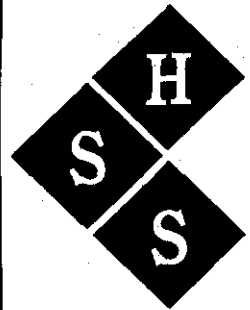


ORIGINAL FILE COPY



**H S S VENDING DISTRIBUTORS**  
Vending \* Video \* Sales & Service \* Food Service  
Leasing \* Office Coffee Service \* Pay Phones  
Telecommunications

601 Fourth Avenue  
Coraopolis, PA 15108  
(412) 264-9040  
FAX (412) 264-1032

DEPOSIT TREAS. REC. DATE  
D395 NOV 01 '96

October 31, 1996

Florida Public Service Commission  
Division of Administration  
2540 Shumard Oak Blvd.  
Gunter Building  
Tallahassee, Florida 32399-0850

961309-TI

Re: Application and Tariff of Vendomatic, Inc. d/b/a HSS Vending Distributors

Dear Sir:

The original and six (6) copies of the above-referenced materials were sent to the FPSC on October 30, 1996 by Federal Express delivery for filing. Inadvertently, Appendix F was not included with the documents.

Pursuant to instructions from the Division of Administration, enclosed please find the original and six (6) copies of Appendix F. We respectfully request that these Appendices be attached to the Application and Tariff you have received under the prior Federal Express delivery on October 31, 1996.

Your cooperation is appreciated.

ACK Very truly yours,

AFA  
APP  
CAF Janet S. Livengood, Esquire

CMU Enclosures

- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- DPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

RECEIVED & FILED  
EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE  
11788 NOV-1 96

\*\*APPENDIX F \*\*

UNAUDITED FINANCIAL DATA  
**VENDORMATIC, INC.**  
 COMPARATIVE INCOME STATEMENTS  
 For the Years Ended  
 (\$000 omitted)

	June 30	
	1996	1995
<b><u>SALES AND SERVICES</u></b>		
Vending	\$ 3,689	\$ 3,704
Telecommunications	10,391	10,474
NET SALES	\$ 14,080	\$ 14,178
COST OF GOODS SOLD	2,100	1,772
GROSS PROFIT	\$ 11,980	\$ 12,406
<b><u>EXPENSES</u></b>		
Telecommunications	3,601	4,037
Payroll	2,184	2,070
General and Administrative	2,394	2,329
Sales and Marketing	2,935	2,836
Total	\$ 11,114	\$ 11,272
NET INCOME BEFORE TAXES	\$ 865	\$ 1,134
PROVISION FOR INCOME TAXES	346	454
NET INCOME AFTER TAXES	\$ 519	\$ 680

The above information is true and correct.

*J. Richard Bletz*  
 Chief Financial Officer

UNAUDITED FINANCIAL DATA  
**VENDORMATIC, INC.**  
 COMPARATIVE BALANCE SHEETS  
 as of  
 (\$000 omitted)

	June 30	
	1996	1995
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 338	\$ 289
Trade Accounts Receivable	915	264
Trade Notes Receivable	120	138
Vending Supplies Inventory - at cost	439	409
Prepaid Insurance	28	22
Refundable Deposits	4	4
Total Current Assets	\$ 1,844	\$ 1,126
<u>FIXED ASSETS</u>		
Furniture and Fixtures	143	111
Computers and Equipment	819	691
Vending Equipment	7,387	5,064
Vehicles	197	229
Leashold Improvements	23	23
Total	\$ 8,569	\$ 6,118
Less: Accumulated Depreciation	(1,351)	(850)
Net Fixed Assets	\$ 7,218	\$ 5,268
<b>TOTAL ASSETS</b>	<b>\$ 9,062</b>	<b>\$ 6,394</b>

UNAUDITED FINANCIAL DATA  
**VENDORMATIC, INC.**  
 COMPARATIVE BALANCE SHEETS  
 as of  
 (\$000 omitted)

June 30	
1996	1995

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES

Bank Installment Auto Loans - current portion	\$ 101	\$ 28
Loan Payable - secured by customer accounts receivable	403	122
Trade Accounts Payable	462	138
Payroll Taxes	185	67
Total Current Liabilities	\$ 1,151	\$ 355

LONG TERM LIABILITIES

Bank Installment Auto Loans	144	
Less: Portion Classified Current	(101)	
Total	\$ 43	

STOCKHOLDER'S EQUITY - NET	7,868	6,039
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$ 9,062	\$ 6,394

The above information is true and correct.

*J Richard Bielz*  
 Chief Financial Officer

## Owner and Chief Executive Officer

**Richard G. Hersperger**  
President and Founder

Mr. Hersperger, the President and founder of HSS opened the Telecommunications Division of the company shortly after the divestiture in 1984. Mr. Hersperger became partners with Northwestern Bell in 1986 to distribute their product lines. In 1990 he and a team of developing engineers began developing their own switching products ranging from Operator Services to SS7 Platforms.

## Marketing Division

**James R. Darr**  
Vice President - Marketing

James Darr comes from a long and prestigious communications background that began with the cable television industry in 1979. He was associated with national companies such as TCI, Westinghouse, and Comcast. He crossed over into the private pay phone industry in 1985 and began to build a network in South Florida for American Paytel. In 1990 Mr. Darr entered into the alternative Operator Services field while working with TCG. At the present time he spearheads the Hospitality and Point of Presence Agreements on a national basis.

## Research and Development Division

**Theodore Marinich**  
Manager Technology and Systems Engineering

Theodore Marinich is Manager of Technology and Systems Engineer and is also Product Development Manager. He is in charge of the development of the HSS 5000 Switch, the switching products and the special programs developed for the Corrections Division.

Ted has 26 years of experience in all aspects of the field of Electronic Engineering and Technology and a varied background in hardware engineering, field engineering, technical writing, systems documentation, sales and marketing, consulting and management.

His management experience includes the design and development of an OS/2 platform, 5000 trunk, telecommunications switch which involved hardware system integration and complete software design and development. He has also managed several turnkey projects through design development, installation and testing as well as contractor development personnel working on process control projects for systems support groups.

He has been responsible for the design and development of a PC platform based 4800 trunk Feature Group D telecommunications switch with operator stations, real time model development, system analysis, hardware and software purchase recommendations, Novell Networks system installation, and custom software development, installation, and implementation.

#### Customer Service and Technical Support

#### **Christopher Garrand**

Chris Garrand has 11 years of experience in the communications field in the areas of installation, contractor coordination, technical support and customer service. Having held management positions with such companies as Bell of PA, Nynex, AT&T, Westinghouse, and PPG he has obtained hands on training and experience in the installation of many well known manufacturers equipment including but not limited to AT&T, Mitel, Northern Telecom, Toshiba, and Elcotel.

In 1993 Chris cross over to the public communications field and is currently in charge of nation-wide contractor coordination and technical support along with customer service.