

SWIDLER
&
BERLIN
CHARTERED

961346-TP

MEMORANDUM

VIA OVERNIGHT MAIL

TO: Charles Pellegrini
FROM: Colin Alberts
DATE: January 22, 1997
RE: Telenet of South Florida prehearing exhibits

Enclosed please find an original set and 15 copies of the exhibits enumerated in the prehearing statement of Telenet of South Florida, Inc. ("Telenet"). Please call if you have any questions.

ACK _____
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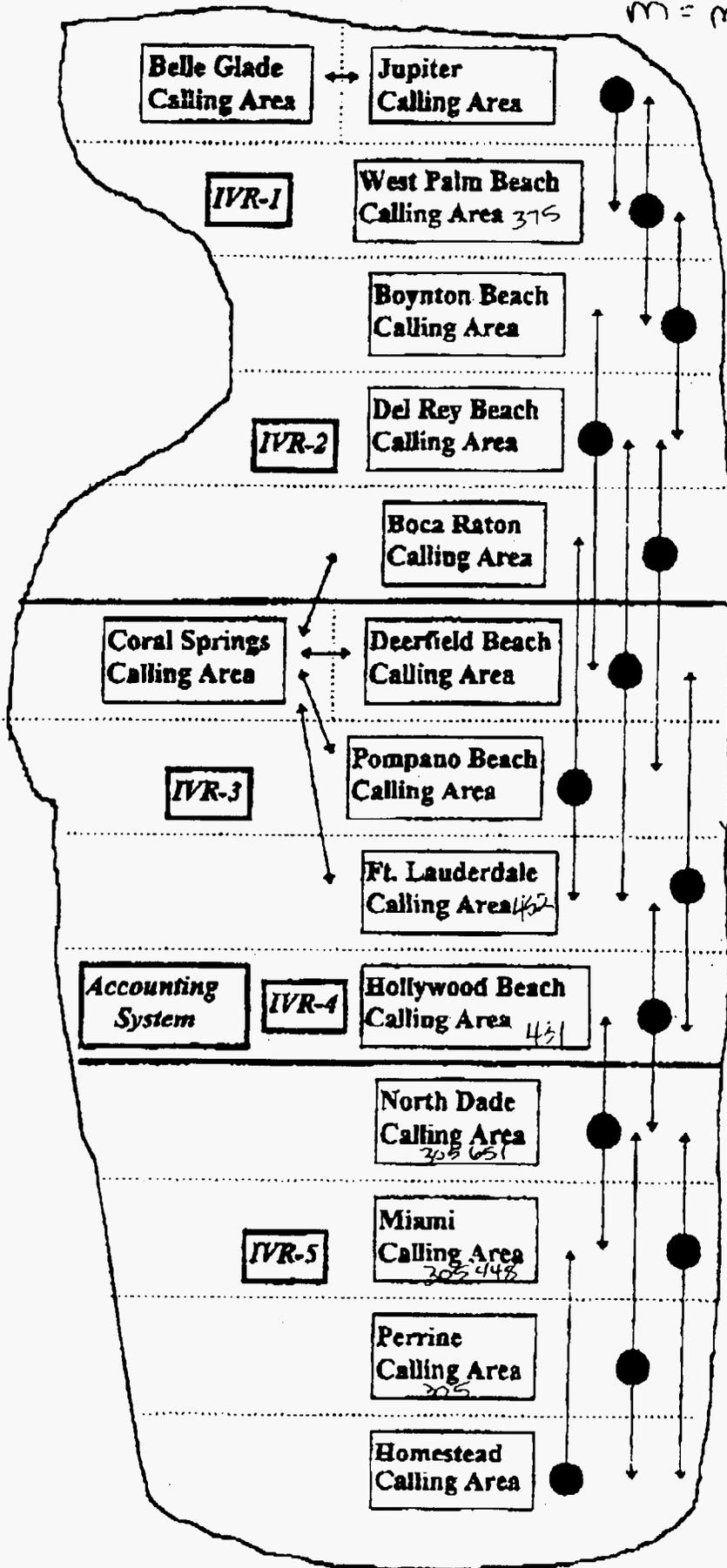
DOCUMENT NUMBER - DATE

01083 JAN 23 97

Exhibit MAK-1

Diagram of the Telenet Virtual Network

HG = hunt group FL = Forwarding lines
 m = Modem



8 HG + 1 m

8 FL

8 HG + 1 m
 +
 6 FL

12 FL

4 HG + 1 m

12 FL

8 HG 6 FL

8 FL

8 HG

Exhibit MAK-2

BellSouth November 3, 1995 Letter re: Service Price Quotations

Mike Hudson
Marvin Kupinsky
10422 Taft St.
Pembroke Pines, FL

November 3, 1995

Dear Mr. Hudson;

I am sending this letter to confirm that I understand the needs for your business, and to include pricing options for your service.

You have requested pricing on the following services:

6 lines in a hunt group, with a 431 prefix

1 line as your main telephone number, no other lines in hunting associated with it, to be call forwarded to other hunting groups as needed. There is a \$75.00 assignment charge for easy numbers. I understand that you would like to have an easy "marketable" number.

1 line for a fax machine, with features in case you need to use it for other purposes.

For your customer service application, 6 lines, 3 of them in hunting, the others stand alone.

2 other lines no hunting.

To sum up:

A total of 16 lines. 2 hunt groups, one with 6 lines, one with 3 lines.

All lines are to have the following features:

Call Forwarding Variable

8 or 6 Code Speed Calling (depending upon your choice of service)

3 Way Calling, User Transfer

These are the rates for the services described:

| Service | Installation | Monthly Cost |
|--------------------------|--------------|--------------|
| Flat Rate Business Lines | 307.75 | 825.30 |
| Month to Month ESSX | 1416.55 | 934.08 |
| 36 Month ESSX | 1436.70 | 863.68 |
| 60 Month ESSX | 1436.70 | 837.28 |
| 84 Month ESSX | 1436.70 | 822.08 |

We usually request deposits and advance payments when customers do not have existing service with BellSouth. We do have reciprocal agreements with some other local telephone companies. If you wish, you may provide us with your account information and we can confirm your credit worthiness with your current local telephone company. If you prefer to pay deposits and advance payments, the deposit will be determined by our credit department, and the advance payment will be the entire installation cost. We must receive these payments, if necessary, before the ordering process can begin. Our installation intervals for ESSX service are 4 to 6 weeks. Installation intervals are two weeks for Flat Rate Business Service. These intervals are based upon the availability of existing facilities at your office location.

Richard Garsh, the representative that usually handles accounts in the Pembroke Pines area, is in a training class until November 20. I will be happy to assist you with any questions you may have about your service selection. I can be reached at 800-583-0418 or 954-351-3152.

Sincerely,

Ruth Margolis

Exhibit MAK-3

**Telenet September 16, 1996 Memorandum re:
Memorialization of Telephonic Negotiations with BellSouth**

September 16, 1996

5PM - 7PM

Marvin Kupinsky, Mitchell Kupinsky, Scott Donahue and Bill Demers met with Bell South representatives Doc Moore along with Tony Aniello. We ended up with us telling Bell South to give us what we need, we will pay for it. We asked for a representative to settle compensation problem. Bell South said I'll give you that name 9/17, it never happened. doc said at the beginning of the meeting that he would give us the best service that he could, provided we were legal. (at the end of the meeting we were promised Bell South would expedite our requests in a time frame we accepted). We responded (Marvin Mitch and Scott) with ALEC license. Bell South led us to believe that we had no further problems between Bell South and Telenet.

9/17/96

Bell South requested documentation on our right to be a phone company. Marvin Mitch and Scott hand delivered the information requested to Doc Moore at his central office. Some decisions were made by Bell South that we were to be stopped until an investigation of our rights to be **TELENET** were decided upon by the regulatory board. Not to mention Doc promised a call back to Telenet-that never happened. Gee I wonder if stringing us along all these months is legal?

Exhibit MAK-4

**BellSouth September 19, 1996 Letter re:
Refusal of New Service**



BellSouth Business Systems, Inc.
Suite 1220
6451 N. Federal Highway
Ft. Lauderdale, Florida 33308

Mr. Mitch Kupinsky
c/o Telenet of South Florida
100422 Taft Street
Pembroke Pines, Florida 33026

September 19, 1996

Dear Mr. Kupinsky,

I spoke to Ms. Ida Levine Bourne who works in the BellSouth group in Atlanta that handles the negotiations for Resale Agreements. She advised that you need to send an informal memo stating your interest in negotiating a Resale Agreement with BellSouth. That request must go to:

Mr. Scott Schaefer
BellSouth Vice President - Marketing Interconnection Services
Suite 4422, 675 West Peachtree Street, N.E.
Atlanta, Georgia 30375

To expedite the process you may FAX the request to telephone number 404-523-4032. Also please FAX a copy to Ms. Ida Levine Bourne at 404-529-7839.

In reference to your FAX message today, I can not initiate any new service with you for Telenet of South Florida until we resolve the Resale Agreement situation. You must initiate a request for a Resale Agreement as indicated above. That is the first step you must take.

I am waiting to hear from my upper management to advise how, if at all, we can service your account until the Resale Agreement matter is resolved.

Thank you for your patience

Respectfully,

O.G. Moore
Senior Account Executive



Official Sponsor of the 1996 U.S. Olympic Team

Exhibit MAK-5

**Telenet September 26, 1996 Memorandum re:
Submission of ALEC License**

F A X C O V E R S H E E T

DATE: 9/26/96

TIME: 10:25

TO: DOC MOORE

FAX 954-351-3989

FROM: MITCHELL KUPINSKY
Telenet

PHONE: 054 431-4044

FAX: 954 431-7073

RE: ALEC LICENSE

CC:

Number of pages including cover sheet: 3

Message

Doc,

This information is submitted with the intent of promoting an amicable resolution of the outstanding issues between us. Submission of a copy of our ALEC certificate and supporting documentation should not be taken as an admission of any inability of Telenet Of South Florida, Inc. to purchase services and equipment from Bell South according to Bell South's registered tariff. Telenet Of South Florida, Inc. reserves all it's rights, especially with regard to the federal prohibition of the imposition of unreasonable or discriminatory conditions or limitations against resellers.

Please contact me upon receipt of this fax.

Sincerely,


Mitchell Kupinsky

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| | | |
|--------------------------------|---|------------------------------|
| In Re: Application for |) | DOCKET NO. 960043-TX |
| certificate to provide |) | ORDER NO. PSC-96-0538-FOF-TX |
| alternative local exchange |) | ISSUED: April 17, 1996 |
| telecommunications service by |) | |
| Telenet of South Florida, Inc. |) | |

The following Commissioners participated in the disposition of this matter:

- SUSAN F. CLARK, Chairman
- J. TERRY DEASON
- JOE GARCIA
- JULIA L. JOHNSON
- DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION GRANTING CERTIFICATE TO PROVIDE ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES AND MANDATING LEVEL OF 911 SERVICE

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein this Order is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. Granting of Certificate to Provide Alternative Local Exchange Telecommunications Service

Telenet of South Florida, Inc., filed an application for a certificate to provide alternative local exchange telecommunications service in the state of Florida. This application was filed pursuant to Section 364.337(1), Florida Statutes, which provides that no person may provide alternative local exchange telecommunications service without first obtaining from this Commission a certificate authorizing the provision of such service. Upon review of the application, it appears that the company has sufficient technical, financial, and managerial capability to provide such service.

ORDER NO. FSC-96-0010-207-1A
DOCKET NO. 960043
PAGE 3

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that we hereby grant, to Telenet of South Florida, Inc., certificate number 4424 to provide alternative local exchange telecommunications service, pursuant to Section 364.337(1), Florida Statutes, and as described in Section I of this Order. It is further

ORDERED that as an alternative local exchange company, Telenet of South Florida, Inc., must provide the same access to 911 emergency services as provided by the local exchange company serving the same area, as described in Section II of this Order. It is further

ORDERED that, unless a person whose substantial interests are affected by the action proposed in this Order files a petition in the form and by the date specified in the Notice of Further Proceedings or Judicial Review, below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 17th day of April, 1996.

/s/ Blanca S. Bayó

BLANCA S. BAYÓ, Director
Division of Records and Reporting

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-904-413-6770.

(S E A L)

SCL

Exhibit MAK-6

**BellSouth October 4, 1996 Memorandum re:
Special Service Arrangements**

FAX Memorandum

To: *Bill Demers, Mitch Kupinsky*
From: *O.G. "Doc" Moore, BellSouth*
Date: *10/04/1996*
Subject: *BellSouth Services*

The attached Special Service Arrangement Agreement is for the Call Forwarding Multiple Simultaneous Calls. Please review the attached document, have the authorized person sign the document, and return the signed original to me. I will process the service request as quickly as I am authorized to do so.

Additionally, our business office staff is preparing a letter outlining the process followed to arrive at the requested deposit on your multiple accounts. If you concur with the process you may deliver the requested deposit to me. I will forward the deposit to the appropriate department for processing. We will then transfer the accounts from the individual's names into the corporate name.

As you know, your attorney and BellSouth's attorneys are working on several issues regarding how we can do business. Additionally, BellSouth management is in the process of determining if your usage of BellSouth services are within the acceptable guidelines set forth in the Tariffs for the State of Florida. The outcome of those decisions will ultimately decide how we can supply service to your company and under what conditions.

Thank you for your patience in this matter. I am confident we will reach a mutually acceptable solution.

Respectfully,

Doc

Exhibit MAK-7

**Telenet October 10, 1996 Memorialization re:
Memorialization of Telephonic Negotiations with BellSouth**



10422 Taft St.
Pembroke Pines,
FL 33026 (954) 431-4344

October 10, 1996

VIA TELECOPIER

Mr. Tony Petrilla, Esq.
Swidler & Berlin
3000 K Street, N.W., Suite 300
Washington, D.C. 20007-7500

Dear Mr. Petrilla:

To the best of my recollection, this is how the conversation with Doc Moore of BellSouth went on October 10, 1996. He said that it has been decided that our use of Call Forwarding is in violation of Tariff A-13.9 and that they're putting TeleNet on notice and asking that we **cease and desist** use of the Call Forwarding in that manner. He said they will be giving us a time frame to comply with that or they're going to remove the features from the line. He also said our company is really operating as an IXC (Inner Exchange Carrier) and to do so we need to be certified by the Public Service Commission.

He doesn't know how else we can do what we want to do without the use of Call Forwarding. He suggested that maybe our technical staff could figure something else out. He indicated that even as an ALEC, that ALEC doesn't give us the right to go against the tariff. I told Doc I understood the tariff to be flexible. I asked him about ordering T-1's or special assembly. He told me we can order T-1's but as far as the use of Call Forwarding to do what we've been doing, we can't do it.

He said we'd be receiving a letter probably tomorrow, asking us to cease and desist on the use of Call Forwarding. He indicated that the way TeleNet is operating, the T-1 is not going to do the company much good if we don't have Call Forwarding. He mentioned he was unable to reach BellSouth's attorney today but wanted to call me back. He also said they want to do business with TeleNet but they want to do business according to the laws of the tariff. He said we are allowed to buy service and resell service, but we can't go against the tariff.

Then I asked him what IXC is and he said Inner Exchange Carrier and he said this has to be done with the certification of the Public Service Commission **but TeleNet still can't do it with Call Forwarding.**

I then asked him if he was going to be at the office tomorrow morning. He said he had a meeting at 10:30. I told Doc I'd contact him at 8:30 tomorrow morning.

Exhibit MAK-8

**BellSouth October 15, 1996 Letter re:
Threatened Disconnection**



BellSouth Business Systems, Inc.
Suite 1220
6451 North Federal Highway
Fort Lauderdale, Florida 33308

Mr. Marvin Kupinsky
c/o Telenet of South Florida
10422 Taft Street
Pembroke Pines, Fl. 33026

October 15, 1996

Regarding: Florida General Subscriber Service Tariff violation notice

Dear Mr. Kupinsky,

During our meeting on September 16, 1996, attended by Bill Demers, Mitch Kupinski, and you, from Telenet of South Florida, Tony Aniello and myself representing BellSouth, you outlined the method by which you are utilizing the BellSouth services of Call Forward - Variable, both individually and in a multipath arrangement. Based upon the information provided, your use of BellSouth services to avoid payment of message toll charges is in direct violation of the Florida General Subscriber Service Tariff, Section A13.9.1A.1., which provides that " ... Call Forwarding shall not be used to extend calls on a planned and continuing basis to intentionally avoid the payment in whole or in part, of message toll charges that would regularly be applicable between the station originating the call and the station to which the call is transferred."

Since you are using these services in such a manner, you are hereby notified that unless you provide proof, satisfactory to BellSouth, that your use of BellSouth services is not in violation of the above referenced tariff, the Call Forwarding features will be removed from your telephone lines on November 21, 1996. Enclosed for your convenience is a copy of the General Subscriber Service Tariff A13.9.1A.1, on which this notice is based.

It is also our belief that you are trying to operate as an interexchange carrier. To operate as an interexchange carrier you must be certified by the Florida Public Service Commission. After you are properly certified we can provide you with toll service for resale or the appropriate Access Feature Groups. We look forward to serving you in the future, please advise us when you receive this certification.

Sincerely,

O.G. "Doc" Moore
Senior Account Executive, BellSouth
enclosure:



Exhibit MAK-9

**Telenet November 7, 1996 Memorandum re:
Memorialization of Service Order Chronology**

COLIN ALBERTS
SWIDLER & BERLIN

11/7/96

Dear Colin,

The following pages are what we have pertaining to the dates of installation of our lines in different locations. We are waiting on further information as to what Bell South has for their records dating back to November of 1996. As soon as we get this we will forward it to you.

Thanks

Bill Demers

11/1/95 First spoke with Bell South regarding lines for Pembroke Pines with Ruth Margolis

11/3/95 Ordered lines for Pembroke Pines

11/6/95 Arranged for installation spoke to Mrs Ohare & Maggie Drewery ext.1628 and ordered lines for Coral Gables. Spoke to Miss Campbell and ordered lines for North Dade.

11/13/95-11/14/95 Installation at Pembroke Pines spoke with Thomas 992-4984.

11/14/95 Installation at Coral Gables

11/15/95 Installation at North Dade

12/15/95 Ordered lines for Ft. Lauderdale

12/19/95 Ft. Lauderdale lines installed

7/16/96 Ordered Palm Beach lines spoke to Julie Martin 780-2918 voice mail 555-4110

7/18/96 Palm Beach lines installed

7/18/96 Ordered Boynton Bch. lines spoke with Mrs McDowell

7/20/96 Boynton Bch. lines Installed

7/23/96 Ordered Del Ray Beach lines spoke to Rich Halloway

7/25/96 Del Ray Bch. lines installed.

7/24/96 Ordered Deerfield lines (originally set up for 7/26) spoke to Linda Rivera 954-492-1561

7/31/96 Deerfield lines installed

7/24/96 Ordered Pompano Bch lines spoke with Mary Louis Davis 780-2918 or 555-4114

7/30/96 Pompano Bch lines installed

7/31/96 Ordered Ft Lauderdale lines spoke to Michelle Ebanks 780-2918 or 555-4109

8/8/96 Ft Lauderdale lines installed

7/29/96 Ordered 5 more remote call forwarding lines spoke to Leslie

8/6/96 Hollywood forwarding lines installed

8/9/96 Ordered North Dade lines spoke to Debbie Allen

8/14/96 North Dade lines installed

Exhibit MAK-10

**Telenet November 27, 1996 Letter re:
Interim Settlement Agreement Pending Arbitration**

November 27, 1996

VIA FACSIMILE (305) 375-0209 AND FIRST CLASS MAIL

George Hanna, Esq.
BellSouth Telecommunications, Inc.
150 West Flagler Street
Suite 1901
Miami, Florida 33130

**Re: Telenet of South Florida, Inc. v. BellSouth Telecommunications, Inc.,
Broward County, Florida Circuit Court Case No. 96-15677CACE04**

Dear Mr. Hanna:

This is to memorialize for the record the details of the procedural compromise that has been agreed upon between BellSouth Telecommunications, Inc. ("BellSouth") and Telenet of South Florida, Inc. ("Telenet") (collectively, "the parties").

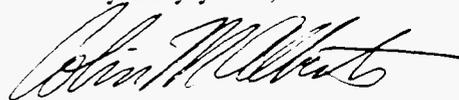
BellSouth agrees to postpone termination of Telenet's call forwarding services, and to continue to promptly provide Telenet with all connection and service arrangements already ordered by November 15, 1996 or as set forth in BellSouth's letter dated November 21, 1996, for one hundred and twenty (120) days from the filing of Telenet's Petition to the Commission in Docket No. 961346-TP, subject to Telenet's agreement not to pursue a temporary injunction hearing in Florida Circuit Court.

Telenet agrees to abide by the deposit, installation and monthly charges for BellSouth services that have been quoted to Telenet by letter from BellSouth dated November 21, 1996. Telenet further agrees that it will not provide service to new customers during the 120-day period who would utilize call forwarding (customers who have requested service prior to November 15, 1996 are considered existing customers).

George B. Hanna, Esq
November 27, 1996
Page 2

Telenet waives none of its rights to raise any procedural issues and/or objections during the period of this temporary stay.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Douglas G. Bonner".

Douglas G. Bonner
Colin M. Alberts

Counsel for Telenet of South Florida, Inc.

cc: Charlie Pellegrini, Esq.
Patricia Cocalis, Circuit Judge
Mr. Robert E. Lockwood, Clerk of Seventeenth Judicial Circuit Court
Mr. Mitch Kupinsky

Exhibit MAK-11

**BellSouth November 12, 1996 Memorandum re:
Refusal to Provide Additional Service**

Memorandum

To: *Bill Demers, Telenet of South Florida*
From: *O.G. "Doc" Moore, Senior Account Executive BellSouth*
Date: *11/12/1996*
Subject: *Request for additional service with forwarding features*

Dear Bill,

As we discussed on the telephone, I am very sorry but I can not honor your request for additional service with forwarding features at this time. I would be happy to provide additional telephone lines but I can not provide the additional forwarding features requested. You have openly admitted that the use of such forwarding features are to be used in a manner as to be in direct violation of the Florida General Subscriber Service Tariff. You and I have discussed this matter at length and I have repeatedly requested that Telenet of South Florida provide BellSouth with documentation indicating your compliance, you have not done so. Therefore, I can not honor your request for service which is in violation of the tariff.

Additionally, I sincerely hope you are making the appropriate arrangements for the service you are currently using during the grace period we have provided. As I told you in pervious correspondence, I will be issuing orders to remove all forwarding features from your existing service effective November 21, 1996, unless acceptable arrangements are made.

Thank you for your cooperation and consideration in this matter.

Respectfully,



Exhibit MAK-12

**Telenet December 11, 1996 Letter re:
BellSouth's Failure to Abide by the Interim Settlement Agreement**



FILE GOOPY

December 11, 1996

VIA FACSIMILE (305) 375-0209 AND FIRST CLASS MAIL

George Hanna, Esq.
BellSouth Telecommunications, Inc.
150 West Flagler Street
Suite 1901
Miami, Florida 33130

**Re: Telenet of South Florida, Inc. v. BellSouth Telecommunications, Inc.,
Broward County, Florida Circuit Court Case No. 96-15677CACE04**

Dear Mr. Hanna:

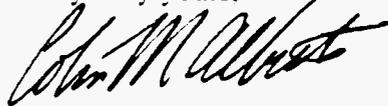
This is to register our dismay at BellSouth Telecommunications Inc. ("BellSouth")'s apparent delays in complying with the November 27, 1997 terms which it agreed to in connection with its interim agreement with Telenet of South Florida, Inc. ("Telenet") in the above-entitled action. Telenet entered into the agreement with the understanding that BellSouth would promptly fill outstanding orders for connections and services.

Since the agreement was formalized on November 27, 1996, Telenet has been subjected to procrastination from its BellSouth account executive, who has failed to comply with BellSouth's obligations under the interim agreement. BellSouth's account executive has alternately asserted legal arguments (the underlying tariff violation to be decided by the Florida Public Service Commission), technical caveats not previously raised when Telenet first ordered the services in July, or even ignorance of Telenet's existing service arrangements as reasons for not promptly fulfilling the service orders previously arranged or discussed in BellSouth's letter of November 21, 1996. In particular this includes the three special assemblies specifically discussed in our conference calls and in the November 21 letter.

George Hanna, Esq.
December 11, 1996
Page 2

Telenet is being harmed financially by BellSouth's continuing to refuse the services which Telenet has been ordering since July. If Telenet is to consider itself bound by its pledge to stay its pursuit of injunctive relief it must have assurances of BellSouth's good faith efforts to comply with its promise to provide service to Telenet's existing customers..

Very truly yours,



Douglas G. Bonner
Colin M. Alberts

Counsel for Telenet of South Florida, Inc.

cc: Charlie Pellegrini, Esq.
Patricia Cocalis, Circuit Judge
Mr. Robert E. Lockwood, Clerk of Seventeenth Judicial Circuit Court
Mr. Mitch Kupinsky