseas)	\$16,300	\$40,000	\$60,000
Utilities - Overseas	\$4,200	\$7,000	\$8,000
Internet - Overseas	\$9,800	\$24,000	\$30,000
Bad Debt Fund 3% of sales	\$83,581	\$457,156	\$1,063,600
Contract/Consultants	\$12,000	\$24,000	\$36,000

Total Other Expenses	\$142,881	\$576,556	\$1,231,600
Total Operating Expenses	\$840,143	\$1,885,089	\$2,889,512
Profit Before Interest and Taxes	\$589,216	\$6,275,770	\$16,180,530
Taxes Incurred	\$172,628	\$915,216	\$2,359,661
Net Profit	\$416,588	\$5,360,553	\$13,820,870
Net Profit/Sales	14.95%	35.18%	38.98%

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VERIFICATION OF FINANCIAL STATEMENTS

STATE OF FLORIDA)
COUNTY OF) ss.
I, Jorge Mena, being first duly sworn and deposed, state that I am Managing Partner for
Payless Telephone Company, LLC., the Applicant in this matter, and am authorized to make this verification; that I have read the foregoing financial statements and know the contents
thereof; and as to those matters that are therein stated on information or belief, I believe
them to be true.
An. M
Payless Telephone Company, LLC.
Subscribed and sworn to before me this B day of April , 2004.
Male and
Notary Public in and for the State of Florida,
residing at:
suite 200 1550 N.E. Minni Granders Drive
N.M. B. Ela 33\$79
My commission expires

EXHIBIT D

MANAGEMENT EXPERIENCE (Attached)

JORGE MENA

20840 San Simeon Way Apt. 403

N Miami, FL 33179

Phone: (305) 770-0375 / (786) 395-2903

Email: mena6759@bellsouth.net

QUALIFICATIONS

Experience in the Telecom industry a little over ten years, vast experience in setting up a new CLEC and negotiating contracts, as well as being able to manage a start up company.

EMPLOYMENT

Managing Partner, Sunshine State Telephone Co. LLP

The responsibilities as an Initial Managing Partner include putting together Sunshine State Telephone Co., as well as selecting its partners. Negotiation of contracts and prices for our services. In charge of the administrative operations of the company.

President, INET Communications

INET Communications is a facilities based, next generation carrier; that serves seven different countries.

Vice President, West End Communications

In charge of deployment of overseas networks, and negotiating contracts with foreign public phone companies in Latin America.

Sales, Sparlnet.com

Handle prepaid calling card sales and public phones.

Residential Sales, Lucent Technologies

In charge of a Residential Sales Pilot Program and all kinds of Telecom equipment.

LEONARDO CORTES

17000 N Bay Road Tower 1 Apt 601 Sunny Isles, FL 33160 Phone: (786) 253-2905

Email: leo cortes@hotmail.com

QUALIFICATIONS

Acquired experience in Telecommunications nine years ago. Accumulated experience in both sales and management of the Telecommunication business.

EMPLOYMENT

Managing Partner, Sunshine State Telephone Co. LLP

The responsibilities as an Initial Managing Partner include putting together Sunshine State Telephone Co., as well as selecting its partners. Negotiation of contracts and prices for our services. In charge of the administrative operations of the company.

CEO, INET Communications

INET Communications is a facilities based, next generation carrier; that serves seven different countries.

Vice President, West End Communications

Facilities based carrier where I was responsible for \$200,000/day in sales

Sales, Sparlnet.com

Handled sales for their Telecom division.

Regional Director of Sales, LGI Telecommunications

Opened the Southeast Office for LGI Telecommunications and became their Regional Director of Sales.