

Broadstar Communications, LLC

040540-TX

1809 N. Black Horse Pike, Bldg B-3, Williamstown, NJ 08094

FL 727-394-7096 ~ Fax 727-399-0978

ORIGINAL

June 11, 2004

RECEIVED-FPSC
04 JUN 14 AM 10:17
COMMISSION
CLERK

Florida Public Service Commission
Division of Commission Clerk and Administrative Services
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Sir or Madame;

Enclosed for filing please find our Application for Authority to Provide Alternative Local Exchange Service within the state of Florida along with a check in the amount of \$250 for the filing fee. An original and three copies are included.

Also enclosed find enclosed four copies of our Florida Communications Price List.


If you have any questions, I can be reached at the above number or emailed at lavera@broadstar.com.

Sincerely,



LaVera Blanco
Director of Regulatory Affairs

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.

Initials of person who forwarded check


Original Price list
Encl. forwarded to CIP

04 JUN 14 AM 9:26

DISTRIBUTION CENTER

DOCUMENT NUMBER-DATE

06552 JUN 14 8

FPSC-COMMISSION CLERK

ORIGINAL

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:

Broadstar Communications, LLC

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

Same

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

1809 N Black Horse Pike, Ste B-3
Williamstown, NJ 08094

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

13400 Periwinkle Avenue
Seminole, FL 33776

6. Structure of organization:

- () Individual () Corporation
() Foreign Corporation () Foreign Partnership
() General Partnership () Limited Partnership
(x) Other ~~Limited Liability Company~~ - Foreign

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:

limited liability company

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

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

M03000000083

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.**

(a) The Florida registration number: _____

14. **Provide F.E.I. Number(if applicable):** 36-4449833

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.

N.A. None have been so adjudged.

(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.

Douglas Bell - Blonder Tongue Telephone, LLC Mng Mbr
Tyler Bell - Travelers Cable TV, Inc. CEO
Russell Bell - Travelers Telecom Corp(inactive) Pres

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

(a) The application:

Name: LaVera Blanco
Title: Regulatory Administrator
Address: 13400 Periwinkle Avenue
City/State/Zip: Seminole, FL 33776
Telephone No.: 727-394-9076 Fax No.: 727-399-0978
Internet E-Mail Address: lavera@broadstar.com
Internet Website Address: broadstar.com

Note: The Company will use a third-party billing company:

Profitec, Inc.
One Barnes Park South
Wallingford, CT 06492
1-800-360-1910

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

Name: Dana Straka
Title: Director of Provisioning
Address: 1809 N. Black Horse Pike, B-3
City/State/Zip: Williamstown, NJ 08094
Telephone No.: 856-286-5000 Fax No.: 856-629-1761

Internet E-Mail Address: dana@broadstar.com
Internet Website Address: broadstar.com

(c) Complaints/Inquiries from customers:

Name: Dana Straka
Title: Director of Provisioning
Address: 1809 N Black Horse Pike, B-3
City/State/Zip: Williamstown, NJ 08094
Telephone No.: 856-286-5000 Fax No.: 856-629-1761

Internet E-Mail Address: dana@broadstar.com
Internet Website Address: broadstar.com

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.

None

(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.

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.

18. A. Managerial Capability

Tyler Bell

Tyler is the CEO of Broadstar Communications. He began his career founding Global Satellite in 1983. As a result of Tyler's capable leadership, Global Satellite quickly grew to the largest residential satellite dealer in Florida. In 1985, the satellite industry underwent a dramatic transformation when signal scrambling became the norm and Tyler took full advantage of this by launching Travelers Cable. As his company continued to grow, Tyler saw another opportunity to provide services to the industry he was in and formed Travelers Utility Supply in 1991. This new entity sold the utility products necessary to wire the various campgrounds. By 1995 Tyler's companies had grown to become the largest provider of cable television to the RV and resort communities and won national awards for service excellence.

The Telecommunications Act of 1996 enabled companies to provide an alternative to the local monopolies currently in existence and Tyler immediately entered this market with the formation of Travelers Telecom. He realized that utilizing existing relationships with cable customers was an excellent way to transition into providing bundled services.

Tyler's vision for providing broadband services has continued into the formation of Broadstar Communications in 2001, which now provides cable, telephone, and internet services to Multi Dwelling Units. Most recently Tyler initiated a partnership with Blonder Tongue Laboratories, Inc. to financially better position the company. Together, the joint venture partners are now exploiting the vast opportunities that are prevalent in the MDU market. Through this relationship, Tyler has been able to increase his overall telephony knowledge by working directly with the equipment manufacturers in the maintenance and installation of the latest technological products on the market. His vision to bundle communications targeted directly at the MDU market has enabled the company to gain customers and enter into many long-term agreements with various property owners and associations. Although this concept has been discussed for many years, there are very few providers outside of Broadstar Communications who are actually performing all the functions at a single location. We are looking to continue to expand our capabilities in the ever-growing Florida market!

Greg Fath

Greg has held a number of positions in his 15 year telecom career while working at Verizon Communications and ATX Telecommunications. After graduating from Seton Hall University in 1987 as a Summa Cum Laude with a degree in Finance, he joined Verizon (New Jersey Bell at that time) as an assistant manager in the company's executive development program. Greg performed many functions ranging from project management to team building within various operational departments. After spending four years in Human Resources and completing his MBA, his career focused on Network Operations and Customer Operations where he was responsible for field organizations (directing the efforts of over 150 employees located at 26 separate garage locations) and customer service departments (managing 1.3 million access lines for residential and business customers). In 1999, Greg was recruited by ATX to build their local services group, including the company's entry into UNE (unbundled network elements) services. Within a year, he was named the company's Director of Customer Operations, at which time he was responsible for Field Services, Customer Service, and Provisioning of the company's entire customer base, while closely managing a \$7 million budget. In 2002, Greg joined Broadstar as their CFO and is currently overseeing all operational and Human Resources functions.

18. A. Managerial Capability (Cont'd)

Dana Straka

Dana currently serves as the Director of Provisioning at Broadstar Communications, LLC. She received a degree in Business from South Hills Business School in State College, PA in August of 1997. Immediately after, she moved to Philadelphia and was hired by ATX Telecommunications to begin the development and implementation of resale services and managed the process of migrating in excess of 200 business customers to the ATX platform per month. Once the resale process was well under way, ATX made a business decision to move into the dedicated local market and chose Dana to begin the development and implementation of ATX's Dedicated Local Service. Dana was tasked with building a team while developing stringent quality controls and associated methods and procedures. Her team was acknowledged for exceeding 30,000 lines on switch within a 12-month period and 80,000 lines on switch within a 24-month period. Dana surpassed the initial goals and expected revenues throughout her career at ATX, and was recognized as one of the company's top operational performers receiving several awards including, Qwest for Quality, Highest Quality of Service and Employee of the Year. Having been promoted multiple times, she was recruited by Broadstar to lead their provisioning team and is responsible for launching new telephony services at the company's multitude of current and prospective properties.

18. B. Technical Capability

Douglas Bell

Douglas is Managing Member and Director of Engineering and Design. Douglas has an extensive background in Construction and Architectural Design, skills that translate well to the company's business of installing communications infrastructure in a wide variety of buildings and settings. He has managed construction projects ranging from custom homes to a \$200 Million Water Treatment Facility. Douglas provides valuable expertise in designing, installing, and maintaining the company's extensive physical cable plant. Over the past three years, Douglas has played an integral part in the establishing of the company's entry into telephony services. He has gained invaluable experience working hand in hand with equipment manufacturers and various CLECs to parlay his engineering experiences with the technical infrastructures used in the phone industry. He has assisted in the installation and maintenance of the projects currently deployed. Douglas has also worked extensively with Blonder Tongue Laboratories in the selection process utilized to evaluate and install these aforementioned systems as well.

Russell Bell

Russell is Director of Field Operations. Since Global Satellite's inception, Russell has been primarily responsible for installations and maintenance of equipment in the field for the associated companies. Russell has an extensive working knowledge of system design, C-Band, Ku-Band, DBS, Microwave, and Fiber. His 20 years of experience managing field and service crews for the companies has given him a thorough understanding of service process and management techniques. Russell's teams currently service and maintain over 75 separate cable TV systems from Maine to Florida. Over the past few years, Russell has played an integral role in the selection and installation of our telephony offering. His "hands on" approach enabled him to quickly grasp many of the technical concepts required to install and maintain telephone systems. He has expanded his knowledge base with related courses and then applied this information in the field. His individualized training with his work crews has also ensured that our field forces have the knowledge required to install and maintain the aforementioned systems.

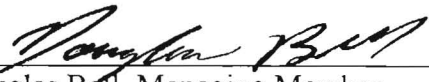
18. B. Technical Capability (Cont'd)

Kenneth Thomas

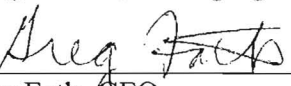
Kenneth serves as the company's Informational Technology Manager. He has broad operational skills in all manner of telecommunication technology. Eight years ago he brought to Blonder Tongue's affiliate companies an innate talent to understand cable and telephone equipment. He has since increased his proficiency to include effectiveness with computers, head-end design and set-up, satellite system, electronics installation and repair (both audio and video), network management, telephony and T1 router configurations. Kenneth is responsible for the networking of many of our largest customers' systems. In addition, he built the infrastructure that is currently utilized by our company.

19. C. Financial Capability

Broadstar Communications LLC does not have audited financial statements. The attached statements are true and correct and include Balance Sheets, Income Statements and Statement of Members Equity for the years 2003, 2002 and 2001 (reviewed).



Douglas Bell, Managing Member



Greg Fath, CFO

Broadstar Communications, LLC has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

Broadstar Communications, LLC has sufficient financial capability to maintain the requested service.

Broadstar Communications, LLC has sufficient financial capability to meet its ownership obligations. It currently has one lease obligation with Financial Pacific Leasing, P.O. Box 458, Federal Way, WA 98063. The monthly payment is \$839.17 and the company has 4 years remaining on its obligation.

Broadstar Communications LLC

Balance Sheet

As of December 31, 2003

	<u>Dec 31, '03</u>
ASSETS	
Current Assets	
Checking/Savings	
Columbia Bank	3,359.64
First Union	815.17
Total Checking/Savings	<u>4,174.81</u>
Accounts Receivable	
Accounts Receivable	143,801.97
Total Accounts Receivable	<u>143,801.97</u>
Other Current Assets	
Employee Advances	335.50
Inventory Asset	38,179.15
Petty Cash	428.28
Prepaid Commission	5,000.00
Total Other Current Assets	<u>43,942.93</u>
Total Current Assets	191,919.71
Fixed Assets	
Accumulated Depreciation	-79,809.00
Computers	5,903.18
Misc Equipment	21,831.89
Systems	1,186,233.25
Vehicles	44,748.54
Total Fixed Assets	<u>1,178,907.86</u>
TOTAL ASSETS	<u><u>1,370,827.57</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	93,084.49
Total Accounts Payable	93,084.49
Other Current Liabilities	
Deposits	
Modems	300.00
Telephone	1,200.00
Total Deposits	<u>1,500.00</u>
Ford Credit Corp - Auto	5,829.35
North Fork Bank - Auto	9,324.36
North Fork II - Auto	6,223.44
Sales Tax Payable	2,103.47
Total Other Current Liabilities	<u>24,980.62</u>
Total Current Liabilities	118,065.11

Broadstar Communications LLC


Balance Sheet

As of December 31, 2003

	<u>Dec 31, '03</u>
Long Term Liabilities	
Financial Pacific Ls'g (Autm)	24,999.13
Priority Leasing	<u>11,325.86</u>
Total Long Term Liabilities	<u>36,324.99</u>
Total Liabilities	154,390.10
Equity	
Add'L Paid in Capital	968,185.36
Dist 2003	-6,134.52
Retained Earnings	36,869.62
Net Income	<u>217,517.01</u>
	<u>1,216,437.47</u>
	<u><u>1,370,827.57</u></u>
Total Equity	
TOTAL LIABILITIES & EQUITY	

I hereby affirm that this statement is true and correct.


Douglas Bell, Managing Member


Greg Fath, CFO

Broadstar Communications, LLC

Income Statement

January to December, 2003

	<u>Jan - Dec '03</u>
Ordinary Income/Expense	
Income	
Services and Product	
Phone - Bay Parc	104,369.10
Product	295,677.52
Services	183,198.82
Total Services and Product	<u>583,245.44</u>
Cable	
Autumn Ridge	1,255.50
Green Hill	21,363.70
Waterford Glen	7,772.36
Sutton Terrace	26,496.79
Sterling Parc	58,130.09
River Bend	76,740.28
Pleasant Valley	11,524.75
Philadelphian	27,649.51
Mill Bridge Village	2,035.00
Forest Lake	92,157.71
Elkins Parc	21,863.70
Clayton Parc	34,652.43
Beaver Hill	34,822.04
Total Cable	<u>416,463.86</u>
Phone Fees	0.00
Vendor Commission	11,753.29
Total Income	<u>1,011,462.59</u>
Cost of Goods Sold	
Freight	5,991.21
Equipment and Materials	9,060.30
Permits	300.00
Line Cost	142,845.30
Programming	232,576.65
Total COGS	<u>390,773.46</u>
Gross Profit	620,689.13
Expense	
Billing Fees	3,553.44
Bad Debt	8,024.83
Bank Service Charges	1,080.08
Commission	31,659.86
Contributions	190.00
Depreciation Expense	30,000.00
Dues and Subscriptions	7,612.00
Interest	16,523.85
Licenses and Permits	2,102.00
Merchant Visa	3,214.65
Office Supplies	9,561.16
Payroll Expenses	
Management Fees	20,000.00
Sub-contractor	25,139.30

Broadstar Communications, LLC

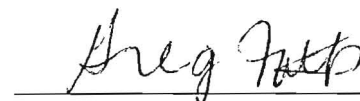
Income Statement

January to December, 2003

Payroll Expenses - Other	<u>135,408.48</u>
Total Payroll Expenses	180,547.78
Postage and Delivery	8,518.12
Professional Development	150.00
Professional Fees	
Accounting	700.00
Legal Fees	<u>41,021.60</u>
Total Professional Fees	41,721.60
Repairs	
Equipment Repairs	<u>1,284.43</u>
Total Repairs	1,284.43
Taxes	
Property	3,807.61
State	3,717.55
Taxes - Other	<u>5,926.87</u>
Total Taxes	13,452.03
Telephone	11,553.89
Travel & Ent	
Gas	8,062.58
Hotel	4,209.10
Meals	3,507.81
Tolls	4,621.60
Travel	<u>3,145.57</u>
Total Travel & Ent	23,546.66
Utilities	
Gas and Electric	86.15
Water	<u>869.42</u>
Total Utilities	955.57
Vehicle	
Vehicle Rental	3,625.23
Other Vehicle Expense	898.00
Vehicle Repair	<u>3,396.94</u>
Total Vehicle	<u>7,920.17</u>
Total Expense	<u>403,172.12</u>
Net Ordinary Income	<u>217,517.01</u>
Net Income	<u><u>217,517.01</u></u>

I hereby affirm that this statement is true and correct.


Douglas Bell, Managing Member


Greg Fath, CFO


Broadstar Communications, LLC
Statement of Members Equity

Period ended December 31, 2003

Net Income	217,517.01
Members Equity, Beginning of Period	436,869.62
Members Contributions	568,185.36
Distribution to Member	-6,134.52
Members Equity, End of Period	<u>1,216,437.47</u>

I hereby affirm that this statement is true and correct.


Douglas Bell, Managing Member


Greg Fath, CFO

Broadstar Communications, LLC

Balance Sheet

As of December 31, 2002

ASSETS

Current Assets

Checking/Savings

Columbia Bank	38,996.66
First Union	5,281.05
Posting Account	<u>606.79</u>
Total Checking/Savings	44,884.50

Accounts Receivable

Accounts Receivable	<u>135,138.86</u>
Total Accounts Receivable	135,138.86

Other Current Assets

A/R OTHER	2,082.04
Crown Note	132,000.00
Employee Advances	150.00
Inventory Asset	19,872.72
T. C. Note	13,575.40
Undeposited Funds	<u>435.61</u>
Total Other Current Assets	<u>168,115.77</u>

Total Current Assets	348,139.13
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Fixed Assets

Accumulated Depreciation	-49,809.00
Computers	3,718.18
Misc Equipment	21,831.89
Systems	317,206.95
Vehicles	<u>33,957.14</u>
Total Fixed Assets	<u>326,905.16</u>

TOTAL ASSETS	<u><u>675,044.29</u></u>
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LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable	
Accounts Payable	<u>76,960.77</u>
Total Accounts Payable	76,960.77

Other Current Liabilities

A/P other	
Broadstar Security	13,767.26
T.C. Payable	85,000.00
Access	3,462.49
A/P other - Other	<u>1,281.00</u>
Total A/P other	103,510.75

Deposits

Modems	<u>400.00</u>
Total Deposits	400.00

North Fork Bank - Auto	14,437.56
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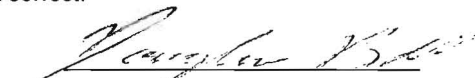
Broadstar Communications, LLC

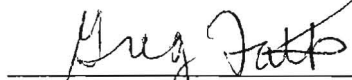
Balance Sheet

As of December 31, 2002

North Fork II - Auto	9,582.84
Sales Tax Payable	125.00
Member Payable	<u>1,500.00</u>
Total Other Current Liabilities	<u>129,556.15</u>
Total Current Liabilities	206,516.92
Long Term Liabilities	
Priority Leasing	<u>31,657.75</u>
Total Long Term Liabilities	<u>31,657.75</u>
Total Liabilities	238,174.67
Equity	
Add'L Paid in Capital	400,000.00
Retained Earnings	1,785.00
Net Income	<u>35,084.62</u>
Total Equity	<u>436,869.62</u>
TOTAL LIABILITIES & EQUITY	<u><u>675,044.29</u></u>

I hereby affirm that this statement is true and correct.


Douglas Bell, Managing Member


Greg Fath, CFO

Broadstar Communications, LLC

Income Statement

January through December 2002

Ordinary Income/Expense	
Income	
Services and Product	
Product	127,726.83
Services	64,193.71
Shipping & Handling	449.99
Total Services and Product	<u>192,370.53</u>
Cable	
River Bend	71,483.60
Philadelphian	16,326.66
Forest Lake	91,671.33
Beaver Hill	2,179.98
Total Cable	<u>181,661.57</u>
Fees	<u>-18.00</u>
Total Income	<u>374,014.10</u>
Cost of Goods Sold	
Equipment and Materials	116,452.54
Programming	66,480.33
Total COGS	<u>182,932.87</u>
Gross Profit	191,081.23
Expense	
Bad Debt	1,116.37
Bank Service Charges	755.06
Commission	38,023.67
Contributions	90.00
Depreciation Expense	43,394.00
Interest Expense	
Finance Charge	298.17
Total Interest Expense	<u>298.17</u>
Licenses and Permits	444.50
Merchant Visa	1,725.17
Miscellaneous	5,593.55
Office Supplies	1,288.55
Payroll Expenses	
Sub-contractor	4,836.10
Payroll Expenses - Other	22,947.51
Total Payroll Expenses	<u>27,783.61</u>
Postage and Delivery	1,740.18
Professional Fees	
Accounting	750.00
Legal Fees	1,850.00
Total Professional Fees	<u>2,600.00</u>
Repairs	760.54


Broadstar Communications, LLC
Income Statement
January through December 2002

Taxes	
State	1,920.00
Taxes - Other	<u>1,139.24</u>
Total Taxes	3,059.24
Telephone	
	16,388.00
Travel & Ent	
Gas	1,645.25
Hotel	435.87
Meals	175.05
Tolls	76.60
Travel	362.50
Travel & Ent - Other	<u>460.00</u>
Total Travel & Ent	3,155.27
Vehicle	
Other Vehicle Expense	1,215.00
Vehicle Repair	<u>6,565.73</u>
Total Vehicle	7,780.73
Uncategorized Expenses	<u>0.00</u>
Total Expense	<u>155,996.61</u>
Net Ordinary Income	<u>35,084.62</u>
Net Income	<u><u>35,084.62</u></u>

I hereby affirm that this statement is true and correct.



Douglas Bell, Managing Member



Greg Fath, CFO

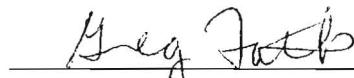
Broadstar Communications, LLC
Statement of Members Equity

Period ended December 31, 2002

Net Income	35,084.62
Members Equity, Beginning of Period	1,785.00
Members Contributions	400,000.00
Members Equity, End of Period	<u>436,869.62</u>

I hereby affirm that this statement is true and correct.


Douglas Bøh, Managing Member


Greg Fath, CFO



KAREN L. STEINMETZ
CERTIFIED PUBLIC ACCOUNTANT

Accountant's Review Report

The Board of Directors
Broadstar Communications, LLC

I have reviewed the accompanying balance sheet of Broadstar Communication, LLC as of December 31, 2001, and the related statements of income and member's equity and cash flows for the year then ended, and the supplementary information included in the schedules in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Broadstar Communications, LLC.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, I do not express an opinion or any form of assurance on them.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement or supplementary information in order for them to be in conformity with generally accepted accounting principles.

Karen L. Steinmetz, CPA

I hereby affirm that the following statement is true and correct.

July 15, 2002

Douglas Bell
Douglas Bell, Mang'g Mbr

Greg Fath
Greg Fath, CFO

5455 4th Street North - St. Petersburg, Florida 33703 - 727 / 525-2813 - FAX 727 / 525-2967

BROADSTAR COMMUNICATIONS, LLC.

Table of Contents

Accountant's Review Report

Balance Sheet

Statement of Income and Retained Earnings

Statement of Cash Flows

Notes to Financial Statements

BROADSTAR COMMUNICATIONS, LLC.

Balance Sheet

December 31, 2001

Assets

Current assets:	
Cash	\$ 3,547
Accounts receivable	<u>12,449</u>
Total current assets	<u>15,996</u>
Property and equipment	
Cable systems	180,048
Vehicles	<u>33,957</u>
	214,005
Less accumulated depreciation	<u>2,916</u>
Net property and equipment	<u>211,089</u>
	<u>\$227,085</u>

Liabilities and Equity

Current Liabilities:	
Accounts payable	\$192,224
Current portion of long-term debt	5,760
Sales tax payable	<u>573</u>
	<u>198,557</u>
Long-term liabilities, less current portion	<u>26,743</u>
Total liabilities	<u>225,300</u>
Member's Equity	<u>1,785</u>
	<u>\$227,085</u>

See accompanying accountant's review report and notes to financial statements.

BROADSTAR COMMUNICATIONS, LLC

Statement of Income and Members Equity

Period ended December 31, 2001

Net sales	\$25,436
Cost of sales	<u>15,520</u>
Gross profit	9,916
General and administrative expenses:	
Bad debt	96
Bank service charges	25
Commissions	940
Depreciation	2,916
Dues and subscriptions	1,525
Interest expense	1,394
Miscellaneous	425
Office supplies	1,057
Postage	36
Printing	743
Repairs and maintenance	138
Telephone	<u>336</u>
Total general and administrative expenses	9,631
Net income	285
Members equity, beginning of period	0
Members contributions	<u>1,500</u>
Members equity, end of period	<u>\$1,785</u>

See accompanying accountant's review report and notes to financial statements.

BROADSTAR COMMUNICATIONS, LLC

Statement of Cash Flows

Period ended December 31, 2001

Cash flows provided by operating activities:	
Net income	\$ 285
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation expense	2,916
Increase in accounts receivable	-12,449
Increase in accounts payable	192,224
Increase in other payables	<u>573</u>
Net cash provided by operating activities	<u>183,549</u>
Cash flows from investing activities:	
Contribution from member	1,500
Purchase of property and equipment	<u>-214,005</u>
Net cash used for investing activities	<u>-212,505</u>
Cash flows from financing activities:	
Proceeds from long-term debt	33,958
Principal payments on long-term debt	<u>-1,455</u>
Net cash provided by financing activities	<u>32,503</u>
Net increase in cash	3,547
Cash at beginning of period	0
Cash at end of period	<u>\$3,547</u>
Cash paid during period for interest	<u>\$1,394</u>

See accompanying accountant's review report and notes to financial statements.

BROADSTAR COMMUNICATIONS, LLC.

Notes to Financial Statements

Year ended December 31, 2001

(1) Summary of Significant Accounting Policies

(a) Description of Business

Broadstar Communications, LLC provides a diverse range of cable technology to its customers. Currently the Company offers installation of cable systems, subscriptions, programming capabilities and service on existing cable systems as well as internet and telephone services.

(b) Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated using straight-line methods over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterment's are capitalized. Deduction is made for retirements resulting from renewals or betterments.

(c) Income Taxes

The Company is treated as a sole proprietorship for Federal income tax purposes. Consequently, federal income taxes are not payable by, or provided for, the Company. The Member is taxed individually on the Company's earnings.

BROADSTAR COMMUNICATIONS, LLC

Notes to Financial Statements

(2) Long-Term Debt

Note payable in monthly installments of \$426, including interest at 9.15%, through August, 2006, secured by a vehicle with a book value of \$18,409 at December 31, 2001.	\$19,361
Note payable in monthly installments of \$280, including interest at 8.95% through October, 2006, secured by vehicle with a book value of \$12,827 at December 31, 2001.	<u>13,142</u>
Subtotal	32,503
Less current maturities	<u>5,760</u>
Long-term debt, excluding current installment	<u>\$26,743</u>

Aggregate maturities of long-term debt for each year subsequent to December 31, 2001 are as follows:

<u>Year ended</u>	
<u>December 31</u>	
2002	5,760
2003	6,305
2004	6,902
2005	7,554
2006	<u>5,982</u>
	<u>\$32,503</u>

BROADSTAR COMMUNICATIONS, LLC

Notes to Financial Statements

(3) Related Party Transactions

The Company purchased cable systems from a related Company (owned 100% by sister-in-law) on December 31, 2001 for \$189,000. This amount is due and payable at December 31, 2001.

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. APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

LaVera Blanco
Print Name

Regulatory Administrator
Title

727-394-7096
Telephone No.

LaVera Blanco
Signature

5/25/2004
Date

727-399-0978
Fax No.

Address: 13400 Periwinkle Avenue
Seminole, FL 33776

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:

LaVera Blanco

Print Name

Regulatory Administrator

Title

727-394-7096

Telephone No.

LaVera Blanco

Signature

5/25/2004

Date

727-394-0978

Fax No.

Address: 13400 Periwinkle Avenue

Seminole, FL 33776

TITLE SHEET

FLORIDA TELECOMMUNICATIONS PRICE LIST

This price list contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for alternative local exchange telecommunications services provided by Broadstar Communications, LLC, with principal offices at 1809 N. Black Horse Pike, Williamstown, NJ 08094. This price list applies for services furnished within the state of Florida. This price list is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: May 20, 2004

Effective:

By: Douglas Bell, Managing Member
1809 N. Black Horse Pike
Williamstown, NJ 08094

CHECK SHEET

The sheets listed below, which are inclusive of this price list, are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original price list and are currently in effect as of the date of the bottom of this page.

SHEET	REVISION
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original

Issued: May 20, 2004

Effective:

By: Douglas Bell, Managing Member
1809 N. Black Horse Pike
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SYMBOLS SHEET

The following are the only symbols used for the purposes indicated below:

- D - Delete or Discontinue
 - I - Change Resulting In an Increase to A Customer's Bill
 - M - Moved From Another Price List Location
 - N - New
 - R - Change Resulting In A Reduction To A Customer's Bill
 - T - Change in Text or Regulation But No Change In Rate or Charge
-
- A. **Check Sheets** - when a price list filing is made with the FPSC, an updated check sheet accompanies the price list filing.
 - B. **Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the price list. 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. Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to the Company's network switching center.

Authorization Code - A numerical code, one or more of which are available to a customer to enable him/her to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

Company or Carrier - Broadstar Communications, LLC

Customer - the person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with the Company's price list regulations.

Exchange - the entire telephone plant and facilities used in providing telephone service to subscribers located in an exchange area.

Intra-LATA Toll Messages - Those toll messages which originate and terminate within the same LATA.

Message - A completed call.

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SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company.

The Company's services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this price list.

The Company's installs operates, and maintains the communications services provided herein in accordance with the terms and conditions set forth under this price list. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Company's network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

2.2 Limitations.

2.2.1 Service is offered subject to the availability of facilities and provisions of this price list.

The Company's reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control: or when the customer is using service in violation of the law or the provisions of this price list.

2.2.2 All facilities provided under this price list are directly controlled by the Company and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

2.2.3 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this price list shall apply to all such permitted assignees or transferees, as well as all conditions for service.

2.2.4 Customers reselling or rebilling services must have a Certificate of Public Convenience and Necessity as an interexchange carrier by the Florida Public Service Commission.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.3 Liabilities of the Company.

2.3.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.

2.3.2 The Company shall be indemnified and held harmless by the customer against:

(A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over the Company's facilities.

(B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by the Company.

2.4 Interruption of Service.

2.4.1 Credit allowance for the interruption of service which is not due to The Company's testing or adjusting, negligence or the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the customer's obligation to notify the Company immediately of any service interruption for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, if any, furnished by the customer and connected to the Company's facilities. No refund or credit will be made for the time that the Company stands ready to repair the service and the subscriber does

2.4.2 not provide access to the Company for such restoration work.

2.4.2 No credit shall be allowed for an interruption of a continuous duration of less than seventy-two hours after the subscriber notifies the Company.

2.4.3 The customer shall be credited for an interruption of more than seventy-two hours as follows:

Issued: May 20, 2004

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.4 Interruptions of Services (Cont'd)

Credit Formula:

Credit = A/B x C

"A" - outage time in hours

"B" - total hours in month

"C" - total monthly charge for affected facility

2.5 Disconnection of Service by Carrier.

The company (carrier), upon 5 working days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

2.5.1 Non-payment of any sum due to carrier for regulated service for more than thirty days beyond the date of rendition of the bill for such service.

2.5.2 A violation of any regulation governing the service under this price list.

2.5.3 A violation of any law, rule, or regulation of any government authority having jurisdiction over such service.

2.5.4 The company has given the customer notice and has allowed a reasonable time to comply with any rule, or remedy, and deficiency as stated in Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company.

2.6 Deposits

The Company does not require a deposit from the customer.

2.7 Advance Payments

For customers whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.8 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.9 Billing of Calls

All charges due by the subscriber are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

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Effective:

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Williamstown, NJ 08094

SECTION 3 - DESCRIPTION OF SERVICE

3.4 Service Offerings

- 3.4.1 Local Exchange Service: The Company's Local Telephone Service provides a Customer with the ability to connect to the Company's switching network which enables the Customer to:
- (a) place or receive calls to any calling Station in the local calling area, as defined herein;
 - (b) access enhanced 911 Emergency Service where available;
 - (c) access the interexchange carrier selected by the Customer for interLATA, intraLATA, interstate or international calling;
 - (d) access Operator Services;
 - (e) access Directory Assistance;
 - (f) place or receive calls to 800 telephone numbers;
 - (g) access Telecommunications Relay Service. The Company's service will automatically block originating calls to other telephone companies caller-paid information services (e.g. 900, 976) at no charge. Calls to those numbers and other numbers used for caller-paid information services will be unblocked on a per directory number basis only.
 - (h) a flat rate for unlimited calling.

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SECTION 4 - RATES

4. Rates

4.1 **Local Line:** Local Line provides the Customer with a single, voice-grade communications channel. Each Local Line will include a telephone number. Local Line Service is available in the following offerings:

(a) **Basic Service:** Each Basic Local Line service includes the following standard features at no additional charge:

One Directory Listing (per Customer location)
Presubscription
Serial Hunting
Touch Tone

(b) **Premium:** A Local Line Customer may order, in addition to the Local Line Service, a Premium Package which includes

Account Codes (Variable or Non)
Anonymous Call Rejection
Automatic Call Return*69
Automatic Redial
Call Forward Busy Line - Feature Button
Call Forward Don't Answer - Feature Button
Call Forwarding - Variable Remote Access
Call Forwarding Don't Answer - All Calls
Call Forwarding -Variable
Call Forwarding Variable - Feature Button
Call Hold
Call Privacy
Call Trace
Call Waiting
Call Waiting Plus
Caller ID (Incoming/Outgoing)
Caller ID PLUS NAME
Personal Toll Free 800 Number
Speed Dialing
Three Way Calling

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1809 N. Black Horse Pike
Williamstown, NJ 08094

SECTION 4 - RATES

4. Rates

4.1 Local Line (Cont'd)

- (c) Plus: A Local Line Customer may order, in addition to the Local Line Service, a Plus Package which includes

Automatic Redial
 Caller ID
 Call Waiting
 3-Way Calling

4.1.1 Local Line Rates and Charges: A Local Line Customer will be charged applicable Non-Recurring Charges, Monthly Recurring Charges and usage charges as specified below.

4.1.1.1 Residential Basic ChargesNon-Recurring Charges:

Line Connection Charge (per line) New	\$56.00
Line Connection Charge - Porting from Another carrier	\$25.00
Subsequent Account Changes (Changes, additions per order)	\$25.00
Presubscription Change (Changes, per line)	\$5.00
Re-Activation Fee/Line	\$36.00
Customized Number	\$50.00
Inside Wiring Installation	\$75.00
Returned Check	\$25.00
Trouble Isolation Fee	\$39.95
Late Charges	Great of 1.5% or \$5.00

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 Williamstown, NJ 08094

SECTION 4 - RATES

4. Rates

4.1 Local Line (Cont'd)4.1.1 Local Line Rates and Charges (Con'd)4.1.1.1 Residential Basic Charges (Cont'd)Monthly Recurring Charges

Basic Local Line \$ 19.95

Non Published Fee \$2.00

4.1.1.2 Basic Business Lines

Basic Business Lines provide basic access service and supply a single, voice-grade communications channel for single line telephones, key telephone systems, modems and other devices needing access to the public switched telephone network (PSTN). Basic Business Line Customers will be charged a Non- Recurring Charge (NRC), a Monthly Recurring Charge (MRC) and usage charges as specified below as well as all applicable Federal, State and Local Taxes and Surcharges.

(a) Basic Business Lines include the following standard attributes at no cost:

Touchtone
One White Pages Directory Listing
One Yellow Pages Directory Listing
911 Access
Caller ID Blocking- Per Call

Blocking Restrictions- Basic Business Lines come standard with all Caller Paid Service, 500 and 900 area codes blocked. The additional blocking options listed below are available upon request for no additional charge. Option group B constitutes the default Blocking Option.

Option A No blocking

Option B Block 976-like, 500, 976, 900 area codes

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Williamstown, NJ 08094

SECTION 4 - RATES

4. Rates

4.1 Local Line (Cont'd)

4.1.1 Local Line Rates and Charges (Con'd)

4.1.1.2 Basic Business Lines (Con't)

(b) Basic Business Line Optional Features: Basic Business Line Customers may order the following Optional Features listed below at the Rates specified in below.

- Account Codes (Variable or Non)
- Anonymous Call Rejection
- Automatic Call Return*69
- Automatic Redial
- Call Forward Busy Line - Feature Button
- Call Forward Don't Answer - Feature Button
- Call Forwarding - Variable Remote Access
- Call Forwarding Don't Answer - All Calls
- Call Forwarding -Variable
- Call Forwarding Variable - Feature Button
- Call Hold
- Call Privacy
- Call Trace
- Call Waiting
- Call Waiting Plus
- Caller ID (Incoming/Outgoing)
- Caller ID PLUS NAME
- Personal Toll Free 800 Number
- Speed Dialing
- Three Way Calling

(c) Plus: A Local Line Customer may order, in addition to the Local Line Service, a Plus Package which includes

- Automatic Redial
- Caller ID
- Call Waiting
- 3-Way Calling

Issued: May 20, 2004

Effective:

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Williamstown, NJ 08094

SECTION 4 - RATES

4. Rates

4.1 Local Line (Cont'd)4.1.1 Local Line Rates and Charges (Cont'd)4.1.1.2 Basic Business Lines (Cont'd)

- (d) Local Line Rates and Charges: A Local Line Customer will be charged applicable Non-Recurring Charges, Monthly Recurring Charges and usage charges as specified below.

Non-Recurring Charges:

Line Connection Charge (per line) New	\$76.00
Line Connection Charge - Porting from Another carrier	\$35.00
Subsequent Account Changes (Changes, additions per order)	\$35.00
Presubscription Change (Changes, per line)	\$7.00
Re-Activation Fee/Line	\$56.00
Customized Number	\$70.00
Inside Wiring Installation	\$95.00
Returned Check	\$35.00
Trouble Isolation Fee	\$54.95
Late Charges	Great of 1.5% or \$10.00

Monthly Recurring Charges

Basic Local Line	\$26.95
Non Published Fee	\$3.00

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1809 N. Black Horse Pike
Williamstown, NJ 08094

SECTION 4 - MISCELLANEOUS SERVICES AND RATES

4.2 Payment of Calls

4.2.1 Late Payment Charges

Interest charges of 1.5% per month will be assessed on all unpaid balances more than thirty days old.

4.2.2 Return Check Charges

A return check charge of \$25.00 will be assessed for checks returned for insufficient funds if the face value does not exceed \$50.00, \$30.00 if the face value does exceed \$50.00 but does not exceed \$300.00, \$40.00 if the face value exceeds \$300.00 or 5% of the value of the check, which ever is greater.

4.3 Restoration of Service

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for customers who had been disconnected for non-payment.

4.4 Special Rate for the Handicapped

4.4.1 Directory Assistance

There shall be no charge for up fifty (50) calls per billing cycle from lines or trunks serving individuals with disabilities. The Company shall charge the prevailing price list rates for every call in excess of fifty (50) within a billing cycle.

4.4.2 Hearing and Speech Impaired Persons

Intrastate toll message rates for TDD users shall be evening rates for daytime calls and night rates for evening and night calls.

4.4.3 Telecommunications Relay Service

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay service calls by 50 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 to 60 percent off of the otherwise applicable rate for a voice non-relay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit card surcharge.

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