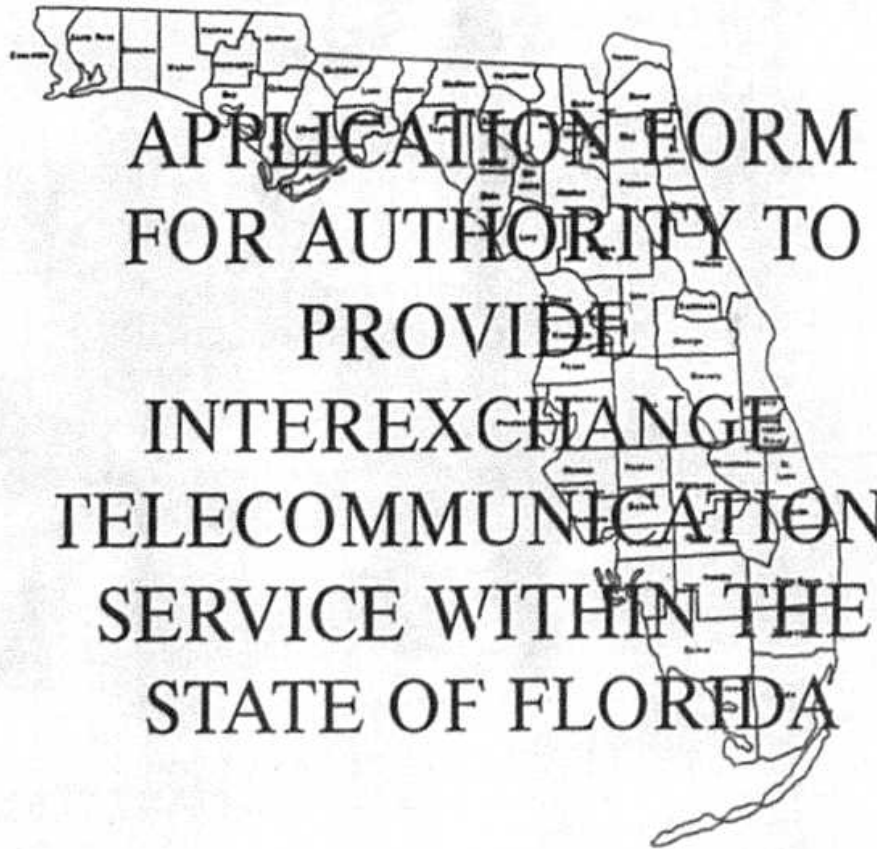


960840-TT

ORIGINAL
FILE COPY



APPLICATION FORM
FOR AUTHORITY TO
PROVIDE
INTEREXCHANGE
TELECOMMUNICATION
SERVICE WITHIN THE
STATE OF FLORIDA

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC _____
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE

07525 JUL 17 88

ORIGINAL

FLORIDA PUBLIC SERVICE COMMISSION
DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION
APPLICATION FORM
for
AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS
SERVICE
WITHIN THE STATE OF FLORIDA

Instructions

- A. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Appendix A).
- B. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Communications
Bureau of Service Evaluation
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6600

- E. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250.00 to:

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6251

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

- Original Authority (New company).
- Approval of Transfer (To another certified company).
- Approval of Assignment of existing certificate (To an uncertified company).
- Approval for transfer of control (To another certificated company).

2. Select what type of business your company will be conducting (check all that apply):

- Facilities based carrier - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
- Operator Service Provider - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- Reseller - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- Switchless Rebiller - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- Multi-Location Discount Aggregator company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.

3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship:

DIGITAL CABLE, INC.

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

DIGITAL CABLE, INC.

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

6622 SOUTH POINT DRIVE, STE 310
JACKSONVILLE, FL 32216

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

6351 A PHILLIPS HIGHWAY
JACKSONVILLE, FL 32216

7. Structure of organization;

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

8. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners. NOT APPLICABLE

(a) Provide proof of compliance with the foreign limited partnership statute (Chapter 620.169 FS), if applicable.

(b) Indicate if the individual or any of the partners have previously been:

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

(2) 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.

9. If incorporated, please give:

- (a) Proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: P9500022393

- (b) Name and address of the company's Florida registered agent.

**Smith Hulsey & Busey
225 Water Street, Suite 1800
Jacksonville, Florida 32202**

- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number: NA

- (c) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

- (1) Adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.

SEE NOTE 1

- (2) 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.

NOT APPLICABLE. NONE ARE/WERE ASSOCIATED WITH OTHER FLORIDA TELEPHONE COMPANIES.

10. Who will serve as liaison with the Commission in regard to (please give name, title, address and telephone number):

- (a) The application;

**Christopher Parker, President or
Nelson Ferrin, CFO
6351 A PHILLIPS HIGHWAY, JACKSONVILLE, FL
32216
(904) 296 6242**

- (b) Official Point of Contact for the ongoing operations of the company;

SAME AS ABOVE

(c) Tariff;
SAME AS ABOVE

(d) Complaints/Inquiries from customers;
SAME AS ABOVE

11. List the states in which the applicant:

- (a) Has operated as an interexchange carrier. NONE
- (b) Has applications pending to be certificated as an interexchange carrier. NONE
- (c) Is certificated to operate as an interexchange carrier. NONE
- (d) Has been denied authority to operate as an interexchange carrier 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

12. What services will the applicant offer to other certificated telephone companies: NOT APPLICABLE

- () Facilities.
- () Operators.
- () Billing and Collection.
- () Sales.
- () Maintenance
- () Other, _____

13. Do you have a marketing program? YES

DCI's market is primarily apartments where it secures exclusive ROEs to provide cable television and telephony service. DCI's initial market for its telephony service is the reselling of long distance service to student oriented apartments wherein students can secure individual PIN accounts at competitive rates and therefore avoid payment problems with roommates.

14. Will your marketing program:
- Pay commissions? **ROYALTIES**
 - Offer sales franchises?
 - Offer multi-level sales incentives?
 - Offer other sales incentives?

15. Explain any of the offers checked in question 14 (To whom, what amount, type of franchise, etc.).

DCI plans to pay apartment owners/managers royalties according to apartment penetration. Current royalties start at 2% and rise to 15% (at 100% penetration). Royalties are paid by increment (each increment is added to reach total collective royalty payment).

16. Who will receive the bills for your service (Check all that apply)?
- Residential Customers. PATS station end-users.
 - PATS providers. Sales.
 - Hotels & Motels Hotel & motel guests
 - Universities. Univ. dormitory residents.
 - Other: (specify) Student Apartments

17. Please provide the following (if applicable):

- (a) Will the name of your company appear on the bill for your services, and if not who will the billed party contact to ask questions about the bill (provide name and phone number) and how is this information provided?

DCI's name will appear on the bill. DCI will answer questions concerning the bill (an 800 number is provided).

- (b) Name and address of the firm who will bill for your service.

DCI will be performing all billing functions.

18. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide interexchange telecommunications service in Florida.

DCI is a reseller of long distance service. DCI has had to provide the IXC with sufficient background information for it to allow DCI to resell its services.

A. Financial capability.

Regarding the showing of financial capability, the following applies:

DCI is a new corporation and is still in its startup and initial marketing period. Financial statements are provided in Attachment 1.

The application should contain the applicant's financial statements, including:

1. the balance sheet
2. income statement
3. statement of retained earnings for the most recent 3 years.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should affirm that the financial statements are true and correct.

B. Managerial capability. see Note 2

C. Technical capability. see Note 3

19. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

See Attachment 2.

20. The applicant will provide the following interexchange carrier services (Check all that apply): Not Applicable (IXC initially is Cable and Wireless)

_____ MTS with distance sensitive per minute rates

_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

_____ MTS with route specific rates per minute

_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

_____ MTS with statewide flat rates per minute (i.e. not distance sensitive)

_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

_____ MTS for pay telephone service providers.

_____ Block-of-time calling plan (Reach out Florida, Ring America, etc.).

_____ 800 service (Toll free)

_____ WATS type service (Bulk or volume discount)

_____ Method of access is via dedicated facilities
_____ Method of access is via switched facilities

_____ Private Line services (Channel Services)
For ex. 1.544 mbs., DS-3, etc.)

Travel Service
 Method of access is 950
 Method of access is 800

900 service

 Operator Services

 Available to presubscribed customers
 Available to non presubscribed customers (for
example to patrons of hotels, students in
universities, patients in hospitals.
 Available to inmates

Services included are:

 Station assistance
 Person to Person assistance
 Directory assistance
 Operator verify and interrupt
 Conference Calling

21. What does the end user dial for each of the interexchange carrier services that were checked in services included (above).

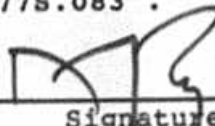
22. Other:

****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 its **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:** A non-refundable application fee of \$250.00 must be submitted with the application.
5. **RECEIPT AND UNDERSTANDING OF RULES:** I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange service.
6. **ACCURACY OF APPLICATION:** By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my knowledge and belief, the information is a true and correct statement.

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:



Signature
ROBERT GRAY

Name
COO

Title

7/16/96

Date

(904) 296-6242

Telephone No.

****APPENDIX A****

CERTIFICATE TRANSFER STATEMENT

I, (TYPE NAME) _____
(TITLE) _____, of (NAME OF COMPANY) _____,
and current holder of certificate number _____, have
reviewed this application and join in the petitioner's request for
a transfer of the above-mentioned certificate.

UTILITY OFFICIAL: _____
Signature

Date

Name

Title

Telephone No.

****APPENDIX B****


CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please check one):

- The applicant will not collect deposits nor will it collect payments for service more than one month in advance.

- The applicant will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

UTILITY OFFICIAL:


Signature

7/16/96
Date

ROBERT GRAY
Name

COO
Title

(904)246-6242
Telephone No.

APPENDIX C

INTRASTATE NETWORK

1. **POP:** Addresses where located, and indicate if owned or leased.
 - 1) 2)
 - 3) 4)

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.
 - 1) 2)
 - 3) 4)

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

 - 2)

4. **ORIGINATING SERVICE:** Please provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate (Appendix D).

5. **TRAFFIC RESTRICTIONS:** Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4) (a) (copy enclosed). **NA**

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has) or has not (X) previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:

a) What services have been provided and when did these services begin?

b) If the services are not currently offered, when were they discontinued?

UTILITY OFFICIAL:


Signature

7/16/96
Date

ROBERT GRAY
Name

COO
Title

(904) 296-6242
Telephone No.

APPENDIX D

FLORIDA TELEPHONE EXCHANGES

AND

EAS ROUTES

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

FLORIDA EAS FOR MAJOR EXCHANGES

<u>Extended Service Area</u>	<u>with</u>	<u>These Exchanges</u>
PENSACOLA:		Cantonment, Gulf Breeze Pace, Milton Holley-Navarre.
PANAMA CITY:		Lynn Haven, Panama City Beach, Youngstown-Fountain and Tyndall AFB.
TALLAHASSEE:		Crawfordville, Havana, Monticello, Panacea, Sopchoppy and St. Marks.
JACKSONVILLE:		Baldwin, Ft. George, Jacksonville Beach, Callahan, Maxville, Middle- burg, Orange Park, Ponte Vedra and Julington.
GAINESVILLE:		Alachua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry and Waldo.
OCALA:		Belleview, Citra, Dunnellon,

	Forest Lady Lake (B21), McIntosh, Oklawaha, Orange Springs, Salt Springs and Silver Springs Shores.
DAYTONA BEACH:	New Smyrna Beach.
TAMPA:	Central None East Plant City North Zephyrhills South Palmetto West Clearwater
CLEARWATER:	St. Petersburg, Tampa-West and Tarpon Springs.
ST. PETERSBURG:	Clearwater.
LAKELAND:	Bartow, Mulberry, Plant City, Polk City and Winter Haven.
ORLANDO:	Apopka, East Orange, Lake Buena Vista, Oviedo, Windermere, Winter Garden, Winter Park, Montverde, Reedy Creek, and Oviedo-Winter Springs.
WINTER PARK:	Apopka, East Orange, Lake Buena Vista, Orlando, Oviedo, Sanford, Windermere, Winter Garden, Oviedo-Winter Springs, Reedy Creek, Geneva and Montverde.
TITUSVILLE:	Cocoa and Cocoa Beach.
COCOA:	Cocoa Beach, Eau Gallie, Melbourne and Titusville.
MELBOURNE:	Cocoa, Cocoa Beach, Eau Gallie and Sebastian.
SARASOTA:	Bradenton, Myakka and Venice.
FT. MYERS:	Cape Coral, Ft. Myers Beach, North Cape Coral, North Ft. Myers, Pine Island, Lehigh Acres and Sanibel-Captiva Islands.
NAPLES:	Marco Island and North Naples.
WEST PALM BEACH:	Boynton Beach and Jupiter.

POMPANO BEACH:	Boca Raton, Coral Springs, Deerfield Beach and Ft. Lauderdale.
FT. LAUDERDALE:	Coral Springs, Deerfield Beach, Hollywood and Pompano Beach.
HOLLYWOOD:	Ft. Lauderdale and North Dade.
NORTH DADE:	Hollywood, Miami and Perrine.
MIAMI:	Homestead, North Dade and Perrine

****APPENDIX E****

****GLOSSARY****

ACCESS CODE: The term denotes a uniform four or seven digit code assigned to an individual IXC. The five digit code has the form 10XXX and the seven digit code has the form 950-XXXX.

BYPASS: Transmission facilities that go direct from the local exchange end user to an IXC point of presence, thus bypassing the local exchange company.

CARRIERS CARRIER: An IXC that provides telecommunications service, mainly bulk transmission service, to other IXC only.

CENTRAL OFFICE: A local operating unit by means of which connections are established between subscribers' lines and trunk or toll lines to other central offices within the same exchange or other exchanges. Each three (3) digit central office code (NXX) used shall be considered a separate central office unit.

CENTRAL OFFICE CODE: The term denotes the first three digits (NXX) of the seven (7) digit telephone number assigned to a customer's telephone exchange service.

COMMISSION: The Florida Public Service Commission.

COMPANY, TELEPHONE COMPANY, UTILITY: These terms may be used interchangeably herein and shall mean any person, firm, partnership or corporation engaged in the business of furnishing communication service to the public under the jurisdiction of the Commission.

DEDICATED FACILITY: The term denotes a transmission circuit which is permanently for the exclusive use of a customer or a pair of customers.

END USER: The term denotes any individual, partnership, association, corporation, governmental agency or any other entity which (A) obtains a common line, uses a pay telephone or obtains interstate service arrangements in the operating territory of the company or (B) subscribes to interstate services provided by an IXC or uses the services of the IXC when the IXC provides interstate service for its own use.

EQUAL ACCESS EXCHANGE AREAS: EAEA means a geographic area, configured based on 1987 planned toll center/access tandem areas, in which local exchange companies are responsible for providing equal access to both carriers and customers of carriers in the most economically efficient manner.

EXCHANGE: The entire telephone plant and facilities used in providing telephone service to subscribers located in an exchange area. An exchange may include more than one central office unit.

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.

EXTENDED AREA SERVICE: A type of telephone service furnished under tariff provision whereby subscribers of a given exchange or area may complete calls to, and receive messages from, one or more other contiguous exchanges without toll charges, or complete calls to one or more other exchanges without toll message charges.

FACILITIES BASED: An IXC that has its own transmission and/or switching equipment or other elements of equipment and does not rely on others to provide this service.

FOREIGN EXCHANGE SERVICES: A classification of exchange service furnished under tariff provisions whereby a subscriber may be provided telephone service from an exchange other than the one from which he would normally be served.

FEATURE GROUPS: General categories of unbundled tariffs to stipulate related services.

Feature Group A: Line side connections presently serving specialized common carriers.

Feature Group B: Trunk side connections without equal digit or code dialing.

Feature Group C: Trunk side connections presently serving AT&T-C.

Feature Group D: Equal trunk access with subscription.

INTEREXCHANGE COMPANY: means any telephone company, as defined in Section 364.02(4), F.S. (excluding Payphone Providers), which provides telecommunication service between exchange areas as those areas are described in the approved tariffs of individual local exchange companies.

INTER-OFFICE CALL: A telephone call originating in one central office unit or entity but terminating in another central office unit or entity both of which are in the same designated exchange area.

INTRA-OFFICE CALL: A telephone call originating and terminating within the same central office unit or entity.

INTRASTATE COMMUNICATIONS: The term denotes any communications in Florida subject to oversight by the Florida Public Service Commission as provided by the laws of the State.

INTRA-STATE TOLL MESSAGE: Those toll messages which originate and terminate within the same state.

LOCAL ACCESS AND TRANSPORT AREA: LATA means the geographic area established for the administration of communications service. It encompasses designated exchanges, which are grouped to serve common social, economic and other purposes.

LOCAL EXCHANGE COMPANY (LEC): Means any telephone company, as defined in Section 364.02(4), F.S., which, in addition to any other telephonic communication service, provides telecommunication service within exchange areas as those areas are described in the approved tariffs of the telephone company.

OPTIONAL CALLING PLAN: An optional service furnished under tariff provisions which recognizes a need of some subscribers for extended area calling without imposing the cost on the entire body of subscribers.

900 SERVICE: A service similar to 800 service, except this service is charged back to the customer based on first minute plus additional minute usage.

PIN NUMBER: A group of numbers used by a company to identify their customers.

PAY TELEPHONE SERVICE COMPANY: Means any telephone company, other than a Local Exchange Company, which provides pay telephone service as defined in Section 364.335(4), F.S.

POINT OF PRESENCE (POP): Bell-coined term which designates the actual (physical) location of an IXC's facility. Replaces some applications of the term "demarcation point."

PRIMARY SERVICE: Individual line service or party line service.

RESELLER: An IXC that does not have certain facilities but purchases telecommunications service from an IXC and then resells that service to others.

STATION: A telephone instrument consisting of a transmitter, receiver, and associated apparatus so connected as to permit sending and/or receiving telephone messages.

SUBSCRIBER, CUSTOMER: These terms may be used interchangeably herein and shall mean any person, firm, partnership, corporation, municipality, cooperative organization, or governmental agency supplied with communication service by a telephone company.

SUBSCRIBER LINE: The circuit or channel used to connect the subscriber station with the central office equipment.

SWITCHING CENTER: Location at which telephone traffic, either local or toll, is switched or connected from one circuit or line to another. A local switching center may be comprised of several central office units.

TRUNK: A communication channel between central office units or entities, or private branch exchanges.

ATTACHMENTS:

- A - CERTIFICATE TRANSFER STATEMENT
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS
- C - INTRASTATE NETWORK
- D - FLORIDA TELEPHONE EXCHANGES and EAS ROUTES
- E - GLOSSARY

Note 1

Christopher Parker filed a Chapter 7 Bankruptcy in February 1993 as a result of debts incurred in the opening of a restaurant venture. The restaurant opened in December 1991 and was sold in January 1993. The sale produced enough revenue to retire a substantial portion of the debt but not enough to satisfy all creditors.

Note 2

Management Capability

The principals in Digital Cable Inc. have extensive management capabilities both within the overall communications industry as well as with multifamily/student properties (the prime market for DCI's long distance individualized billing program).

Mr. Parker has been in the multifamily real estate consulting and management industry for over 20 years. For the last 2 years he has been involved in the management of RMTS services to student and multifamily projects for Integroup and now with DCI.

Ms. Whalen has been in telecommunication field for the last six years. As president of First Coast Sound and Cellular, Inc. FCSC is an authorized agent for Cable and Wireless and MCI long distance products as well as an authorized AT&T wireless dealer.

Mr. Gray is an international management and economic consultant and is chief operation officer for Strategic Planning Group, Inc. He is an officer in First Coast Sound and Cellular and has been involved in the telecommunications industry for the last six years.

Mr. Nelson Perrin is a financial/accounting executive with 29 years of experience in managing accounting, taxation and data processing departments. His employment, audit and entrepreneurial involvement's have ranged from small privately held companies to large multi-national publicly traded companies traded on AMEX and NASDAQ exchanges. He formerly served as controller to ComSystems a regional TELCO serving customers primarily in Los Angeles.

Note 3

Technical Capability

The principals in Digital Cable Inc. have extensive management capabilities both within the overall communications industry as well as with multifamily/student properties (the prime market for DCI's long distance individualized billing program).

Mr. Parker has been in the multifamily real estate consulting and management industry for over 20 years. For the last 2 years he has been involved in the management of RMTS services to student and multifamily projects for Integroup and now with DCI.

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Mr. Gray is an international management and economic consultant and is chief operation officer for Strategic Planning Group, Inc. He is an officer in First Coast Sound and Cellular and has been involved in the telecommunications industry for the last six years.

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ATTACHMENT 1

**Digital Cable Incorporated
Comparative Financial Statements
For the Five Months ended May 31, 1996**



Nelson W. Perrin, CPA

6622 Southpoint Dr., So. • Suite 300 • Jacksonville, Fl. • 32216
Phone (904) 296-6761 • Fax (904) 296-0895 • Mobile (904) 571-0200

*Memberships in: California Society of Certified Public Accountants
Ohio Society of Certified Public Accountants
Florida Society of Certified Public Accountants*

Friday, June 14, 1996

Mr. Robert J. Gray, COO & Principle
Digital Cable Incorporated
6622 Southpoint Dr., So.,
Suite 310
Jacksonville, FL. 32216

Dear Mr. Gray:

I have compiled the accompanying Comparative Balance Sheet, Statement of Revenues and Expenses and Statement of Changes in Cash Position, collectively known as the Financial Statements, for the Five months ended May 31, 1996 for Digital Cable Incorporated, a Florida Corporation, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accrual method of accounting which is a comprehensive basis of accounting in accordance with Generally Accepted Accounting Principles consistently applied.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. I have not subjected the accompanying financial statements or any data therein in whole or in part to Generally Accepted Auditing Standards as promulgated by the American Institute of Certified Public Accountants or any other regulatory body, and accordingly, do not express an opinion with regard to such matters.

Nelson W. Perrin, CPA
6622 Southpoint Dr., So.
Suite #310
Jacksonville, FL. 32216

7/2/96

As Chief Financial Office of Digital Cable Incorporated, I certify that to the best of my knowledge and belief the attached Financial statements are true and accurate.

Nelson W. Perrin, CFO

06/14/96

Digital Cable, Inc.
Balance Sheet
 As of May 31, 1996

	May 31, '96
ASSETS	
Current Assets	
Checking/Savings	
Checking	2,877.88
Total Checking/Savings	2,877.88
Accounts Receivable	
Accounts Receivable	1,728.81
Total Accounts Receivable	1,728.81
Other Current Assets	
Travel Advance	200.00
Total Other Current Assets	200.00
Total Current Assets	4,806.69
Fixed Assets	
Fixed Assets	
Acquisition Cost	
Computers	3,499.49
Software	577.43
Total Acquisition Cost	4,076.92
Depreciation Accumulated	-1,751.25
Total Fixed Assets	2,325.67
Total Fixed Assets	2,325.67
Other Assets	
Organization costs	
Amortization Basis	-239.34
Basis	897.50
Total Organization costs	658.16
Other Assets	
Deposits	
Telephone	200.00
Total Deposits	200.00
Startup Costs	77,091.18
Total Other Assets	77,291.18
Total Other Assets	77,949.34
TOTAL ASSETS	85,081.70
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Trade Payables	8,922.57
Total Accounts Payable	8,922.57
Total Current Liabilities	8,922.57
Total Liabilities	8,922.57
Equity	
Capital Stock	876.30
Paid-in or Capital Surplus	75,282.83
Total Equity	76,159.13
TOTAL LIABILITIES & EQUITY	85,081.70

Digital Cable Incorporated
Statement of changes in Cash Position
 Period from December 31, 1995 to May 31, 1996

Sources of Cash:

From Operations		
Profit or (Loss) from Operations	\$ -	
Addback expenses not requiring cash:		
Depreciation or amortization	<u>581.05</u>	
Total cash available from Operations		581.05
 Other operating sources:		
Additional Capital Contributions	26,250.00	
Increase in Trade payables	2,198.66	
Accrual of unpaid Salaries or wages	-	
Increase in Payroll tax liabilities	-	
Total cash available from Other Sources		<u>28,448.66</u>
Total Cash Available		29,029.71

Uses of Cash:

From Operations		
Increase in Outstanding Receivables	1,728.81	
Travel Advances outstanding	200.00	
Pre-Startup costs Capitalized	<u>30,739.05</u>	
Total funds used in operations		<u>32,667.86</u>
Net change in cash position		<u>(3,638.15)</u>
Beginning Cash Position		<u>6,516.03</u>
Ending cash position		<u>\$ 2,877.88</u>

06/14/96

Digital Cable, Inc.
Profit and Loss
 January through May 1996

Jan - May '96

Ordinary Income/Expense	
Expense	
Advertising	
Printing and Reproduction	37.28
Total Advertising	37.28
Bank Service Charges	82.27
Depreciation Expense	581.05
Licenses, Permits & Taxes	200.00
Office Supplies	582.82
Postage and Courier	373.00
Professional Fees	
Accounting	1,833.78
Legal Fees	2,862.05
Other	19,500.00
Total Professional Fees	24,195.83
Rent	
Equipment	321.46
Office Space	6,000.00
Total Rent	6,321.46
Seminars & Conferences	300.00
Telephone	
Cellular Service	87.30
Local Service	472.14
Long Distance Service	1,866.45
Total Telephone	2,425.89
Travel & Ent	
Air transport	705.00
Automobile Expense	114.56
Ground Transport	153.94
Lodging	1,024.86
Meals & Entertainment	656.49
Travel & Ent - Other	-1,728.81
Total Travel & Ent	926.04
Total Expense	36,025.64
Net Ordinary Income	-36,025.64
Other Income/Expense	
Other Income	
Other Income	
Pre-Operating Costs	36,054.86
Total Other Income	36,054.86
Total Other Income	36,054.86
Other Expense	
Other Expenses	
Late fees	29.22
Total Other Expenses	29.22
Total Other Expense	29.22
Net Other Income	36,025.64
Net Income	0.00

Digital Cable Incorporated
Accompanying Footnotes to these Financial Statements
for the Five Months Ended May 31, 1996

1). **Significant Accounting Policies :**

Digital Cable Incorporated, a Florida Corporation, was incorporated on or about February 1, 1995. The Company was established to supply, as a Alternative Local Exchange Company (ALEC), local and long distance services in conjunction with cable entertainment and other formats and mediums of communication, to the residential Multiple unit development market niche. In the course of conducting it's business, the Company has entered into various agreements with property owners, and a Partnership(s) with similar Company(s) located outside of Florida. The Corporation is in the development stage and any risk evaluation of these statements must be considered in that light. The Management anticipates that operations should begin within 3 months of this report.

The Company utilizes the accrual method of accounting, and in the opinion of Management is in conformity with generally accepted accounting principles.

Cash and Cash Equivalents:

Marketable securities with original maturities of three months or less are considered to be cash equivalents when applicable. The carrying amount when reported in the Balance sheet are at cost or market, which ever is lowest.

Concentrations of Credit Risk:

Since operations have not commenced, in the opinion of Management, no concentration of credit risks exist, however, once operations commenced, the concentration of credit risk shall revolve around open residential customer receivables. Management anticipates that bad debt losses will be consistent with the experience of similar purveyors of communication services within the communities being serviced.

Inventories:

The Company maintains sufficient supplies to conduct business. The volume of such supplies, in the opinion of management, are immaterial when considered in reference to the financial statements, taken as a whole. No count or valuation of these items are reflected in the financial statement. All supplies of this nature are available locally and purchased on a as needed basis.

Property and Equipment:

The Company capitalizes property and equipment at cost, if and when the cost of acquisition exceeds \$200.00 and that the underlying property has a determinable useful life of more than 3 years. Repairs and maintenance costs are expensed as incurred except when the useful life of the underlying asset is significantly extended as a result of the repair or refurbishment.

Depreciation expense is provided periodically on a straight line basis over the estimated useful life of the asset(s) by the Company.

Pre-Operational startup costs:

The Company has incurred and continues to incur costs related to Startup and establishment in its market place. Once a revenue stream is established such costs will be charged off against same at a rate of 10¢ per \$1.00 of revenue earned until costs accumulated are exhausted.

2). **Short and Long Term Borrowings:**

The Company presently has no outstanding debt.

3). **Income Taxes:**

The Company for tax purposes is treated as a partnership under the regulations governing Sub-Chapter S rules. Since this method does not result in a tax liability for the company, no taxes either on a Federal or State level are provided in determining operating performance. In the opinion of Management this filing status remains in good standing and the Company has complied with such regulations on a timely basis as prescribed by prevailing law and regulation. From time to time the accrual method of accounting and taxation basis may differ resulting in permanent and/or temporary differences. When such difference occur, management policy will result in a reporting of these differences.

4). **Related Party Transactions:**

In the opinion of Management, the books and records of the Company, reflect only those transactions related to the Company and do not include transactions related to either other affiliates, if they exist, or include personal matters pertaining to any of the officers, employees or stockholders.

5). **Pending Litigation & Contingent Liabilities:**

The Company has no knowledge of any contingent liabilities arising from either its actions, the actions of it's management , stockholders or employees.

TITLE SHEET

FLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations and rates applicable to the furnishing of service and facilities for telecommunications services provided by DIGITAL CABLE, INC. (DCI), with principle offices at 6622 Southpoint Drive, South, Suite 310, Jacksonville, FL. 32216. This tariff applies for services furnished within the State of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principle place of business.

Issued: July 9, 1996

Effective: _____

By: Nelson W. Perrin, CPA, Chief Financial Officer
6622 Southpoint Drive, South, Suite #310
Jacksonville, FL. 32216

CHECK SHEET

The sheets listed below, which are inclusive of this tariff, 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 tariff and are currently in effect as of the date of the bottom of this page.

<u>Sheet No.</u>	<u>Revision</u>
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
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original
25	Original
26	Original
27	Original
28	Original
29	Original

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6622 Southpoint Drive, South, Suite #310
Jacksonville, FL. 32216

TABLE OF CONTENTS

Title Sheet	1
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Symbols Sheet	4
Tariff Format Sheets	5
Section 1 - Technical Terms and Abbreviations	6
Section 2 - Rules and Regulations	7
Section 3 - Description of Service	11
Section 4 - Rates	18

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SYMBOLS SHEET

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

- D - Delete or Discontinue
- I - Change resulting in an increase to a Customer's bill
- M - Moved from another Tariff 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

Issued: July 9, 1996 Effective: _____

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TARIFF FORMAT SHEETS

- A. **Sheet Numbering** - Sheet numbers appear in the upper corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets 14 and 15 it would be numbered 14.1.
- B. **Sheet Revision Numbers** - 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. Because of various suspension periods, deferrals, etc., the FPSC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page 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 the coding 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.(i).
 - 2.1.1.A.1.(a).I.(i).(1)
- D. **Check Sheets** - When a tariff filing is made with the FPSC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by the asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e. the format, etc., remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the FPSC.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

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

Authorization Code - A alpha-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 it's facilities an to identify the customer for billing purposes.

Company or Carrier - Digital Cable, Inc.

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

Day - From 8:00 AM up to but not including 5:00PM local time Sunday through Friday.

Evening - From 5:00 PM up to but not including 11:00 PM local time Sunday through Friday.

Holidays - Digital Cable Inc. recognizes the national holidays commonly known as New Year's day, Martin Luther King, Jr. Day, Presidents Day, Memorial day(observed), Independence Day, Labor Day, Thanksgiving day, Christmas day.

Night/Weekend - From 11:00 PM up to but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to but not including 5:00 PM Sunday.

Domestic Call - A call which terminates within the contiguous United states.

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SECTION 2 - RULES AND REGULATIONS

2.1. Under taking of Digital Cable, Inc.

Digital Cable, Inc., services and/or facilities are furnished for communications originating at specified points within the State of Florida under terms of this Tariff.

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

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

2.2. Limitations

- 2.2.3 Service is offered subject to the availability of facilities and provisions of this tariff.
- 2.2.4 The Company 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 the service in violation of the law or the provisions of this tariff.
- 2.2.5 All services and/or facilities provided under this Tariff are directly controlled by Digital Cable, Inc. and the customer may not transfer or assign the use of service or facilities, except with the express written consent of Digital Cable, Inc.

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

2.3 Liabilities of the Company.

2.3.4. Digital Cable, Inc.'s liability for damages arising out of mistakes, interruptions, omissions, delays, error, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by 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.

2.3.5. Digital Cable, Inc. 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 services and/or facilities.
- (B). All other claims arising out of any act or omission of the customer in connection with any service and/or facility provided by Digital Cable Inc.

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2.4. Interruption of Service.

- 2.4.5 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 obligation of the customer to notify the Company immediately of any interruption in service 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 hi/her control, if any, furnished by the customer and connected to the Company's service and/or facilities.
- 2.4.6 For purposes of credit computation, every month shall be considered to have 720 hours.
- 2.4.7 No credit shall be allowed for an interruption of a continuous duration of less than two (2) hours.
- 2.4.8 The Customer 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 and/or facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

$$\text{Credit} = A/720 \times B$$

When 'A' equals the outage time in hours

When 'B' equals total monthly charge for affected service and/or facility.

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2.5 Deposits.

Depending upon the product selected by the Customer a deposit may be required. Such deposit(s) maybe less than or equal to those allowed under the Rules of the Florida Public Service Commission, Chapter 25-24.490 and Attachments 25-4.109 'Customer deposits'.

2.6 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 services. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month.

2.7 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.

2.8 Employee Concessions.

Any Employee of the Company in good standing for three months or longer may receive any of the Company's services 20% below the tarified rate as a concession.

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SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls.

3.1.1 When Billing Charges Begin and Terminate For Phone Calls.

The Customer's long distance usage charge is based on the actual usage of Digital Cable Inc.'s network. Usage begins when the called party picks up the receiver, (i.e. When two(2) way communication, often referred to as 'conversation time' is possible.). When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the 'voice' sensitive software utilizing audio tone detection sends a signal to the switch. When a software answering supervisor is employed, up to 60 seconds (i.e. equivalent to ten (10) rings on the receiver) of ringing is allowed before it is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments.

Unless otherwise specified in this tariff, the minimum call duration for billing purposes is one (1) minute for a connected call. Calls beyond one (1) minute are billed in Six (6) second increments.

3.1.3 Per Call Billing Charges.

Billing will be rounded up to the nearest penny for each completed call billed.

3.1.4 Uncompleted Calls.

There shall be no charges for uncompleted calls.

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Jacksonville, FL. 32216

3.2 Billing of Calls.

All charges due by the customer are payable at any agency duly authorized by the Company to receive such payments and so designated in writing to the customer. Any objection to billed charges should be promptly reported to the Company. Adjustments to the customers' bill shall be made to the extent that records are available and/or circumstances with approved rates or that and adjustment may otherwise be approved.

3.3 Payment of Calls.

3.3.4 Late Payment Charges.

Finance charges of one and one half percent (1 1/2%) per month may be assessed on all unpaid balances more than thirty (30) days old.

3.3.2 Return Payment Charges.

A return payment charge of Twenty dollars (\$20.00) or Five percent (5%) of the payment amount, whichever is greater, will be assessed for checks returned for insufficient funds or when the account to which the payment had been drawn against is indicated to be 'closed' by the paying bank or if the pre-authorized credit card payment, when applicable, is dishonored by the payee. The Company reserves the right to assess any additional collection fees necessary including ordinary and necessary legal fees or court costs as incurred to collect any unpaid balances stemming from or as a result of non-payment as attributed to insufficient funds payments, closed account payments or dishonored pre-authorized credit card payments.

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3.3.3 Restoration of Service.

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

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3.4 Calculation of Distance.

Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of a call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal (V & H) coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research, Inc., its successors or assignors, in the NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No.4.

The Formula:

Distance equals the square root, rounded to a whole number, of the vertical coordinate at origination (V₁) minus the vertical coordinate at termination (V₂) squared plus the Horizontal coordinate at origination (H₁) minus the Horizontal coordinate at termination (H₂) squared divided by a constant of ten (10). As depicted as follows:

$$\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}$$

EXAMPLE: Determining the Distance between Miami and Tallahassee:

	<u>V(Vertical)</u>	<u>H(Horizontal)</u>
Miami (1)	8,354	546
Tallahassee (2)	<u>7,871</u>	<u>1,740</u>
The Difference	483	-1,174
Squared(each difference)	233,289	1,378,276
The summation		1,611,565
As divided by 10 and rounded		161,157
Then taken as the square root and rounded to the whole number would yield a distance of		<u>402 miles.</u>

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3.5 Minimum Call Completion Rate.

A customer can expect a call completion rate [EXPRESSED AS A PERCENTAGE] (number of calls completed / number of calls attempted) of not less than 90% during peak usage periods for all Feature Group (FG) D services (1+ dialing).

3.6 Service Offerings.

3.6.7 Standard Home Plan.

The Standard product is a direct access mileage, usage sensitive, inter/intrastate service designated for the occasional long distance user with average volume of less than \$25.00 per month.

3.6.8 Residential Plus.

Residential Plus is a direct access mileage, usage sensitive, inter/intrastate service designated for the occasional long distance user with average volume of more than \$100.00 per month.

3.6.9 The Roommate Advantage Plan™ (RAP).

The Student pass is specifically designed for multi-residential housing developments. This direct access mileage, usage sensitive, inter/intrastate service features an individual "authorization" code which results in separate billing to each resident in the housing unit. Rates are subject to discounts for volume and include a personal 800 number.

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3.6.10 The Roommate Advantage Plan™ +Plus(RAP+).

The Student Plus is specifically designed for multi-residential housing developments. This direct access mileage, usage sensitive, inter/intrastate service features and individual authorization code which results in separate billing to each resident in the housing unit. Rates are subject to discounts for volume and include a personal 800 number. The Student may elect to receive a world discount for calls placed to one country of his or her choosing.

3.6.11 Basic Commercial.

Basic Commercial is design for low volume commercial 1+ dialing accounts originating from subscribers based in Florida, open for business during normal working hours. Volume discounts are attached for volumes in excess of \$100.00 per month. 800 number service is available at the subscribers request without additional fees at the rates for 1+ dialing.

3.6.12 President's Commercial.

The President's Commercial services subscribers whose average call volume averages more than \$500.00 per month, open for business during normal working hours. The product includes volume discounts on call volume from \$500.00 to \$2,500.00 per month on 1+ dialing and 800 inbound traffic.

3.6.13 Leading Edge Commercial.

This product features high volume usage on a flat rate, direct access, inter/intrastate service designate for subscribers with average billing of between \$1,000.00 to \$2,500.00 per month.

3.6.14 Net Provider II.

Net II is a direct access mileage, usage sensitive offering requiring a dedicated access line for the customer to use the service. This is an outbound service only; no incoming calls will terminate over the dedicated lines used for this services.

3.6.15 Employee.

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The Employee provides the same services as and utilizes the rate structure of The Standard for all direct access mileage, usage sensitive, inter/intrastate service. As an employee in good standing of the Company a 20% discount on all calls is included to arrive at balances due.

3.6.16 Travel Card.

The Travel card product is designed to address the travel needs of our subscribers, who make calls away from their main location. The rate on all Travel card calls are mileage, usage sensitive, inter/intrastate service features between points within the contiguous U.S.

3.6.17 800 Net.

DCI's 800 Locate Service Product id and inbound only mileage, usage sensitive, inter/intrastate service for users from with inbound call volume of 0 to \$1,000.00 per month.

3.6.18 800 Net I.

800 Net I product features high volume usage on a flat rate, for all inbound inter/intrastate service designate for subscribers with average billing of between \$1,000.00 per month.

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SECTION 4 - RATES**4.1 Standard Home Plan.**

INTRASTATE Usage Pricing:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.32	\$0.206	\$0.165

Product Notes:

- 1). No installation Fees
- 2). No Monthly Fees
- 3). Minimum call duration is One (1) minute with all additional time billed in Six (6) second increments.
- 4). No Monthly Minimum
- 5). Full Call Detail Provided
- 6). Accounting Codes:
 - Non-Verified \$ 5.00 per month
 - Verified \$ 10.00 per month
- 7). Directory Assistance \$0.50 per call
- 8). No fees charged for termination.
- 9). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

4.2 Residential Plus.

INTRASTATE Usage Pricing:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.259	\$0.155	\$0.135

Product Notes:

- 1). No installation Fees.
- 2). No Monthly Fees.
- 3). Minimum call duration is One (1) minute with all additional time billed in Six (6) second increments.
- 4). Monthly minimum of \$ 25.00 per month.
- 5). Full Call Detail Provided
- 6). Accounting Codes:
 - Non-Verified \$ 5.00 per month
 - Verified \$ 10.00 per month
- 7). Directory Assistance \$0.50 per call
- 8). No fees charged for termination.
- 9). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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DIGITAL CABLE, INC.

Florida Tariff No. 1
Original Sheet 19

Issued: July 9, 1996 Effective: _____

By: Nelson W. Perrin, CPA, Chief Financial Officer
6622 Southpoint Drive, South, Suite #310
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4.3 The Roommate Advantage Plan™ (RAP).

INTRASTATE Usage Pricing for inbound and outbound traffic:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.32	\$0.206	\$0.165

Product Notes:

- 1). No installation Fees.
- 2). No Monthly Fees.
- 3). Minimum call duration is One (1) minute with all additional time billed in Six (6) second increments.
- 4). When Monthly domestic call volume exceeds \$ 25.00 in any given month, then a Twenty-five(25%) discount for volume is allowed on domestic call volume.
- 5). Full Call Detail Provided
- 6). Accounting Codes:

Non-Verified	No Charge
Verified	\$ 10.00 per month
- 7). Directory Assistance \$0.50 per call
- 8). No fees charged for termination.
- 9). Call detail outside the contiguous United States is not included to determine the minimum monthly threshold of \$25.00.
- 10). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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By:

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4.4 The Roommate Advantage Plan™ +Plus (RAP+).

INTRASTATE Usage Pricing for inbound and outbound traffic:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.32	\$0.206	\$0.165

Product Notes:

- 1). No installation Fees.
- 2). No Monthly Fees.
- 3). Minimum call duration is One (1) minute with all additional time billed in Six (6) second increments.
- 4). When Monthly domestic call volume exceeds \$ 25.00 in any given month, then a Twenty-five (25%) discount for volume is allowed on domestic call volume.
- 5). Full Call Detail Provided
- 6). Accounting Codes:

Non-Verified	No Charge
Verified	\$ 10.00 per month
- 7). Directory Assistance \$0.50 per call
- 8). No fees charged for termination.
- 9). Call detail outside the contiguous United States is not included to determine the minimum monthly threshold of \$25.00. A world discount will be allowed of Thirty (30%) percent of the retail rate per minute for a country designated by the Subscriber.
- 10). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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4.5 Basic Commercial.

INTRASTATE Usage Pricing for inbound and outbound traffic:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.259	\$0.196	\$0.145

Product Notes:

- 1). Deposit of 1 months usage based upon last 3 months average.
- 2). \$25.00 per monthly fee.
- 3). Six (6) Second Incremental Billing
- 4). When Monthly domestic call volume exceeds \$ 100.00 and is less than \$250.00 in any given month, then a Ten (10%) discount for volume is allowed on domestic call volume. When call volume exceeds \$500.00 in any given month a Fifteen (15%) allowance will prevail, on domestic call volume.
- 5). Full Call Detail Provided
- 6). Accounting Codes:
Non-Verified \$ 5.00 per month
Verified \$ 10.00 per month
- 7). Directory Assistance \$0.50 per call
- 8). No fees charged for termination.
- 9). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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4.6 President's Commercial.

INTRASTATE Usage Pricing for inbound and outbound traffic:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.22	\$0.166	\$0.123

Product Notes:

- 1). Deposit of 1 months usage based upon last 3 months average.
- 2). \$50.00 per monthly fee.
- 3). Six (6) Second Incremental Billing
- 4). When Monthly domestic call volume exceeds \$ 500.00 in any given month, then a Five(5%) discount for volume is allowed on domestic call volume. Between \$1,000.01 to 2,500.00 an additional Two and _ (2.5%) allowance will prevail, on domestic call volume. When call volume exceeds \$2,500.00, the total discount on domestic call volume will be Ten (10%).
- 5). Full Call Detail Provided
- 6). Accounting Codes:

Non-Verified	\$ 5.00 per month
Verified	\$ 10.00 per month
- 7). Directory Assistance \$0.50 per call
- 8). No fees charged for termination.
- 9). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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4.7 Leading Edge Commercial.

INTRASTATE Usage Pricing for inbound and outbound traffic:

<u>Mileage 24 hour rate</u>	
0-5000	\$0.145

Product Notes:

- 1). Deposit of 1 months usage based upon last 3 months average.
- 2). \$250.00 per monthly fee.
- 3). Six (6) Second Incremental Billing
- 4). No additional discounts available.
- 5). No call detail available, total minutes at the prevailing rate billed.
- 6). Accounting Codes none available.
- 7). No directory assistance available.
- 8). No fees charged for termination.
- 9). Calls terminating outside this area shall be priced in accordance with DCI's applicable Tariff.

4.8 Provider II.

INTRASTATE Usage Pricing dedicate access line outbound traffic only:

<u>Mileage</u>	<u>24 hour rate</u>
No mileage limit	\$0.13

Product Notes:

- 1). Deposit of 1 months usage based upon last 3 months average.
- 2). \$1,000.00 per monthly fee.
- 3). Six (6) Second Incremental Billing
- 4). No additional discounts available.
- 5). No call detail available, total minutes at the prevailing rate billed.
- 6). Accounting Codes none available.
- 7). No directory assistance available.
- 8). No fees charged for termination.

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4.9 Employee.

INTRASTATE Usage Pricing for inbound and outbound traffic:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.259	\$0.196	\$0.145

Product Notes:

- 1). No installation Fees
- 2). No Monthly Fees
- 3). Six (6) Second Incremental Billing
- 4). When Monthly domestic call volume exceeds \$ 25.00 in any given month, then a Twenty(20%) discount for volume is allowed on domestic call volume.
- 5). Full Call Detail Provided
- 6). Accounting Codes:

Non-Verified	No Charge
Verified	\$ 10.00 per month
- 7). Directory Assistance \$0.50 per call
- 8). No fees charged for termination.
- 9). Call detail outside the contiguous United States is not included to determine the minimum monthly threshold of \$25.00.
- 10). Must be a full time employee on salary or subject to a 40 hour work week.
- 11). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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4.10 Travel Card.

INTRASTATE Usage Pricing:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.35	\$0.245	\$0.165

Product Notes:

- 1). Installation Fees, \$ 2.00 per card
- 2). Monthly fee per card is \$0.50.
- 3). One minute minimum.
- 4). All calls are billed in One minute increments.
- 5). No surcharges or monthly minimums.
- 6). Mileage of each call is measured from the customers billing address to the terminating number.
- 7). Directory Assistance \$0.80 per call
- 8). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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4.11 800 Net.

INTRASTATE Usage Pricing for inbound traffic only:

<u>Mileage</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
0-500	\$0.185	\$0.14	\$0.12

Product Notes:

- 1). Deposit of 1 months usage based upon last 3 months average.
- 2). \$250.00 per monthly fee.
- 3). Six (6) Second Incremental Billing
- 4). When Monthly domestic call volume exceeds \$ 500.00 in any given month, then a Five(5%) discount for volume is allowed on domestic call volume. Between \$1,000.01 to 2,500.00 an additional Two and _ (2.5%) allowance will prevail, on domestic call volume. When call volume exceeds \$2,500.00, the total discount on domestic call volume will be Ten (10%).
- 5). Call detail reported at the rate of \$0.001 per call record, the customer may request a 'no call' detail status billing. If call detail is subsequently request, the balance due will be increase as if originally billed with such detail. In no case shall call detail over 60 days old be available to the subscriber.
- 6). Calls terminating outside the Florida border shall be priced in accordance with DCI's applicable Tariff.

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4.12 800 Net I.

INTRASTATE Usage Pricing for outbound traffic only:
Mileage 24 hour rate
0-5000 \$0.13

Product Notes:

- 1). Deposit of 1 months usage based upon last 3 months average.
- 2). \$1,000.00 per monthly fee.
- 3). Six (6) Second Incremental Billing
- 4). No additional discounts available.
- 5). No call detail available, total minutes at the prevailing rate billed.
- 6). Accounting Codes none available.
- 7). No directory assistance available.
- 8). No fees charged for termination.
- 9). Calls terminating outside this area shall be priced in accordance with DCI's applicable Tariff.

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4.13 Special Promotions.

The Company will, from time to time, offer special promotions to its customers waiving or reducing certain charges, and/or extending various incentives to new or existing subscribers. These promotions will be approved by the FPSC with specific starting and ending dates and under no circumstances run longer than 90 days in any 12 months period.

4.14 Special Rates for the Handicapped.

4.14.1 Directory Assistance.

There shall be no charge for up to Fifty (50) calls per billing cycle for handicapped or disabled subscribers. The Company shall charge \$.25 for all additional directory assisted calls.

4.14.2 Hearing and Speech Impaired Persons.

Intrastate toll message rates for TTD users shall be evening for day rates, and night for evening and night rates.

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