

RECEIVED-FPSC

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COMMISSION CLERK

6905 N. Wickham Rd. Suite 403 Melbourne, FL 32940 (321) 254-4949



April 27, 2010

VIA OVERNIGHT DELIVERY

Florida Public Service Commission Robert J. Casey Public Utilities Supervisor 2540 Shumard Oak Blvd. Gunter Bldg. Tallahassee, Florida 32399-0850

10000-01

Re:

BLC Management LLC, d/b/a Angles Communications Solutions

Second Lifeline Reseller Data Request

CONFIDENTIAL TREATMENT REQUESTED

Dear Mr. Casey

Enclosed please find one original copy of BLC Management and ATMS's Financial Statements, the organizational chart of ATMS and its subsidiaries and the Management Agreement between ATMS and BLC.

Pursuant to statutory confidential provisions of Section 364.183, Florida Statues, and Rule 25-22.006, Florida Administrative Code, BLC Management and ATMS hereby request confidential treatment for its financial information, Organizational Chart of Company and the Management Agreement between ATMS and BLC Management.

Please return a stamped copy of the extra copy of this letter in the enclosed preaddressed prepaid envelope. If you have any questions please do not hesitate to call me. Thank you for your attention to this matter.

Sincerely,

APA	-Chrota BSW/
NOF	CINOCE DAWE
	1
RAD	Christina B. Sutch In-House Corporate Council, ATMS
SSC	m-nouse corporate council, Anno
ADM	
OPC	
C'E IL	1

This claim of confidentiality was filed by or on behalf of a "telco" for Confidential DN <u>03847-10</u>. The document is in locked storage pending advise on hendling. To access the material, your name must be on the CASR. If undocketed, your division director must provide written permission before you can access it.

DOCUMENT NUMBER-DATE

03846 MMY-7 º

FPSC-COMMISSION CLERK

COMMISSIONERS:
NANCY ARGENZIANO, CHAIRMAN
LISA POLAK EDGAR
NATHAN A. SKOP
DAVID E. KLEMENT
BEN A. "STEVE" STEVENS III



DIVISION OF REGULATORY ANALYSIS BETH W. SALAK DIRECTOR (850) 413-6600

Public Service Commission

April 8, 2010

Mr. Danny Michael, Manager BLC Management LLC 11121 Hwy 70, Suite 202 Arlington, Tennessee 38002

Re: BLC Management LLC, d/b/a Angles Communications Solutions, Second Lifeline Reseller Data Request

Dear Mr. Michael:

Thank you for responding to staff's February 1, 2010 Lifeline Reseller data request. Staff is seeking additional information regarding BLC's responses. Please provide a written response to each of the questions in this second data request, and provide the requested documents on or before Friday, April 23, 2010. Your assistance will be greatly appreciated.

Your company may avail itself of the statutory confidential provisions of Section 364.183, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, if it believes it is necessary to comply with this data request.

If you have questions, please contact Bob Casey at (850) 413-6974. Thank You.

Sincerely yours,

Beth W. Salak Director

RJC

cc: Division of Regulatory Analysis (Trapp, Casey)

PSC Website: http://www.floridapsc.com

Internet E-mail: contact@psc.state.fl.us

- 15. BLC provided a copy of its Lifeline application in response to data request No. 6. The privacy notice and option election on the back side of the Lifeline application appears to provide BLC with authority to switch the Lifeline customers to different carriers. Is BLC's plan to be able to switch Lifeline customers between other Associated Telecommunications Management Services, LLC (ATMS) companies? This information has been deleted from the Lifeline form. We do not switch customers unless they elect to be switched. Please see the attachment.
- 16. Will ATMS be moving Lifeline customers between its owned or affiliated companies in this or any other state for any purpose? If so, please explain. *Not unless the customer elects to be switched.*
- 17. In response to data request No. 11, BLC states that Lifeline customers do not incur any initial connection or hook-up fees. How much does AT&T charge BLC for initiation of service for a Lifeline customer? AT&T charges \$17.98 for PAMA7 Package with a \$35.96 & \$7.82 for new & conversion connection. Does BLC request Link-Up money at USAC for any new Florida Lifeline customers through any state? No. If so, how much? N/A
- 18. In response to data request No. 11, BLC states that Lifeline customers do not incur any initial connection or hook-up fees, yet in response to data request no. 12, it states that it resells Link-Up service. Please explain the apparent contradiction. There is no contradiction, AT&T credits Bellerud a \$23.00 Link-up subsidiary for each qualified Florida Lifeline customer and requests a \$12.96 promotion credit for the line connection waiver. The two of these amounts equal \$35.96 which is the total wholesale rate line connection charge in Florida.
- 19. Please provide a list of each owner, corporate officer and managing member of ATMS, BLC Acquisition Group, LLC, and BLC, and explain each person's responsibilities. Indicate if any are also owners, corporate officers, or managing members of any other Telecommunications Companies. If so, list the companies.

BLC Management, LLC, Manager is Thomas E. Biddix who oversees all operations of the company.

BLC Acquisition Group, LLC, Manager is Thomas E. Biddix who manages day to day operations of the company.

Associated Telecommunications Management Services, LLC. – Managing Member is Thomas E. Biddix who oversees overall operations of the company. Paul T. Watson – Chief Operating Officer who oversees day to day operations of the company. Thomas E. Biddix – Chief Financial Officer who oversees all financial matters.

Mr. Biddix is also a manager and/or officer of the following companies and corporations:

Bellerude Communications, LLC Triarch Marketing, Inc. American Dial Tone, Inc. SC TXLink, LLC BLC Management LLC Second Lifeline Reseller Data Request April 8, 2010

Ren-Tel Communications, LLC Dialtone & More, Inc. LifeConnex Telecom, LLC All American Telecom, Inc.

Each companied operates their CLEC business independently from the other companies.

- 20. How is long distance service provisioned to BLC customers? Please provide the name of the provider. The CLEC sends an order electronically requesting the long distance for their customers. 321 provisions the long distance for each customer on its switch. 321 Communications is the provider.
- 21. Have any ATMS, BLC Acquisition Group LLC, or BLC owners, officers, or managing members been involved in any bankruptcy proceedings? If so, please provide details as to who, when, and where the bankruptcy occurred. *No.*
- 22. Have any ATMS, BLC Acquisition Group LLC, or BLC owners, officers, or managing members been charged or convicted of a criminal offense? If so, please provide details as to who, when, and where the charges or convictions occurred. *No.*
- 23. Have any ATMS, BLC Acquisition Group LLC, or BLC owners, officers, or managing members been involved in any civil litigation in which a ATMS, BLC Acquisition Group LLC, or BLC owner, officer, or managing member has been deposed or has been a plaintiff, a defendant, or a witness? If so, please provide details as to who, when, and where the civil litigation occurred. *Please clarify the time frame for the information requested.*
- 24. Please provide the corporate structure for ATMS listing all owned and affiliated companies. See attached organizational chart.
- 25. Provide the latest financial statements for ATMS, BLC Acquisition Group, LLC, and BLC including: Profit & Loss Statements, Balance Sheets, and the most recent Federal Tax Returns. See attached financial statements. There is no separate financials for the acquisition company as it is rolled into ATMS's consolidated.
- 26. Please provide the business plan for ATMS, and explain how each owned or affiliated company fits into its plan. Business plan is currently being revised and will be available by May 7, 2010.
- 27. Please provide copies of all agreements consummated between ATMS, BLC Acquisition Group LLC, and BLC. *Please see attached agreements*
- 28. Please provide a list of any companies which BLC contracts with to provide services to Lifeline customers. List each company and what service(s) it provides. AT&T and Verizon, it provides local telephone service and any features associated with telephone service through AT&T and Verizon. Redsson customer billing services; 321 Communications facilities and long distance service; USA Free Phone/Ring Leader marketing.

BLC Management LLC Second Lifeline Reseller Data Request April 8, 2010

- 29. Have any Florida Lifeline customers been claimed in the count of any Lifeline, Link-Up, or TLS customers on Form 497 forms filed with USAC for Alabama, Kentucky, Louisiana, North Carolina, or any other state? *No.*
- 30. Is any former manager, officer or owner of BLC Management Inc. now a manager, officer or owner of BLC Acquisition Group LLC, or ATMS? *No.*
- 31. In response to data request No. 14, BLC provided the physical location of its books and records. Please provide the days and times when these books and records are available for examination. Records are available Monday through Friday from 8:00 a.m. 5:00 p.m., excepting federal and company holidays. Books and records are generally kept at the company's principle address of 11121 Highway 70, Suite 202, Arlington, TN 38002

ANGLES

URGENT: FILL OUT AND SEND BACK IMMEDIATI

This form (along with your Proof of Eligibility) must be completely filled o signed and received by us in order for you to continue receiving your Gorment Assistance Benefits.

FLORIDA Re-Certification Lifeline / Link-up Application

ANGLES COMMUNICATIONS SOLUTIONS DEPT#: 1687 BLC MANAGEMENT DBA ANGLES COMMUNICATION P.O. BOX 11407 BIRMINGHAM, AL 35 1. Verify Your Information FOR OFFICIAL US DO NOT WRITE IN TH Account Number have received and verified Proc along with the Re- Certification Li form for the above appli-Last name First Name Middle Int. Name Date Street Ant Number Program City Zip Code ☐ I already receive Lifeline assistance through another telephone company. ☐ I or another member of my household previously received Link-up assistance at the above address. (Note: You may not receive Link Up assistance more than once at the same principal residence) **ELIGIBILITY REQUIREMENTS** 2. Select Your I currently participate in or receive benefits from one of the following programs (Check All That Apply): Box Resident Of Federally Recognized Tribal Land (Additional Medicaid Food StampsSupplemental Security Income (SSI) Criteria May Apply. Go to www.lifeline.gov for more info.) National School Lunch Free Lunch Program (NSLP) Low-Income Home Energy Assistance Program (LIHEAP) ☐ Temporary Assistance to Needy Families Program (TANF) ■ Federal Public Housing Assistance (Section 8) **CERTIFICATION SIGNATURE (PLEASE READ AND SIGN BELOW)** I understand that I must meet the above requirements to receive Lifeline or Link-up benefits and will notify my local telephone company when I am no longer participating in any of the above-designated program(s). I understand that I may only receive Lin up benefits for one line at my principal residence. I consent to the release of my personal information as may be required for the administration of the Lifeline or Link-up programs. I designate my local telephone company as my agent for purposes of changi my PIC-LPIC. I understand that any service or billing issues can be resolved by calling customer service. Local service is subje various federal and local charges. This is a month to month agreement with a minimum of 30 days and payments are non refun I understand that I am required to make my first payment 30 days after installation date to continue my next month of service or service will be disconnected. I have read and understand the privacy notice and option election contained on the back side of the form. Long distance usage for 1-411, party lines, chat lines, data transfer including internet or calls outside the contiguous 48 st will result in loss of Long Distance privileges. I HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND COF Signature Date Date of Birth (dd/mm/yy FOR APPLICANT'S AUTHORIZED REPRESENTATIVE USE I am an Authorized Representative for this applicant and I am submitting this form on behalf of this applicant. I am willing to ass. applicant in seeking telephone service benefits.

THREE EASY WAYS TO SEND US COMPLETED FORM

FAX TOLL FREE: (866) 315-5963

Authorized of Representative Name (Please Print)

7

CMAIL: lifeline@telecomteam.com 3

US MARE: BLC Management dba Angles CommunicationDept#: 1687P.C Box 11407Birmingham, AL 352 Privacy Notice/Opt-in Election - Please contact Customer Service at the number listed on your bill with any questions or comments about this Privacy Notice and Opt-in Election.

Overview: Your Telephone Company respects your privacy. The Privacy Notice below details the measures taken by Your Telephone Company protect your privacy in connection with your Lifeline/Link-Up Application. Your Telephone Company provides this Privacy Notice to help you make a informed decision about whether to use or continue using the Your Telephone Company's Services. Your use of Your Telephone Company's Service and any personal information you provide to Your Telephone Company remains subject to the terms of this Privacy Notice and Consent. If you do not agree to the terms of this privacy policy and do not wish to consent to the disclosure of your personally identifiable information ("PII"), pleased on not provide Your Telephone Company with any information and do not use Your Telephone Company's Services. Your use of the Service after the privacy policy has been modified will signify your acceptance of the changes for information gathered after the date of the change. The Privacy Notice discloses our privacy practices including the notification of: (i) PII collected through our Services; (ii) Intended usage of this PII; (iii) TI circumstances under which we disclose PII; (iv) Choices available regarding opt-in/opt-out, data collection, use and distribution of the information; (Security measures to protect the loss or misuse of information under Your Telephone Company's control; (vi) How to maintain the accuracy of your information.

Information We Collect

- You provide certain personally identifiable information (such as your name, contact information, other PII and other information volunteers by you) to Your Telephone Company when applying for Lifeline/Link-up benefits.
- If you submit personally identifiable information to us through Your Telephone Company Services, then we use your personal information operate, maintain, and provide to you the features and functionality of Your Telephone Company. Your Telephone Company may combit information about you that we have with information we obtain from business associates or otherwise. Without limitation, information collecte including PII, may be used by Your Telephone Company for internal research purposes, marketing, promotions and public relations, subject only the terms of our privacy policy.
- Your Telephone Company will not disclose, transfer, sell or otherwise communicate your PII to any third party, other than Your Telephon Company's subsidiaries and affiliates, and each of (i) their employees or (ii) vendors and contractors operating under confidentiality agreements are subject to Your Telephone Company's privacy policy, unless you give Your Telephone Company permission to do so, except as set forth in the privacy policy.

When We Disclose Information

- We provide personally identifiable information and non-personally-identifiable information to our subsidiaries, affiliated companies, or oth-businesses or persons for the purpose of processing such information on our behalf. We require that these parties agree to process such informatic in compliance with our privacy policy, and we use reasonable efforts to limit their use of such information and to use other appropria confidentiality and security measures.
- We do not share your personally identifiable information (such as name or email address) with other, third-party companies for the commercial or marketing use without your consent or except as part of a specific program or feature for which you will have the ability to opt-out. By signing this Application you are expressly opting-in (consenting) to permit Your Telephone Company to disclosure your PII t companies that perform marketing services for us or to other partners who with which we have joint marketing agreements, such as a offer you additional products or services. We may make such disclosures about you as a consumer, customer or former customer. Your Telephone Company may consider requests from unrelated third parties to contact you, but we will not give that third party any PII unless You Telephone Company has obtained your consent. You must notify Your Telephone Company in writing if you wish to withdraw this consent in addition, your request not to share Third Party Data with our Affiliate(s) does not prohibit us from contacting you about additional products a services.
- We may release personally identifiable information and/or non-personally-identifiable information if required to do so by law, or in the good faith belief that such action is necessary to comply with state and federal laws (such as U.S. Copyright Law) or respond to a court order, subpoen or search warrant ("Mandatory Disclosures").
- Your Telephone Company also reserves the right to disclose personally identifiable information and/or non-personally-identifiable informatic that Your Telephone Company believes, in good faith to take precautions against liability, to investigate and defend itself against any third-par claims or allegations, to assist government enforcement agencies, to protect the security or integrity of our company, and to protect the right property, or personal safety of Your Telephone Company, or others ("Mandatory Disclosures").
- As we develop our business, we may buy or self assets or change our name or form of entity, and, depending upon the transaction, you personal information may be one of the transferred assets, provided, however, we will not self or transfer PII except subject to the terms of or privacy policy. For instance, in the event that Your Telephone Company is acquired by another company, your PII may be part of the asset transferred to the acquiring party. The collected information may be provided in the aggregate to third parties, including potential business partne and advertisers, but this information is not linked to any PII before it is disclosed unless Your Telephone Company has obtained your consent. In the unlikely event of our bankruptcy, insolvency, reorganization, receivership, or assignment for the benefit of creditors, or the application of laws equitable principles affecting creditors' rights generally, we may not be able to control how your personal information is treated, transferred, or use-

Changes and Updates to This Privacy Notice: Please understand that our privacy policy may change from time to time and this will be reflected by the "effective date" below. If we decide to make any material changes, we will notify you of these changes. In general, we only use your person information in the manner described in the Privacy Notice in effect when we received the personal information you provided. Your continued use Your Telephone Company Services constitutes your agreement to this Privacy Notice and any future revisions. For revisions to this Privacy Notice the may be materially less restrictive on our use or disclosure of the personal information you have already provided to us, we will attempt to obtain you consent before implementing such revisions with respect to such information

BLC Management, LLC DBA Angles Communic

- INCOME STATEMENT YTD FEBRUARY 28, 2010

Confidential

ANGLES

REVENUES

SALES

USAC FUNDING

TOTAL REVENUES

COGS

CARRIER PAYBACKS

TOTAL COGS

GROSS PROFIT

SALES EXPENSE

LABOR EXPENSE

PROFESSIONAL FEES/CONSULTING

OFFICE EXPENSE

INSURANCE

EQUIPMENT

BANK CHARGES

TRAVEL & ENTERTAINMENT

Call Center EXP

MARKETING/ADVERTISING

MISCELLANEOUS

ATMS/TSC Allocations

TOTAL EXPENSES

INCOME FROM OPERATIONS

EBITDA

OTHER INCOME/EXPENSE



BLC Management, LLC DBA Angles Communic

ANGLES

NET INCOME

BLC Management, LLC DBA Angles Communications

- BALANCE SHEET

AS OF FEBRUARY 28, 2010

ANGLES

LIABILITIES

CURRENT LIABILITIES

ACCOUNTS PAYABLE

ACCRUED EXPENSES PAYABLE

TAXES PAYABLE

OTHERS PAYABLE

TOTAL CURRENT LIABILITIES

TOTAL LIABILITIES

EQUITY

COMMON STOCK RETAINED EARNINGS NET INCOME

TOTAL EQUITY

TOTAL LIABILITIES AND EQUITY

4/22/2010 - 10:31 AM

BLC Management, LLC DBA Angles Communications

- BALANCE SHEET

AS OF FEBRUARY 28, 2010

ANGLES

ASSETS

CURRENT ASSETS
CHECKING/SAVINGS
ACCOUNTS RECEIVABLE
LOAN RECEIVABLES
LOAN RECEIVABLES InterCo.

OTHER CURRENT ASSETS

TOTAL CURRENT ASSETS

FIXED ASSETS COST

ACCUM. DEPRECIATION

TOTAL FIXED ASSETS

OTHER ASSETS
ORGANIZATION COSTS - NET

TOTAL OTHER COSTS

TOTAL ASSETS

CONSOLIDATED PRO FORMA - INCOME STATEMENT YTD FEBRUARY 28, 2010

CONSOLIDATED

OTHER INCOME/EXPENSE INTEREST EXPENSE	Gonzal
OTHER INCOME/EXPENSE	
NET INCOME	
NET INCOME	

CONSOLIDATED PRO FORMA - INCOME STATEMENT YTD FEBRUARY 28, 2010

CONSOLIDATED

REVENUES

SALES

USAC FUNDING

OTHER

TOTAL REVENUES

COGS

CARRIER PAYBACKS

TOTAL COGS

GROSS PROFIT

SALES EXPENSE

LABOR EXPENSE

PROFESSIONAL FEES/CONSULTING

OFFICE EXPENSE

INSURANCE

EQUIPMENT

BANK CHARGES

TRAVEL & ENTERTAINMENT

SAN SALVADOR EXP

MARKETING/ADVERTISING

MISCELLANEOUS

ATMS/TSC Allocations

TOTAL EXPENSES

INCOME FROM OPERATIONS

EBITDA

CONSOLIDATED PRO FORMA - BALANCE SHEET AS OF FEBRUARY 28, 2010

REDACTED COPY

CONSOLIDATED

LIABILITIES

CURRENT LIABILITIES

ACCOUNTS PAYABLE

ACCRUED EXPENSES PAYABLE

TAXES PAYABLE

OTHERS PAYABLE

TOTAL CURRENT LIABILITIES

LONG TERM LIABILITIES

N/P STOCKHOLDER

N/P FIRST S BANK

LOAN STOCKHOLDERS

PURCHASE AGREEMENTS

TOTAL LONG TERM LIABILITIES

TOTAL LIABILITIES

EQUITY

COMMON STOCK RETAINED EARNINGS NET INCOME

TOTAL EQUITY

TOTAL LIABILITIES AND EQUITY

Check:

CONSOLIDATED PRO FORMA - BALANCE SHEET AS OF FEBRUARY 28, 2010

REDACTED COPY

CONSOLIDATED

ASSETS

CURRENT ASSETS

CHECKING/SAVINGS

ACCOUNTS RECEIVABLE

LOAN RECEIVABLES

LOAN RECEIVABLES InterCo.

OTHER CURRENT ASSETS

TOTAL CURRENT ASSETS

FIXED ASSETS

COST

ACCUM. DEPRECIATION

TOTAL FIXED ASSETS

LONG TERM ASSETS

INVESTMENT- Others

INVESTMENT- Total

TOTAL L.T. ASSETS

OTHER ASSETS

DEPOSIT

REAL ESTATE

GOODWILL

ORGANIZATION COSTS - NET

TOTAL OTHER COSTS

TOTAL ASSETS

This Management Agreement ("Agreement") is dated and effective January 1, 2010, ("Effective Date") regardless of when signed, and is by and between Associated Telecommunications Management Services, LLC, (ATMS) a Delaware limited liability company with its principal place of business at 6905 N. Wickham Road, Suite 403, Melbourne, Florida 32940, and BLC Management, LLC, ("BLC") a Tennessee limited liability company ("Company"), with its principal place of business at 11121 Highway 70, Suite 202, Arlington, TN 38002.

Recitals

The Company is an authorized independent telecommunications service provider to members of the general public (the "Business"). The Company desires to operate the Business in a manner consistent with the efficient and appropriate utilization of its resources. ATMS has extensive experience in managing similar businesses. Company desires ATMS to oversee and administer the Business and ATMS desires to provide such services to Company pursuant to the terms and conditions set forth in this Agreement.

Agreement

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

 RECITALS/SCHEDULES. The recitals set forth above are true and are hereby incorporated into this Agreement. All exhibits and schedules identified in this Agreement are hereby incorporated herein by this reference.

2. NATURE OF RELATIONSHIP.

- a) Subject to the limitations set forth in this Agreement, ATMS through its employees, shall perform all services described in this Agreement for the account of and as limited agent of Company. Company hereby appoints ATMS its attorney-in-fact with full power on its behalf and in its name, or in the name of the Business, (a) to prosecute or defend any litigation or proceeding before any governmental agency arising out of the operation of the Business, and (b) to enter into contracts relating to the affairs of the Business.
- b) Notwithstanding any provision to the contrary, the authority of ATMS to manage the business and administrative operations of the Business shall be subject to the ultimate control of Company.
- c) In performing services hereunder, ATMS shall act as an independent contractor and shall complete the services required hereunder according to its own means and methods of work which shall be in the exclusive charge and control of ATMS and not subject to the control or supervision of Company, except as to the results of the services performed. ATMS shall not represent to anyone that it has the authority to bind or in anyway contract for or on behalf of Company except as otherwise provided in this Agreement. ATMS shall be entirely and solely responsible for its acts and the acts of its agents, employees and sub-contractors while engaged in the performance of services hereunder. ATMS further agrees that the services rendered shall be performed in strict accordance with the provisions of all applicable federal and state laws.

3. **TAXES**. ATMS acknowledges that it is responsible for it own federal income and employment tax liability and for state employment taxes. Furthermore, ATMS acknowledges liability for any ad valorem taxes with respect to tangible personal property owned by it and used in the performance of services hereunder.

4. MANAGEMENT SERVICES.

- a) ATMS shall have the responsibility to supervise, consult in and oversee the day-to-day business and administrative operations of the Business and, subject to the terms of this Agreement and the general direction and control of Company, maintain the books and records of the Business and prepare any agreed upon reports and tax returns of the Business; human resource oversight, policies and procedures, standards for performance for all employees including managers and officers; employ or retain the services of independent contractors, including attorneys and accountants; purchase such goods and services and execute such instruments, agreements or other contracts as ATMS may deem appropriate to the conduct the Business, including without limitation contracts relating to marketing, telephone call reception and provisioning, communications and representation with any and all state and federal agencies relating to and/or regulating the Business and other matters agreed upon by the Company and ATMS.
- b) ATMS shall provide for billings and collections of amounts owed by Customers of the Business and deposit any amount collected into a bank account for the sole benefit of Company. For purposes of this Agreement, "Customers" shall mean and include any individual or entity that receives goods or services from the Business.
- c) ATMS shall use its best efforts to ensure the successful operation and management of the Business and shall devote such reasonable time and effort to its operation of the Business, as ATMS, in its reasonable discretion, deems necessary to manage and supervise the Business' affairs in an efficient and businesslike manner, subject to the ultimate control of the Company. Company recognizes that ATMS, is an independent contractor and has other businesses that require its attention and therefore, ATMS need not devote its full time efforts to the management of the Business.
- 5. **RETAINED AUTHORITY**. All Customers shall be deemed to be Customers of the Company and all billings, receivables, records, reports, claims and correspondence relating to ATMS's services to Customers or otherwise arising hereunder shall be the sole property of the Company. Company shall have exclusive and final authority to determine the terms and conditions of all contracts. All fees, compensation or other items of value, charged by Company and/or received or realized as a result of the rendition of the Business's services to Customers by ATMS shall belong to and be paid and delivered to Company. ATMS shall have no authority to enter into any contracts binding upon Company, or to create any obligations on the part of Company, except such as shall be specifically authorized by Company, under the express terms of this Agreement. The Company may engage in its own marketing or other similar activities with the express written consent of ATMS.
- 6. **TERM**. The initial term of this Agreement shall be for a period of the equal to thirty-six (36) months from the Effective Date ("Initial Term"). From and after the end of the Initial Term, this Agreement will be automatically extended on a one (1) year annual basis unless terminated by either party upon written notice to the other party provided not less than thirty (30) calendar days prior to the end of the Initial Term or any extension thereof.

7. TERMINATION.

- a) Company shall have the right to immediately terminate ATMS 's services under this Agreement with or without notice if any employee of ATMS: (i) commits or participates in an injurious act of fraud or dishonesty against Company or its Customers; or (ii) commits or participates in an injurious act or omission against Company or its Customers which is committed in a manner which is wanton, willful, reckless, or grossly negligent; or (iii) engages in any conduct of unlawful harassment against any employee or Customer.
- b) Company shall also have the right to terminate ATMS 's services under this Agreement upon not less than thirty (30) calendar days written notice if ATMS fails or refuses to faithfully and diligently perform the provisions of this Agreement or the usual and customary duties of ATMS after notice of such failure from Company and ATMS 's failure or refusal to reasonably correct such conduct within the thirty (30) calendar day period.
- c) ATMS shall have the right to terminate this Agreement upon not less than thirty (30) calendar days written notice if Company fails or refuses to pay ATMS compensation when and as due, after notice of such failure from ATMS and Company's failure or refusal to reasonably correct such conduct within the thirty (30) calendar day period.
- 8. **BOOKS AND RECORDS**. ATMS shall maintain or cause to be maintained, comprehensive records, books, and accounts in which shall be entered all matters related to the business, including all income, expenditures, assets, and liabilities thereof, in a manner satisfactory to Company. Such records, books and accounts shall be open to inspection by Company.
- 9. OBSERVANCE OF LAWS. ATMS shall take such action as is necessary or appropriate to comply promptly with all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state and local governments, courts, departments, commissions, boards, and offices, any national or local board of fire underwriters or insurance services offices having jurisdiction over the Business, or any other body exercising functions similar to those of any of the foregoing, or any insurance carriers providing any insurance coverage of the Business. ATMS shall comply with all terms and provisions of any such agreements to which Company is a party and shall not cause Company to be in default of any terms and provisions of any agreement by and between Company and any third party.
- 10. REIMBURSEMENT FOR COSTS AND EXPENSES. ATMS shall be entitled to reimbursement for costs and expenses incurred by and/or relating to the provision of its services hereunder to the Company.

12. **ASSIGNMENT**. No party to this agreement shall assign its rights and/or obligations upon ATMS shall not assign this Agreement or delegate any of its duties or rights without the prior written consent of Company. Company shall have the right to assign this Agreement to its successor in interest.

13. **NOTICE**. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been properly made and delivered when mailed by first class, postage prepaid, certified or registered mail, or overnight courier service as follows:

If to ATMS:

If to Company:

Associated Telecommunications Management

Services, LLC

Attn.: Paul T. Watson, COO

6905 N. Wickham Road, Suite 403, Melbourne,

Florida 32940

Bellerud Communications, LLC

Attn.: Rene Bellerud

401-B West Montgomery St.

Willis, TX 77378

or to such other person and address as either party may designate in writing. Except as otherwise provided in this Agreement, each notice shall be effective and shall be deemed delivered on the earlier of: (i) its actual receipt, if delivered personally, by courier service, or, (ii) on the third (3rd) day after the notice is postmarked for mailing by first-class, postage prepaid, certified or registered, United States mall, with return receipt requested (whether or not the return receipt is subsequently received by the sender).

15. MISCELLANEOUS PROVISIONS.

- a) This Agreement, including all exhibits attached hereto, embodies the complete and entire agreement between the parties regarding this transaction and supersedes all prior negotiations, agreements, and understandings relating thereto which are merged herein. This Agreement may not be varied or modified except by written agreement signed by both parties. Further, the parties waive the right to assert or claim in any action or proceeding that they were induced to enter into this Agreement by any promise, fact, occurrence, representation, warranty (collectively referred to as "Representations") or other matter which is not expressly set forth in this Agreement or any schedule attached hereto, and all such Representations, if any, are merged herein.
- b) The laws of the State of Florida shall govern the performance and interpretation of this Agreement. The exclusive venue for any litigation, arbitration or other proceeding between the parties hereto based upon, or arising out of this Agreement, including without limitation any action for declaratory relief, shall be in Brevard County, Florida. Each party hereby submits to the personal jurisdiction of the courts of the State of Florida including, without limitation, the Eighteenth Judicial Circuit and the county courts of Brevard County, Florida. Employee hereby waives any rights to seek removal to the federal courts and to assert the defenses of improper venue and lack of personal jurisdiction with regard to this Agreement.
- c) The rights and obligations of the parties under this Agreement, including the option contained herein shall inure to the benefit of, and shall be binding upon, the heirs, estate, representatives, successors and assigns of the parties hereto.
- d) This Agreement may be executed simultaneously in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. A copy of this Agreement and any signature hereon shall be considered for all purposes as originals.
- e) The undersigned individuals executing this Agreement on behalf of a corporation, limited liability company partnership, trust or other entity, individually represent and warrant to the other party that such individual has the full power and authority to bind such entity to the terms and provisions of this Agreement and has obtained all necessary approvals and consents to sign this Agreement on behalf of such entity.
- f) The provisions of Sections 2, 3, 5, 10, 11, 12, 13 14, and 15 (and all subsections thereof) of this Agreement shall survive the termination and/or expiration of this Agreement.

IN WITNESS WHEREOF, the parties hereto have affixed or caused to be affixed their respective signatures this 1st day of January, 2010.

Dated and effective, January 1, 2010.

ASSOCIATED TELECOMMUNICATIONS MANAGEMENT SERVICES LLC

BY:

Paul T. Watson, COO

BLC MANAGEMENT, LLC

BY:

Danny Michael, General Manager

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE:

May 7, 2010

TO:

Christina Sutch, 6905 N. Wickham Rd. Suite 403 Melbourne FL 32940

FROM:

Diamond M. Williams, Office of Commission Clerk

RE:

Acknowledgement of Confidential Filing in Docket Number 100000-OT

This will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in the above-referenced docket.

Document Number <u>03847-10</u> has been assigned to this filing, which will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.