



961162-TX

September 20, 1996

Thomas E. Williams
Florida Public Service Commission
Division of Communications,
Certification and Compliance Section
2540 Shumard Blvd.
Tallahassee, FL 32399-0866

DEPOSIT TREAS. REC. DATE
D379 10-4-96 SEP 25 '96

RE: Application for Authority to Provide Alternative Local Exchange Service

Dear Mr. Williams:

Enclosed please find an application form PSC/CMU 8 for Sterling International Funding, Inc.

Please contact me regarding some questions I have and any you might have regarding our application or operations. Thank you for your time.

Very truly yours,

Todd M. Meislahn
President

Enclosure

TM:jma

96 SEP 24 AM 8 MAIL ROOM

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION

Corporate Office: 9620 S.W. Barbur Blvd., Suite 330 • Portland, OR 97219
Mailing Address: P.O. Box 5607 • Portland, OR 97228
Telephone: 503-244-9059 • Fax: 503-452-9495

DOCUMENT NUMBER-DATE

10191 SEP 24 1996

FPSC-RECORDS/REPORTING

1. This is an application for (check one):
- Original authority (new company)
 - Approval of transfer (to another certificated company)
Example, a certificated company purchases an existing company and desires to retain the original certificate authority.
 - Approval of assignment of existing certificate (to a noncertificated company)
Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.
 - Approval for transfer of control (to another certificated company)
Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of applicant: Sterling International Funding, Inc.

3. A. National mailing address including street name, number, post office box, city, state, zip code, and phone number.
 Street Address: 9620 SW Barbur Blvd., Ste 330, Portland, OR 97219
 Mailing Address: PO Box 5395, Portland, OR 97228
 Telephone No.: 503-244-9059

B. Florida mailing address including street name, number, post office box, city, state, zip code, and phone number.
 The Applicant's registered agent is: CT Corporation System
 1200 South Pine Island Road
 Plantation, Florida 33324

C. Physical address of alternative local exchange service in Florida including street name, number, post office box, city, zip code and phone number. Not applicable. The Applicant maintains no address or telephone number in Florida.

DOCUMENT NO.
 101 91-96
 9/24/96

4. Structure of organization:

- Individual
- Foreign Corporation
- General Partnership
- Joint Venture

- Corporation
- Foreign Partnership
- Limited Partnership
- Other, Please explain _____

5. If incorporated, please provide proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: Applied for

5. Name under which the applicant will do business (d/b/a):
Reconex

7. If applicable, please provide proof of fictitious name (d/b/a) registration.

Fictitious name registration number: Applied for

8. If applicant is an individual, partnership, or joint venture, please give name, title and address of each legal entity.

Not applicable. The Applicant is a corporation.

9. State whether any of the officers, directors, or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.
None of the Applicant's officers, directors, or shareholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime.

10. Please provide the name, title, address, telephone number, internet address, and facsimile number for the person serving as ongoing liaison with the Commission, and if different, the liaison responsible for this application.

Todd M. Meislahn, President
PO Box 5395, Portland, Oregon 97228
Telephone #: 503-244-9059
Fax #: 503-452-9495

Internet: None

11. Please list other states in which the applicant is currently providing or has applied to provide local exchange or alternative local exchange service.
See Exhibit A

12. Has the applicant been denied certification in any other state? If so, please list the state and reason for denial. Neither the Applicant nor its affiliate have been denied certification in any other state.
13. Have penalties been imposed against the applicant in any other state? If so, please list the state and reason for penalty. Neither the Applicant nor its affiliate have had penalties imposed against it in any other state.
14. Please indicate how a customer can file a service complaint with your company. A customer may file a service complaint with the Applicant by telephone via a toll-free customer service number or by mail at Applicant's corporate address.
15. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida. See Exhibit B

A. Financial capability.

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements for the most recent 3 years, including:

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

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability.

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

NOTE: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

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 attest that the financial statements are true and correct.

B. Managerial capability. See Exhibit C

C. Technical capability.

The Applicant's management team has been operating the Applicant's affiliate as an unregulated reseller since January 1992. The Applicant will ultimately rely on the technical capability of the underlying incumbent LECs to supply actual local exchange service.

EXHIBIT A

The Applicant is a new entity created to serve customers in Florida. The Applicant's ownership and management are the same as that of Ameritel Corporation, an Oregon corporation, with whom the Applicant is affiliated.

Ameritel Corporation has been providing residential local exchange service on a resale basis throughout the following states beginning in the years indicated:

Oregon	1992
Washington	1992
Colorado	1993
Arizona	1994
Utah	1996
Idaho	1996
Wyoming	1996

Ameritel Corporation currently services approximately 4,000 customers in its service areas.

The Applicant has applied to provide alternative local exchange service in Oregon, Washington, Colorado and Texas.

EXHIBIT B

I. Financial Statement

The Applicant has no financial history as it is a new entity.

a) Historical

The attached historical financial statements identified as Exhibits B1, B2 and B3 (1995 1994 and 1993 Tax Returns) are for the Applicant's affiliate, Ameritel Corporation. The statements are on a cash basis. There are no related footnotes or pertinent schedules.

Neither the Applicant nor its affiliate have filed any Securities and Exchange Commission 10-K reports.

b) Pro-forma Income Statements

All pro-forma data is supplied for the Applicant. General and administrative expenses in the Applicant's pro-forma income statements include administrative expenses paid to its affiliate. The statements are on a cash basis.

All figures (000)	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Total Revenue	\$795	\$2,130	\$3,905
Cost of Goods Sold	(\$420)	(\$1,066)	(\$1,925)
Net Revenue	\$375	\$1,064	\$1,980
General & Admin Expenses	(\$341)	(\$887)	(\$1,460)
Net Earnings Before Taxes	\$34	\$177	\$520

2. Capital Sources

The Applicant's sources of capital will come from customer advance payments and from Net Earnings. The Applicant is providing prepaid dial tone service, i.e., the end-user customer pays in advance for all services. The Applicant's management experience has demonstrated that, within the growth curve identified above, this system provides adequate working capital over an extended period of time.

3. Financial Capability

Neither the Applicant nor its affiliate have applied for any corporate loans or lines of credit, preferring to fund all operations internally. The Applicant's sole shareholder maintains personal lines of credit and credit cards which will be utilized for start-up costs and short-term debt requirements when necessary (see Exhibit B4, Credit Report of sole shareholder).

Please refer also to Exhibit B5, Applicant's affiliate's last three primary bank statements.

Form 1120S

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0046

1995

Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation.

See separate instructions.

Department of the Treasury Internal Revenue Service

For the calendar year 1995, or tax year beginning 1995, ending 19

Date of election as an S corporation: 3/12/93
Business code no. (see Specific Instructions): 4825

Use IRS label. Otherwise, please print or type.
AMERITEL CORPORATION
P.O. BOX 5607
PORTLAND, OR 97228

C Employer identification number: 93-1093374
D Date incorporated: 1/22/92
E Total assets (see Specific Instructions): 149,513

Check applicable boxes: (1) Initial return (2) Final return (3) Change in address (4) Amended return

Check this box if this S corporation is subject to the consolidated audit procedures of sections 6641 through 6645 (see instructions before checking this box)
Enter number of shareholders in the corporation at end of the tax year

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.
1a Gross receipts or sales: 2,057,421
b Less returns and allowances: 197,499

Table with 21 rows for deductions and income. Includes rows for Gross receipts or sales, Cost of goods sold, Gross profit, Net gain (loss), Total income (loss), Compensation of officers, Salaries and wages, Repairs and maintenance, Bad debts, Rents, Taxes and licenses, Interest, Depreciation, Depletion, Advertising, Pension, profit-sharing, etc., plans, Employee benefit programs, Other deductions, Total deductions, Ordinary income (loss).

Table for tax payments and credits. Includes rows for Tax: a Excess net passive income tax, b Tax from Schedule D, c Add lines 22a and 22b, Payments: a 1995 estimated tax payments, b Tax deposited with Form 7004, c Credit for Federal tax paid on fuels, d Add lines 23a through 23c, Estimated tax penalty, Tax due, Overpayment, Enter amount of line 26 you want.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Preparer's signature: CRAIG J. OLSON
Date: 4/30/96
Firm's name (or yours, if self-employed) and address: THE PARROTT PARTNERSHIP LLP, 10200 SW GREENBURG RD, STE 340, PORTLAND, OR
Preparer's social security number: [Redacted]
Check if self-employed: [Checked]
EIN: [Redacted]
ZIP code: 97223-5505

Form 1120B (1995)

AMERITEL CORPORATION

93-1093374

Page 2

Part II Cost of Goods Sold (See page 14 of the instructions)

Inventory at beginning of year	1	
Purchases	2	870,891
Cost of labor	3	
Additional section 263A costs (attach schedule)	4	
Other costs (attach schedule)	5	
Total. Add lines 1 through 5	6	870,891
Inventory at end of year	7	
Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 8	8	870,891

Part III Check all methods used for valuing closing inventory:

- (f) Cost as described in Regulations section 1.471-3
 - (g) Lower of cost or market as described in Regulations section 1.471-4
 - (h) Other (specify method used and attach explanation) _____
- Part IV** Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)
- Part V** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
- Part VI** If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO. _____ Yes No
- Part VII** Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No
- Part VIII** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Part IX Other Information

- 1 Check method of accounting: (a) Cash (b) Accrual (c) Other (specify) _____
- 2 Refer to the list on page 24 of the instructions and state the corporation's principal:
(a) Business activity COMMUNICATIONS (b) Product or service PHONE SERVICE
- 3 Did the corporation at the end of the tax year own, directly or indirectly, 80% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned. Yes No
- 4 Was the corporation a member of a controlled group subject to the provisions of section 1561? Yes No
- 5 At any time during calendar year 1995, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 14 of the instructions for exceptions and filing requirements for Form TD F 90-22.1.) Yes No
If "Yes," enter the name of the foreign country _____
- 6 Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 2620, 3520-A, or 926 Yes No
- 7 Check this box if the corporation has filed or is required to file Form 8294, Application for Registration of a Tax Shelter
- 8 Check this box if the corporation issued publicly offered debt instruments with original issue discount
If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.
- 9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see page 14 of the instructions) . . . \$ _____
- 10 Check this box if the corporation had subchapter C earnings and profits at the close of the tax year (see page 15 of the instructions) . . .

Designation of Tax Matters Person (See page 15 of the instructions)

Enter below the shareholder designated as the tax matters person (TMP) for the tax year of this return:

Name of designated TMP TODD M. MEISLAHN Identifying number of TMP [REDACTED]

Address of designated TMP P.O. BOX 5607
PORTLAND, OR 97228

Form 1120S (1995)

AMERITEL CORPORATION

93-1093374

Page

Shareholders' Shares of Income, Credits, Deductions, etc.

(a) Pro rata share items

(b) Total amount

		1	2
RECORD- BOOK	1 Ordinary income (loss) from trade or business activities (page 1, line 21).....		65,550
	2 Net income (loss) from rental real estate activities (attach Form 9825).....		
	3a Gross income from other rental activities.....	3a	
	b Expenses from other rental activities.....	3b	
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a.....	3c	
	4 Portfolio income (loss):		
	a Interest income.....	4a	
	b Dividend income.....	4b	
	c Royalty income.....	4c	
	d Net short-term capital gain (loss) (attach Schedule D (Form 1120S)).....	4d	
e Net long-term capital gain (loss) (attach Schedule D (Form 1120S)).....	4e		
f Other portfolio income (loss) (attach schedule).....	4f		
g Net gain (loss) under section 1231 (other than due to casualty or theft) (attach Form 4797).....	g		
h Other income (loss) (attach schedule).....	h		
DEDUCTIONS	7 Charitable contributions (see instructions) (attach schedule).....	7	5,150
	8 Section 179 expense deduction (attach Form 4562).....	8	17,500
	9 Deductions related to portfolio income (loss) (itemize).....	9	
10 Other deductions (attach schedule).....	10		
INTEREST- EXPENSE	11a Interest expense on investment debts.....	11a	
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above.....	11b(1)	
	(2) Investment expenses included on line 9 above.....	11b(2)	
	12a Credit for alcohol used as a fuel (attach Form 3478).....	12a	
	b Low-income housing credit (see page 18 of the instructions):		
	(1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990.....	12b(1)	
	(2) Other than on line 12b(1) for property placed in service before 1990.....	12b(2)	
	(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1990.....	12b(3)	
	(4) Other than on line 12b(3) for property placed in service after 1990.....	12b(4)	
	c Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468).....	12c	
d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities.....	12d		
e Credits related to other rental activities.....	12e		
13 Other credits.....	13		
DEPRECIATION- ADJUSTMENT	14a Depreciation adjustment on property placed in service after 1986.....	14a	3,496
	b Adjusted gain or loss.....	14b	
	c Depletion (other than oil and gas).....	14c	
	d (1) Gross income from oil, gas, or geothermal properties.....	14d(1)	
	(2) Deductions allocable to oil, gas, or geothermal properties.....	14d(2)	
e Other adjustments and tax preference items (attach schedule).....	14e		
401304- 1-31-95	15a Type of income ▶.....	15a	
	b Name of foreign country or U.S. possession ▶.....	15b	
	c Total gross income from sources outside the United States (attach schedule).....	15c	
	d Total applicable deductions and losses (attach schedule).....	15d	
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued.....	15e	
	f Reduction in taxes available for credit (attach schedule).....	15f	
	g Other foreign tax information (attach schedule).....	15g	
312-10	16 Section 59(e)(2) expenditures: a Type ▶.....	16a	
	b Amount.....	16b	
	17 Tax-exempt interest income.....	17	
	18 Other tax-exempt income.....	18	
	19 Nondeductible expenses.....	19	5,451
	20 Total property distributions (including cash) other than dividends reported on line 22 below.....	20	
	21 Other items and amounts required to be reported separately to shareholders (attach schedule).....	21	
	22 Total dividend distributions paid from accumulated earnings and profits.....	22	
	23 Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 8 in column (b). From the result, subtract the sum of lines 7 through 11a, 16a, and 19b.....	23	42,900

Form 1120S (1995) **AMERITECH CORPORATION**

93-1093374

Page

Schedule M-1 Balance Sheet	Beginning of tax year		End of tax year	
	99	00	99	00
Assets				
1 Cash				
2a Trade notes and accounts receivable				5,38
b Less allowance for bad debts				
3 Inventories				
4 U.S. Government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule) . . . ST . . . 3 .				
7 Loans to shareholders		59,500		2,45
8 Mortgage and real estate loans				67,39
9 Other investments (attach schedule)				
10a Buildings and other depreciable assets	48,830		94,939	
b Less accumulated depreciation	26,679	22,151	20,658	74,28
11a Depletable assets				
b Less accumulated depreciation				
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization				
14 Other assets (attach schedule) . . . ST . . . 4 .		20,687		
15 Total assets		102,338		149,513
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year .				
18 Other current liabilities (attach schedule) . ST . . . 5 .		101,210		56,200
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more .				
21 Other liabilities (attach schedule)				17,575
22 Capital stock		1,000		1,000
23 Paid-in or capital surplus				
24 Retained earnings		128		74,738
25 Less cost of treasury stock		()		()
26 Total liabilities and shareholders' equity		102,338		149,513

SCHEDULE M-2 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (You are not required to complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)

Net income (loss) per books	55,352	6	Income recorded on books this year not included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):	
Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15a, and 18b (itemize):		b	Deductions included on Schedule K, lines 1 through 11a, 15a, and 18b, not charged against book income this year (itemize):	
Depreciation \$		a	Depreciation \$	17,903
Travel and entertainment \$	5,451			
Add lines 1 through 3	5,451	7	Add lines 6 and 8	17,903
	60,803	8	Income (loss) (Schedule K, line 23; Line 4 less line 7)	42,900

SCHEDULE M-3 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see page 22 of the instructions)

	99 Accumulated adjustments account	00 Other adjustments account	00 Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year	128		
2 Ordinary income from page 1, line 21	65,550		
3 Other additions			
4 Loss from page 1, line 21	()		
5 Other reductions . . . SEE STATEMENT . . . 6 .	28,101		
6 Combine lines 1 through 5	37,577		
7 Distributions other than dividend distributions			
8 Balance at end of tax year. Subtract line 7 from line 6	37,577		

Form 1120S

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0045

Department of the Treasury Internal Revenue Service

Do not file this form unless the corporation has timely filed Form 993 to elect to be an S corporation.

See separate instructions.

1994

For the calendar year 1994, or tax year beginning 1994, ending 19

A Date of election as an S corporation 3/12/93	Use IRS label. Otherwise, please print or type. AMERITEL CORPORATION P.O. BOX 5607 PORTLAND, OR 97228	C Employer identification number 93-1093374
B Business code no. (see Specific Instructions) 7880		D Date incorporated 1/22/92
		E Total assets (see Specific Instructions) 102,338

F Check applicable boxes: (1) Initial return (2) Final return (3) Change in address (4) Amended return

G Check this box if this S corporation is subject to the consolidated audit procedure of sections 8641 through 8648 (see instructions before checking this box)

H Enter number of shareholders in the corporation at end of the tax year

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

1 a Gross receipts or sales	1,264,089	b Less returns and allowances	5,096	e Bal	1a	1,258,993
2 Cost of goods sold (Schedule A, line 8)					2	598,075
3 Gross profit. Subtract line 2 from line 1c					3	660,918
4 Net gain (loss) from Form 4797, Part II, line 20 (attach Form 4797)					4	
5 Other income (or loss) (see instructions) (attach schedule)					5	
6 Total income (loss). Combine lines 3 through 5					6	660,918
7 Compensation of officers					7	16,973
8 Salaries and wages (less employment credits)					8	197,087
9 Repairs and maintenance					9	3,880
10 Bad debts					10	
11 Rents					11	14,264
12 Taxes and licenses					12	2,438
13 Interest					13	136
14 a Depreciation (see instructions)		14a	5,883			
b Depreciation claimed on Schedule A and elsewhere on return		14b				
c Subtract line 14b from line 14a					14c	5,883
15 Depletion (Do not deduct oil and gas depletion)					15	
16 Advertising					16	124,355
17 Pension, profit-sharing, etc., plans					17	
18 Employee benefit programs					18	15,803
19 Other deductions (see instructions) (attach schedule)					19	216,785
20 Total deductions. Add the amounts shown in the far right column for lines 7 through 19					20	597,604
21 Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6					21	63,314
22 a Tax: Excess net passive income tax (attach schedule)		22a				
b Tax from Schedule D (Form 1120S)		22b				
c Add lines 22a and 22b (see instructions for additional taxes)					22c	
23 a Payments: 1994 estimated tax payments and amount from 1993 return		23a				
b Tax deposited with Form 7004		23b				
c Credit for Federal tax paid on fuels (attach Form 4136)		23c				
d Add lines 23a through 23c					23d	
24 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>					24	
25 Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See instructions for depositary method of payment					25	0
26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid					26	
27 Enter amount of line 26 you want: Credited to 1995 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>					27	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security number
Firm's name (or yours, if self-employed) and address	E.I. No.	ZIP code	
YANG & COMPANY, P.C. ONE CENTERPOINTE DR., #190 LAKS OSWEGO, OR		97035	

Form 1120S (1994) **AMERITE CORPORATION** 93-1093374
Cost of Goods Sold (See instructions.)

1	Inventory at beginning of year	
2	Purchases	
3	Cost of labor	
4	Additional section 263A costs (see instructions) (attach schedule)	
5	Other costs (attach schedule)	
6	Total. Add lines 1 through 5	SEE STATEMENT 3
7	Inventory at end of year	598,075
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	598,075
9	Check all methods used for valuing closing inventory:	598,075
	(i) <input type="checkbox"/> Cost	
	(ii) <input type="checkbox"/> Lower of cost or market as described in Regulations section 1.471-4	
	(iii) <input type="checkbox"/> Write-down of "subnormal" goods as described in Regulations section 1.471-2(c)	
	(iv) <input type="checkbox"/> Other (specify method used and attach explanation) ▶	
b	Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)	
c	If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO	
d	Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
e	Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Other information

1	Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶	Yes	No
2	Refer to the list in the instructions and state the corporation's principal: (a) Business activity ▶ COMMUNICATIONS (b) Product or service ▶ PHONE SERVICE		
3	Did the corporation at the end of the tax year own, directly or indirectly, 80% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned. Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
4	At any time during calendar year 1994, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See instructions for exceptions and filing requirements for Form TD F 90-22.1). If "Yes," enter name of the foreign country ▶		X
5	Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 3520, 3520-A, or 926		X
6	Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter		X
7	Check this box if the corporation issued publicly offered debt instruments with original issue discount If so, the corporation may have to file Form 8261, Information Return for Publicly Offered Original Issue Discount Instruments	<input type="checkbox"/>	<input type="checkbox"/>
8	If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) ▶		
9	Check this box if the corporation had subchapter C earnings and profits at the close of the tax year (see instructions) ▶	<input type="checkbox"/>	

Designation of Tax Matters Person (See instructions.)

Enter below the shareholder designated as the tax matters person (TMP) for the tax year of this return:

Name of designated TMP ▶ **TODD M. MEISLAHN** Identifying number of TMP ▶ [REDACTED]

Address of designated TMP ▶ **PO BOX 25629
 PORTLAND, OR 97225**

		(a) Pro rata share items	(b) Total amount	
RECORD	1	Ordinary income (loss) from trade or business activities (page 1, line 21).....	1 63,314	
	2	Net income (loss) from rental real estate activities (attach Form 990).....	2	
	3a	Gross income from other rental activities.....	3a	
	b	Expenses from other rental activities.....	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a.....	3c	
	4	Portfolio income (loss):		
	a	Interest income.....	4a 287	
	b	Dividend income.....	4b	
	c	Royalty income.....	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 11800)).....	4d	
D E D	e	Net long-term capital gain (loss) (attach Schedule D (Form 11800)).....	4e	
	f	Other portfolio income (loss) (attach schedule).....	4f	
	5	Net gain (loss) under section 1231 (other than due to casualty or theft) (attach Form 4797).....	5	
	6	Other income (loss) (attach schedule).....	6	
	7	Charitable contributions (see instructions) (attach schedule).....	7	
	8	Section 179 expense deduction (attach Form 4562).....	8 17,500	
	9	Deductions related to portfolio income (loss) (see instr.) (limitize).....	9	
	10	Other deductions (attach schedule).....	10	
	INTEREST	11a	Interest expense on investment debts.....	11a
		b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above.....	11b(1) 287
(2)		Investment expenses included on line 9 above.....	11b(2)	
12a		Credit for alcohol used as a fuel (attach Form 6478).....	12a	
b		Low-income housing credit (see instructions):		
(1)		From partnerships to which section 42(j)(5) applies for property placed in service before 1990.....	12b(1)	
(2)		Other than on line 12b(1) for property placed in service before 1990.....	12b(2)	
(3)		From partnerships to which section 42(j)(5) applies for property placed in service after 1990.....	12b(3)	
(4)		Other than on line 12b(3) for property placed in service after 1990.....	12b(4)	
c		Qualified rehab. expenditures related to rental real estate act. (attach Form 3468).....	12c	
CREDITS	d	Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities (see instructions).....	12d	
	e	Credits related to other rental activities (see instructions).....	12e	
	13	Other credits (see instructions).....	13	
	14a	Depreciation adjustment on property placed in service after 1986.....	14a 1,603	
	b	Adjusted gain or loss.....	14b	
	c	Depletion (other than oil and gas).....	14c	
	d (1)	Gross income from oil, gas, or geothermal properties.....	14d(1)	
	(2)	Deductions allocable to oil, gas, or geothermal properties.....	14d(2)	
	e	Other adjustments and tax preference items (attach schedule).....	14e	
	OTHER	15a	Type of income ▶	
b		Name of foreign country or U.S. possession ▶		
c		Total gross income from sources outside the United States (attach schedule).....	15c	
d		Total applicable deductions and losses (attach schedule).....	15d	
e		Total foreign taxes (check one): <input checked="" type="checkbox"/> Paid <input type="checkbox"/> Accrued.....	15e	
f		Reduction in taxes available for credit (attach schedule).....	15f	
g		Other foreign tax information (attach schedule).....	15g	
EXPENSES	16a	Total expenditures to which a section 59(e) election may apply.....	16a	
	b	Type of expenditures ▶		
	17	Tax-exempt interest income.....	17	
	18	Other tax-exempt income.....	18	
	19	Nondeductible expenses.....	19 2,255	
	20	Total property distributions (including cash) other than dividends reported on line 22 below.....	20 60,290	
	21	Other items and amounts required to be reported separately to shareholders (see instructions) (attach schedule)		
22	Total dividend distributions paid from accumulated earnings and profits.....	22		
23	Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15e and 16a.....	23 46,101		

Assets	Beginning of tax year		End of tax year	
	00	04	00	04
1 Cash		6,826		
2a Trade notes and accounts receivable				
1 Less allowance for bad debts				
3 Inventories				
4 U.S. Government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule) . . . ST . . . 4		3,317		
7 Loans to shareholders		1,963		59,500
8 Mortgage and real estate loans				
9 Other investments (attach schedule)				
10a Buildings and other depreciable assets	11,010		48,830	
b Less accumulated depreciation	3,296	7,714	26,679	22,151
11a Depletable assets				
b Less accumulated depletion				
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization				
14 Other assets (attach schedule) ST . . . 5		575		20,687
15 Total assets		20,395		102,338
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach schedule) . ST . . . 6		2,823		101,210
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (attach schedule)				
22 Capital stock		1,000		1,000
23 Paid-in or capital surplus				
Retained earnings		16,572		128
24 Less cost of treasury stock		()		()
25 Total liabilities and shareholders' equity		20,395		102,338

SCHEDULE M-1

Reconciliation of Income (Loss) per Books With Income (Loss) per Return (You are not required to complete this schedule if the total assets on line 15, column (0), of Schedule L are less than \$25,000.)

1 Net income (loss) per books	43,846	2 Income recorded on books this year not included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):	0
2		a Tax-exempt interest \$	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15a, and 16a (itemize):		b Deductions included on Schedule K, lines 1 through 11a, 15a, and 16a, not charged against book income this year (itemize):	
a Depreciation \$		c Depreciation \$	
b Travel and entertainment \$	2,255		
4 Add lines 1 through 3	46,101	7 Add lines 5 and 6	0
		8 Income (loss) (Schedule K, line 23; Line 4 less line 7)	46,101

SCHEDULE M-2

Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (See instructions.)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year	16,572		
2 Ordinary income from page 1, line 21	63,314		
3 Other additions SEE STATEMENT . . . 7	287		
Loss from page 1, line 21	()		
Other reductions SEE STATEMENT . . . 8	19,755		
4 Combine lines 1 through 5	60,418		
5 Distributions other than dividend distributions	60,290		
6 Balance at end of tax year. Subtract line 5 from line 4	128		

U. S. Corporation Income Tax Return

Form 1120

1992

Department of the Treasury
Internal Revenue Service

For calendar year 1992 or tax year beginning _____, 1992, ending _____, 19____
▶ Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

- A Check if a -**
- (1) Consolidated return (attach Form 981)
 - (2) Personal holding co. (attach Sch. PH)
 - (3) Personal service corp. (as defined in Temporary Regs. sec. 1.441-4T - see instructions)

Use IRS label. Otherwise, please print or type.

AMERITEL CORPORATION
P.O. BOX 25629
PORTLAND, OR 97225-0629

B Employer identification number

93-1093374

C Date incorporated

1/22/92

D Total assets (See Specific instructions)

\$ 2,292

E Check applicable boxes: (1) Initial return (2) Final return (3) Change in address

RECORD

SEC-1120CORP

TAX PREPARED BY

1 a Gross receipts or sales		47,347	b Less returns and allowances		c Balance ▶	1c	47,347
2	Cost of goods sold (Schedule A, line 8)					2	
3	Gross profit. Subtract line 2 from line 1c					3	47,347
4	Dividends (Schedule C, line 10)					4	
5	Interest					5	
6	Gross rents					6	
7	Gross royalties					7	
8	Capital gain net income (attach Schedule D (Form 1120))					8	
9	Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797)					9	
10	Other income (see instructions - attach schedule)					10	
11	Total income. Add lines 3 through 10					11	47,347
12	Compensation of officers (Schedule E, line 4)					12	
13a	Salaries and wages		b Less jobs credit		c Balance	13c	
14	Repairs					14	
15	Bad debts					15	
16	Rents					16	2,500
17	Taxes					17	
18	Interest					18	
19	Charitable contributions (see instructions for 10% limitation)					19	
20	Depreciation (attach Form 4562)	20	837			20	
21	Less depreciation claimed in Schedule A and elsewhere on return	21a				21b	837
22	Depletion					22	
23	Advertising					23	7,609
24	Pension, profit-sharing, etc., plans					24	
25	Employee benefit programs					25	
26	Other deductions (attach schedule)				SEE STATEMENT 1	26	36,789
27	Total deductions. Add lines 12 through 26					27	47,735
28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11					28	-388
29	Less: a Net operating loss deduction (see instructions)	29a				29a	
	b Special deductions (Schedule C, line 20)	29b				29b	
30	Taxable income. Subtract line 29c from line 28					30	-388
31	Total tax (Schedule J, line 10)					31	0
32	Payments:						
a	1991 overpayment credited to 1992	32a					
b	1992 estimated tax payments	32b					
c	Less 1992 refund applied for, Form 4466	32c			d Bal ▶	32d	0
e	Tax deposited with Form 7004					32e	
f	Credit from regulated investment companies (attach Form 2439)					32f	
g	Credit for Federal tax on fuels (attach Form 4136). See instructions					32g	
33	Estimated tax penalty (see instructions). Check if Form 2220 is attached					32h	0
34	Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed					33	
35	Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid					34	0
36	Enter amount of line 35 you want: Credited to 1993 estimated tax ▶					35	
						36	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Please Sign Here	Signature of officer	Date	Title	Preparer's social security number
	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	
Paid Preparer's Use Only	Firm's name (or yours, if self-employed) and address			E.I. No. ▶
	BENNETT YANG CAPLAN AMERINE PC 1 CENTERPOINTE DRIVE #190 LAKE OSWEGO, OR			ZIP code ▶ 97035

Form 1120 (1992) **AMERITEL CORPORATION** 93-1093374

Schedule A Cost of Goods Sold (See instructions.)

1	Inventory at beginning of year	
2	Purchases	
3	Cost of labor	
4	Additional section 263A costs (attach schedule)	
5	Other costs (attach schedule)	
6	Total. Add lines 1 through 5	
7	Inventory at end of year	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2.	

9a Check all methods used for valuing closing inventory:

(I) Cost (II) Lower of cost of market as described in Regulations section 1.471-4

(III) Writedown of "subnormal" goods as described in Regulations section 1.471-2(c)

(IV) Other (Specify method used and attach explanation.) ▶

b Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) Yes No

c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO. \$c Yes No

d Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Schedule C Dividends and Special Deductions (See instructions.)

	(a) Dividends received	(b) %	(c) Special deductions: (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock)	70	
2	Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)	80	
3	Dividends on debt-financed stock of domestic and foreign corporations (section 246A)	see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	41.176	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities	47.059	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction	70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction	80	
8	Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))	100	
9	Total. Add lines 1 through 8. See instructions for limitation		
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958	100	
11	Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))	100	
12	Dividends from certain FSCs that are subject to the 100% deduction (section 243(a)(3))	100	
13	Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11		
14	Income from controlled foreign corporations under subpart F (attach Forms 5471)		
15	Foreign dividend gross-up (section 78)		
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))		
17	Other dividends		
18	Deduction for dividends paid on certain preferred stock of public utilities (see instructions)		
19	Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1		
20	Total deductions - Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1		

Schedule E Compensation of Officers (See instructions for line 12, page 1.)
Complete Schedule E only if total receipts (line 18, plus line 4 through 10, of page 1, Form 1120) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	(d) Percent of corporation stock owned		(e) Amount of compensation
			(i) Common	(ii) Preferred	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2	Total compensation of officers				
3	Compensation of officers claimed on Schedule A and elsewhere on return				
4	Subtract line 3 from line 2. Enter the result here and on line 12, page 1.				

Form 1120 (1992)

AMERITEL CORPORATION

93-1093374

Schedule U Tax Computations (See instructions.)

Check if the corporation is a member of a controlled group (see sections 1561 and 1563)

If the box on line 1 is checked:

a Enter the corporation's share of the \$50,000 and \$25,000 taxable income bracket amounts (in that order):
 (I) \$ _____ (II) \$ _____

b Enter the corporation's share of the additional 5% tax (not over \$11,750) ... \$ _____

Income tax. Check this box if the corporation is a qualified personal service corporation as defined in section 448(d)(2) (see instructions on page 14) **3** **0**

a Foreign tax credit (attach Form 1118) **4a**

b Possessions tax credit (attach Form 5735) **4b**

c Orphan drug credit (attach Form 6765) **4c**

d Credit for fuel produced from a nonconventional source **4d**

e General business credit. Enter here and check which forms are attached:
 Form 3800 Form 3496 Form 5884 Form 6478
 Form 6765 Form 8566 Form 8830 Form 8826 **4e**

f Credit for prior year minimum tax (attach Form 8827) **4f**

Total credits. Add lines 4a through 4f **5**

Subtract line 5 from line 3. **6**

Personal holding company tax (attach Schedule PH (Form 1120)) **7**

Recapture taxes. Check if from: Form 4255 Form 8611 **8a**

a Alternative minimum tax (attach Form 4626) **8b**

b Environmental tax (attach Form 4626) **10**

Total tax. Add lines 6 through 8b. Enter here and on line 31, page 1.

Schedule K Other Information (See instructions.)

	Yes	No		Yes	No
1 Check method of accounting: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____					
2 Refer to the list in the Instructions and state the principal: a Business activity code no. 7880 b Business activity COMMUNICATIONS c Product or service SERVICE-COMM.					
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) ... If "Yes," attach a schedule showing: (a) name, address, and identifying number; (b) percentage owned; and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.		<input checked="" type="checkbox"/>			
4 Did any individual, partnership, corporation, estate, or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete a, b and c below ... a Is the corporation a subsidiary in an affiliated group or a parent-subidiary controlled group? ... b Enter the name and identifying number of the parent corporation or other entity with 50% or more ownership TODD MEISLAHN 543-66-2036 c Enter percentage owned 100	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
5 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316) ... If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 551, Affiliations Schedule, for each subsidiary.		<input checked="" type="checkbox"/>			
6 Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) ... If "Yes," attach Form 5471 for each such corporation. Enter number of Forms 5471 attached _____				<input checked="" type="checkbox"/>	
7 At any time during the 1992 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? ... If "Yes," the corporation may have to file Form TD F 90-22.1 If "Yes," enter name of foreign country _____					<input checked="" type="checkbox"/>
8 Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? ... If "Yes," the corporation may have to file Forms 926, 3520, or 3520-A.					<input checked="" type="checkbox"/>
9 Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? ... If "Yes," see page 17 of instructions and a Enter percentage owned _____ b Enter owner's country _____					<input checked="" type="checkbox"/>
10 Check this box if the corporation issued publicly offered debt instruments with original issue discount. <input type="checkbox"/> If so, the corporation may have to file Form 8281.					
11 Enter the amount of tax-exempt interest received or accrued during the tax year \$ _____					
12 If there were 35 or fewer shareholders at the end of the tax year, enter the number 1					
13 If the corporation has an NOL for the tax year and is electing under sec. 172(b)(3) to forego the carryback period, check here. <input type="checkbox"/>					

Schedule L	AMERITEL CORPORATION	93-1093374		End of tax year	
		Beginning of tax year		(c)	(d)
Balance Sheets		(a)	(b)		-2,758
Assets					
Cash					
Trade notes and accounts receivable					
Less allowance for bad debts					
Inventories					
U.S. government obligations					155
Tax-exempt securities (see instructions)					
Other current assets (attach sch.) SEE ST. 2.					
Loans to stockholders					
Mortgage and real estate loans					
Other investments (attach sch.)				5,732	
Buildings and other depreciable assets				837	4,895
Less accumulated depreciation					
Depletable assets					
Less accumulated depletion					
Land (net of any amortization)					
Intangible assets (amortizable only)					
Less accumulated amortization					2,292
Other assets (attach schedule)					
Total assets					
Liabilities and Stockholders' Equity					
Accounts payable					
Mortgages, notes, bonds payable in less than 1 year					1,680
Other current liabilities (attach sch.)					
Loans from stockholders					
Mortgages, notes, bonds payable in 1 year or more					
Other liabilities (attach sch.)				1,000	1,000
Capital stock: a Preferred stock					
b Common stock					
Paid-in or capital surplus					-388
Retained earnings - Appropriated					
Retained earnings - Unappropriated					2,292
Less cost of treasury stock					
Total liabilities and stockholders' equity					

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of schedule L are less than \$25,000.

Schedule M-1	Reconciliation of Income (Loss) per Books With Income per Return (See instructions.)
Net income per books	7 Income recorded on books this year not included on this return (itemize):
Federal income tax	a Tax-exempt interest \$ _____
Excess of capital losses over capital gains	b Deductions on this return not charged against book income this year (itemize):
Income subject to tax not recorded on books this year (itemize): _____	a Depreciation \$ _____
Expenses recorded on books this year not deducted on this return (itemize):	b Contrib. carryover . . \$ _____
a Depreciation \$ _____	c Add lines 7 and 8 _____
b Contributions carryover \$ _____	10 Income (line 28, pg 1)-line 6 less line 9.
c Travel and entertainment \$ _____	
Add lines 1 through 5 _____	
Schedule M-2	Analysis of Unappropriated Retained Earnings per Books (Line 28, Schedule L)
Balance at beginning of year	5 Distributions: a Cash _____
Net income per books	b Stock _____
Other increases (itemize): _____	c Property _____
_____	6 Other decreases (itemize): _____
_____	7 Add lines 5 and 6 _____
_____	8 Balance at end of year (line 4 less line 7).
Add lines 1, 2, and 3 _____	

Please address all future correspondence to this address

Exhibit B4 1 of 3

SWIFAX
P O BOX
ATLANTA, GA 30374

(800)218-1028

TODD MICHAEL HEISLAHN
8800 SW MIAMI ST
WILSONVILLE OR 97070

DATE 07/28/98
SOCIAL SECURITY NUMBER 848-88-3038
DATE OF BIRTH 12/28/54

CREDIT HISTORY

Company Name	Account Number	Status	Date Opened	Plan No.	Date of Last Activity	High Credit	Term	Amount			Date Reported	
								Balance	Limit	Status		
GREAT WESTERN SAVING REAL ESTATE MORTGAGE CONVENTIONAL MORTGAGE	90817484627	J	05/96	08	08/96	480K	2K	480K			11	06/96
GMAC AUTO	054-0758-28828	I	05/96	05	08/96	25K	519	24K			11	07/96
HOUSEHOLD CREDIT SER CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8448188883180274	I	05/96	18	06/96	8000	87	0			R1	06/96
PRUDENTIAL BANK - VI CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	4828488880211128	I	11/96	07	07/96	1000		0			R1	07/96
SOCIETY BANKCARD SER CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	4317857004240082	I	01/96	09	06/96	8000	87	3083			R1	06/96
ASSOCIATES FIN CREDI CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8138870080047728	I	12/94	17	04/96	8000		0			R1	06/96
CAPITAL ONE CREDIT CARD	4121741317788822	I	08/94	20	06/96	888	12	423			R1	06/96
SEA FIRST BANKCARD S CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	48810028188110	J	10/88	81	05/96	8700		8771			R1	06/96
U S NATIONAL BANK CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8408881088148	I	08/96	18	06/96	8000	1	38			R1	06/96
U S NATIONAL BANK CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8138870080047728	I	11/96	18	06/96	8000	77	887			R1	06/96
AMERICAN EXPRESS DEP LINE OF CREDIT	300018588300001	I	10/98	07	06/96	8000					R1	06/96
MELLON BANK CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8403813775007337	I	10/84	20	06/96	8400	132	1822			R1	06/96
WORLD OMNI LEASE	12037000018	C	07/94	22	06/96	30K	38K	8881			11	06/96
RMB-MERVVNS CHARGE	71482883233	I	12/88	08	01/96			0			R1	07/96
CITICORP	4271383084393840	I	02/96	04	05/96	8000	80	3122			R1	06/96
UNIVERSAL BANK-CUSTO CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	4783588080107851	I	11/84	18	05/96	4800		0			R1	06/96
HARRIS BANK CHARGE I AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8230303021230841	I	07/96	10	06/96	2500	21	788			R1	06/96
HARRIS BANK CHARGE I AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8230303021078087	I	07/96	10	06/96	300	18	318			R1	06/96
AT&T WIRELESS SERVIC PAID ACCOUNT/ZERO BALANCE	810000080838708	I	10/93	18	04/96	37		0			01	06/96
HOUSEHOLD BANK NA IL CHARGE	413891-8438820388	I	01/96	09	06/96	8374		8374			R1	06/96
FIRST INTERSTATE BAN LINE OF CREDIT	81300102773388001	J	08/87	88	10/96	8000		0			R1	05/96
UNIVERSAL BANK-CUSTO CREDIT CARD AMOUNT IN 1/4 C COLUMN IS CREDIT LIMIT	8388400027888118	I	10/84	18	05/96	4500		0			R1	06/96
1ST INTERSTATE BK-OR PAID ACCOUNT/ZERO BALANCE HOME IMPROVEMENT LOAN	11300111889028001	J	12/93	28	04/96	28K	224	0			11	04/96
GTE LEASING CORP	8001744	C	08/88	18	09/90	3788		0			11	04/96

Please address all future
correspondence to this address

EQUIFAX CREDIT INFORMATION SERVICES
P O BOX 740
ATLANTA, GA 30374

(800)818-1098

TODD MICHAEL WEISLAHN
8500 SW MIAMI ST
WILSONVILLE OR 97070

DATE 07/28/98
SOCIAL SECURITY NUMBER 843-88-3038

CREDIT HISTORY

Company Name	Account Number	When Open	Date Closed	High Credit	Low Credit	High Credit	Low Credit	High Credit	Low Credit	High Credit	Low Credit	High Credit	Low Credit
SMITHS/GECAP	C02J-1701-1403763	1	12/99	24	11/94	2810				0		R1	12/98
PAID ACCOUNT/ZERO BALANCE													
U.S. BANCORP HOME LO	5708248158	J	12/92	24	11/98	100K	858			0		R1	11/98
ACCOUNT TRANSFERRED OR SOLD REAL ESTATE MORTGAGE													
MEIER & FRANK-DOWNTOWN	-85282456	A	01/87	80	10/83	188				0		R1	10/83
PORTLAND TEACHERS CR	87018883	J	08/93		08/93	800	18			0		R1	08/93
LINE OF CREDIT													
PORTLAND TEACHERS CR	88884888	J	04/89			800	18			0		RO	04/89
LINE OF CREDIT													
U.S. BANCORP HOME LO	5708848456	J	05/88	08	12/83	88K	1K			0		R1	01/83
CLOSED ACCOUNT REAL ESTATE MORTGAGE													
NORWEST FINANCIAL SE	1080-57811818	J	08/87	12	12/82	0				0		R1	12/82
CLOSED ACCOUNT													
SEAFIRST BANK	1241281723984	J	03/83	08	08/83	11K	223			0		R1	08/83
CHEVRON USA	7488071888	U	02/73	82	03/82	182				0		01	03/82
NOROSTROMS	5-0000000015828413	S	08/78	98	12/80	888				0		R1	12/80
FIRST INTERSTATE BAN	113001027888001									0		R1	01/80
1ST INTERSTATE BAN	113001027888001									0		R1	01/80



***** ADDITIONAL INFORMATION *****
 FORMER/OTHER ADDRESS 1801 S 25, PORTLAND, OR, 97308
 FORMER/OTHER ADDRESS 15770 SW FARMINGTON, BEAVERTON, OR, 97007
 LAST REPORTED ENPL - AMERITEL CORP
 FORMER EMPLOYMENT - MINISTER MUSIC, SUNSET PRES CHURCH
 FORMER EMPLOYMENT - SALES MANAGEMENT, FORENT CO
 ***** COMPANIES THAT REQUESTED YOUR CREDIT HISTORY *****

- | | |
|------------------------------------|------------------------------------|
| 07/25/88 DTC 810UT08917 US WEST | 07/25/88 EQUIFAX - UPDATE |
| 07/25/88 EQUIFAX - DISCLOSURE | 07/25/88 INTERNAL REVENUE SER |
| 07/19/88 DTC 810UT08908 US WEST | 07/19/88 HARRIS BANK CHARGE I |
| 07/19/88 HOUSEHOLD BANK FSB-MC | 07/19/88 ACIS 807047288 818AA00018 |
| 07/08/88 PRUDENTIAL BANK | 07/08/88 AR AMERICAN EXPRESS |
| 07/03/88 CITIBANK OF SOUTH DA | 07/08/88 AMERITECH SERVICES |
| 07/01/88 AMERITECH SERVICES | 07/03/88 WELDON BANK |
| 06/28/88 AR SHB COSRV | 06/28/88 AMERITECH SERVICES |
| 06/27/88 AMERITECH SERVICES | 06/28/88 AMERITECH SERVICES |
| 06/25/88 AMERITECH SERVICES | 06/28/88 AMERITECH SERVICES |
| 06/20/88 AR CITIBANK - VISA | 06/19/88 AMERITECH SERVICES |
| 06/18/88 PRM FIRST DEPOSIT/CG MAR | 06/19/88 AMERITECH SERVICES |
| 05/30/88 AR AMERICAN EXPRESS | 05/23/88 AMERICAN EXPRESS DEN |
| 05/18/88 PRM FIRST DEPOSIT/CG MAR | 05/13/88 AMERITECH SERVICES |
| 05/09/88 DTC 810UT01138 US WEST | 05/07/88 PRM IRVIN HOME EQUITY CO |
| 05/06/88 AR SHB COSRV | 05/02/88 AR PRUDENTIAL BANK - VI |
| 05/02/88 AR SEA FIRST BANKCARD S | 04/28/88 EQUIFAX - UPDATE |
| 04/18/88 PRM FIRST DEPOSIT/CG MAR | 04/18/88 EQUIFAX - UPDATE |
| 04/15/88 ACIS 804058838 818AA00018 | 04/15/88 AR CITIBANK - VISA |
| 04/08/88 ACIS 804028328 818AA00018 | 04/08/88 PRM HANCOCK BANKCARD |
| 04/05/88 DTC 810UT10238 US WEST | 03/28/88 SHAC PORTLAND SPB |
| 03/28/88 MACHOVIA BANK CARD S | 03/15/88 EQUIFAX - UPDATE |
| 03/08/88 AR MONDGRAM BANK OF GEO | 02/28/88 PRM AMERICAN EXPRESS |
| 02/28/88 CREDCO | 02/19/88 ACIS 803083488 818AA00018 |
| 02/08/88 PRM IRVIN HOME EQUITY CO | 02/08/88 DTC 810UT07733 U S WEST |
| 02/02/88 AR PRUDENTIAL BANK - VI | 02/02/88 AR SEA FIRST BANKCARD S |
| 02/01/88 DTC 810UT01138 US WEST | 01/31/88 PRM FIRST DEPOSIT/CG MAR |
| 01/30/88 ACIS 801082804 818AA00018 | 01/30/88 EQUIFAX - UPDATE |
| 01/24/88 EQUIFAX - DISCLOSURE | 01/18/88 CYCLE SPORTS OF SALE |
| 01/18/88 CITIBANK SD (NA) | 01/18/88 HOUSEHOLD BANK NA (I |
| 11/14/88 US80 BKCD | 08/28/88 CREDCO-GREAT WESTERN |
| 08/25/88 CREDCO-GREAT WESTERN | 07/13/88 PRUDENTIAL BANK |
| 07/05/88 HARRIS BANK CHARGE I | 06/28/88 CREDCO-GREAT WESTERN |
| 04/14/88 EXECUTIVE REPORTING | 11/30/84 ASSOCIATES NATIONAL |

Please address all future correspondence to this address

EQUIFAX Credit Information Services
P O BOX 740299
ATLANTA, GA 30374
(800)218-1098

DATE 07/28/98
SOCIAL SECURITY NUMBER 843-88-3038

TODD MICHAEL WEISLAHN
8800 SW MIAMI ST
WILSONVILLE OR 97070

CREDIT HISTORY										
Company Name	Account Number	When Past	Date Reported	Bank Name	Date Of Last Activity	High Credit	Type	Status		Date Reported
								Current	Delinquent	
08/08/94 STONEY BANK VIRGINIA			07/29/94	SEA FIRST BANKCARD S						

EQUIFAX

COMPLETE PAGE 3 OF 3

W14-RESTART 00008

FORM 80008

First Interstate Bank of Oregon, N.A.

P. O. Box 3131
Portland, Or 97208

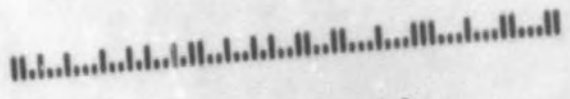


AMERITEL CORPORATION
PO BOX 5407
PORTLAND OR 97228-5407

Page 1 of 11 388 R
Account No. 05640041629

Questions about your account?

Call our
Day & Night Banking Center®
at 503 225 2255



Commercial Checking

August 1 - August 31, 1996

Overview			
	Beginning ledger balance	162,917.85	\$ 33,381.11
	Deposits	126,697.23	
	Electronic deposits/bank credits		289,615.08
	Total Credits	282,467.92	
	Checks	664.97	
	Electronic debits/bank debits		283,132.89
	Total Debits		\$ 39,863.30
	Ending ledger balance		

Credits	Deposits		Amount	Number	Date	Amount
	Number	Date				
			564.18		08/08	4,252.06
		08/01	2,110.36		08/09	676.75
		08/01	2,833.65		08/09	2,783.48
		08/01	210.30		08/09	4,556.09
		08/02	397.90		08/12	602.15
		08/02	1,010.90		08/12	2,012.18
		08/02	1,842.82		08/12	4,504.29
		08/02	4,257.33	4	08/12	6,498.35
		08/02	313.91		08/12	12,300.00
		08/05	815.34		08/13	128.95
		08/05	6,501.93		08/13	256.90
		08/05	4,841.99		08/13	1,739.84
		08/06	5,353.25		08/13	2,352.04
		08/06	516.56		08/14	498.90
		08/07	1,169.53		08/14	748.62
		08/07	4,270.87		08/14	2,068.84
		08/07	89.84		08/15	124.90
		08/08	204.90		08/15	361.90
		08/08	381.03		08/15	1,830.14
		08/08	734.40		08/15	1,874.86



First Interstate Bank

AMERITEL CORPORATION
PO BOX 5407
PORTLAND OR 97228-5407

First Interstate Bank of Oregon, N.A.

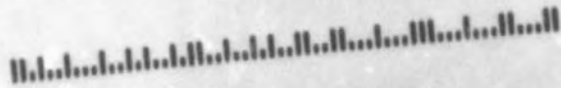
P. O. Box 3131
Portland, Or 97208

Exhibit B5 2 of 3

Page 1 of 11 403 R
Account No. 05840041829

Questions about your account?

Call our
Day & Night Banking Center
at 503 225 2255



Commercial Checking
July 1 - July 31, 1996

Overview			
	Beginning ledger balance	160,928.41	\$ 41,903.53
	Deposits	132,520.33	
	Electronic deposits/bank credits		293,448.74
	Total Credits	301,321.87	
	Checks	647.49	
	Electronic debits/bank debits		301,989.18
	Total Debits		\$ 33,381.11
	Ending ledger balance		

Credits	Deposits		Amount	Number	Date	Amount
	Number	Date				
			7,128.21		07/10	3,282.85
		07/01	345.00		07/10	11,500.00
		07/02	4,197.28		07/11	139.64
		07/02	4,905.80		07/11	610.05
		07/02	347.95		07/11	2,859.82
		07/03	367.77		07/12	79.00
		07/03	889.05		07/12	109.27
		07/03	3,828.03		07/12	283.72
		07/03	501.78		07/12	513.20
		07/05	601.89		07/12	1,303.85
		07/05	3,505.23		07/12	2,181.95
		07/05	49.00		07/12	157.85
		07/08	8,489.84		07/15	571.97
		07/08	11,388.38		07/15	2,785.70
		07/08	160.50		07/15	4,822.77
		07/09	286.00		07/16	50.00
		07/09	3,295.48		07/16	624.40
		07/09	4,618.89		07/16	2,366.97
		07/09	199.00		07/16	2,833.53
		07/10	381.90		07/17	134.95



First Interstate Bank of Oregon, N.A.

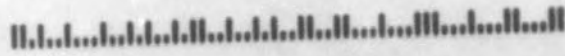
P. O. Box 3131
Portland, Or 97208

AHERITEL CORPORATION
PO BOX 5407
PORTLAND OR 97228-5407

Page 1 of 10 338 R
Account No. 05640041629

Questions about your account?

Call our
Day & Night Banking Center®
at 503 225 2255



Commercial Checking
June 1 - June 30, 1996

Overview			
	Beginning ledger balance		\$ 38,730.35
	Deposits	158,482.77	
	Electronic deposits/bank credits	123,740.93	
	Total Credits		282,223.70
	Checks	278,817.25	
	Electronic debits/bank debits	1,233.27	
	Total Debits		280,050.52
	Ending ledger balance		\$ 41,903.53

Debits	Deposits					
	Number	Date	Amount	Number	Date	Amount
					06/11	1,234.77
		06/03	483.00		06/11	2,946.21
		06/03	805.51		06/12	537.95
		06/03	3,042.98		06/12	712.37
		06/03	8,165.81		06/12	3,553.70
		06/04	499.00		06/13	2,437.82
		06/04	809.81		06/13	3,026.44
		06/04	4,802.03		06/13	5,600.00
		06/05	300.00		06/14	358.82
		06/05	426.47		06/14	400.00
		06/05	5,908.37		06/14	1,249.88
		06/06	3,245.52		06/14	2,431.45
		06/06	6,632.71		06/17	122.50
		06/07	1,528.49		06/17	4,046.34
		06/07	1,946.10		06/17	6,739.99
		06/07	6,093.34		06/18	401.00
		06/07	10,000.00		06/18	424.00
		06/10	1,017.58		06/18	2,312.50
		06/10	2,573.04		06/19	315.18
		06/10	7,252.53		06/19	673.50
		06/11	356.00			

EXHIBIT C

Senior Management Profile

Todd Meislahn - President

Mr. Meislahn has been President and CEO of Ameritel Corporation since 1992. Ameritel provides local dial tone service to thousands of customers in 8 western states. For 10 years prior to Ameritel, Mr. Meislahn was Vice President of Operations for Forentco, Inc., a multistate furniture rental company. Mr. Meislahn graduated cum laude from Lewis and Clark College with a B.S. in Music and Business and Administrative Studies.

Joe Brandes - Vice President Sales & Marketing

Mr. Brandes joined Ameritel in 1996. From 1990 to 1996 he was President of ProVision, Inc., a consumer products company manufacturing, marketing, and distributing golf products internationally. From 1987 to 1990 Mr. Brandes was Vice President of Marketing for O'Callahan's Restaurants, Inc., a \$9M multiple unit food and beverage operation. From 1978 to 1987 Mr. Brandes was Director of Marketing Operations and Distribution for Floating Point Systems, a \$150M scientific computer company. Mr. Brandes holds a B.S. in Finance from the University of Oregon and a Masters in Business Administration from the University of Portland.

Jim Wheeler - General Manager

Mr. Wheeler joined Ameritel in 1995. From 1992 to 1994 he was General Manager for the Hogan Company, a \$10M long distance reseller for Sprint. From 1984 to 1992 Mr. Wheeler worked as Collection Manager for the Boyd Group, owners and operators of six casinos in Las Vegas. From 1981 to 1984 Mr. Wheeler was Operations Manager for Vital Life Corporation, an international vitamin manufacturer and distributor. Mr. Wheeler holds a degree in Business Administration from Northwest Nazarene College.

Steven Veazie - Information Systems Manager

Mr. Veazie joined Ameritel in 1996. From 1994 to 1995 he was Lead Senior Technical Support for PC & Networks at Supra Corporation, a world leader in communication peripherals. From 1990 to 1994 Mr. Veazie was a Computer Science Professor at Western Oregon State College. Mr. Veazie holds a BS in Computer Science with a Minor in Business and Masters in Education, both from Western Oregon State College.

Rod Coston - Financial Manager

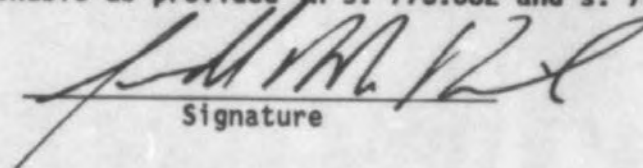
Mr. Coston joined Ameritel in 1995. From 1992 to 1995 he was Treasurer for Oregon Insulation Supply, Inc. From 1981 to 1991 Mr. Coston owned and managed Adept, Inc., a large public accounting practice. From 1978 to 1981 Mr. Coston was Vice President of Finance for Albany International Industries, a diversified forest products company. From 1972 to 1978 Mr. Coston was Secretary/Treasurer for Plantronics, a high technology telecommunications company. Mr. Coston holds a BS in Business Administration from Portland State University.

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083".

Official:


Signature

9/20/96
Date

Title:

President

503-244-9059
Telephone Number

Address:

PO Box 5395

Portland, OR 97228



ORIGINAL
FILE COPY

961162-JX

September 20, 1996

Thomas E. Williams
Florida Public Service Commission
Division of Communications,
Certification and Compliance Section
2540 Shumard Blvd.
Tallahassee, FL 32399-0866

DEPOSIT TREAS. REC. DATE
D379 SEP 25 '96

RE: Application for Authority to Provide Alternative Local Exchange Service

Dear Mr. Williams:

Enclosed please find an application form PSC/CMU 8 for Sterling International Funding, Inc

Please contact me regarding some questions I have and any you might have regarding our application or operations. Thank you for your time.

Very truly yours,

Todd M. Meislahn
President

Enclosure

DO NOT ACCEPT THIS CHECK UNLESS YOU CAN SEE AN ARTIFICIAL WATERMARK FRONT AND BACK WHEN HELD AT AN ANGLE. THE FACE OF THIS CHECK HAS A COLORED BACKGROUND

AMERITEL CORPORATION

P.O. BOX 5607
PORTLAND, OREGON 97228
(503) 244-9059

FIRST INTERSTATE BANK OF OREGON
WILSONVILLE BRANCH
P.O. BOX 312
WILSONVILLE, OREGON 97070
24-12/1230

008242

PAY TWO HUNDRED FIFTY DOLLARS AND NO/100ths

DATE 9/20/96

AMOUNT \$250.00

TO THE
ORDER OF

Florida Public Service Commission
Div. of Comm, Certif. & Compliance
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0866

SAFE Checks