

# HELEIN & ASSOCIATES, P. C.

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WRITER'S DIRECT DIAL NUMBER:

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January 30, 1997

## Via Overnight Courier

Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Attn: T. Williams/J. Strong

**Re: American Telecom Inc. d/b/a FoneTel,  
Docket 970019-T1**

Ladies & Gentlemen:

Enclosed is an original and 12 copies of the following supplemental information for association with the above- referenced application for a certificate to provide intrastate long distance services.

- |     |          |    |   |
|-----|----------|----|---|
| ACK | _____    | 1. | A letter from First of America Bank - Michigan, N.A. setting forth the established banking relationship between that institution and the applicant.   |
| AFA | <u>1</u> |    |   |
| APP | _____    | 2. | A pro forma estimate of revenues and expenses for the first three years of operations.  |
| CFE | _____    |    |   |
| CMU | <u>1</u> | 3. | Unaudited Financial Statements thru 12/31/96.   |
| CFI | _____    |    |   |
| ENV | _____    | 4. | A copy of the Florida Department of State's grant of authority to do business in the state. Unfortunately, the Department of State issuance of document number F97000000198 contains an error by misstating the dba name as "Fonotel, Inc." The process to obtain a corrected registration is underway and a corrected copy will be forwarded when received. The applicant will do business under the fictitious corporate name of "FoneTel." |
| WAS | <u>1</u> |    |   |
| UIC | _____    |    |   |
| DMC | _____    |    |   |
| RCH | _____    |    |   |
| SED | <u>1</u> |    |   |
| WAS | _____    |    |   |
| OTH | _____    |    |   |

DOCUMENT NUMBER-DATE

01225 FEB-36

FFSC-RECORDS/REPORTING

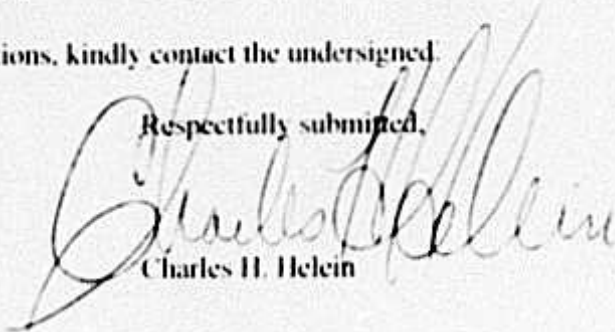


Florida Public Service Commission  
January 30, 1997  
Page 2

An additional copy of this filing is also enclosed, to be date-stamped and returned in the postage prepaid envelope provided.

Should there be any questions, kindly contact the undersigned.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Charles H. Helein".

Charles H. Helein

Enclosures

First of America Bank - Michigan, N.A.  
500 West Main Street  
Grand River/Lakeview Branch  
Grand River, Michigan 49431  
Telephone: 616-426-1141



To whom it may concern:

American Telcom maintains accounts with First of America Bank at the Grand River/Lakeview branch. They have an excellent banking relationship with us and are customers in good standing.

Their average collected balance's for the last six months are \$261,960, \$345,520, \$319,650, \$405,127, \$211,671, and \$153,092. Their current checking account balance is \$62,270. They also maintain a Certificate of Deposit in the amount of \$60,000.

Any questions please feel free to call.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen Talbot".

Kathleen Talbot  
Retail Banking Officer  
Assistant Branch Manager  
Grand River/Lakeview Office  
616 426 1141

**AMERICAN TELCOM, INC. d.b.a. FonTel**

**PROJECTED REVENUES FOR FLORIDA OPERATIONS**

<b>Description</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>
Revenues	\$1,159,488	\$2,318,976	\$4,663,952
Expenses			
Network Costs	\$ 521,177	\$1,043,539	\$2,098,778
Marketing	\$ 139,139	\$ 278,277	\$ 559,674
Billing	\$ 127,544	\$ 255,087	\$ 513,035
G&A	\$ 92,759	\$ 185,518	\$ 373,116
<b>TOTAL EXPENSES</b>	<b>\$ 880,619</b>	<b>\$1,762,421</b>	<b>\$3,544,603</b>
Income			
Operating Income (Loss)	\$ 278,869	\$ 556,555	\$1,119,349

American Telcom Inc.

Table Of Content

Accountant's Compilation Report - - - - -	
Balance Sheet - - - - -	1
Income Statement - - - - -	2

American Telcom Inc.  
Financial Statements  
For The Period Ended December 31, 1996

American Telcom Inc.  
Balance Sheet  
As of December 31, 1996  
(Unaudited)

**ASSETS**

**Current Assets:**

Cash on Hand	\$ 100.00
Cash in Bank - Madison	(24,814.71)
Cash in Bank - F.O.A.	4,070.09
Loan Receivable - ITC	133,037.83
Loan Receivable - Laundromat	35,145.85
Investment - Stock & Bonds	153,220.85
Certificates Of Deposit	200,000.00
Loan Receivable - Ramadan	5,600.00
Loans Receivable	20,572.02
Prepaid Payroll	1,018.80
Investment - Fortune Hgts	184,642.10
<b>Total Current Assets</b>	<u>715,592.83</u>

**Property and Equipment:**

Furniture, Fixture & Equip.	18,412.04
Less Accumulated Depreciation	(4,761.52)
<b>Total Property and Equipment</b>	<u>13,650.52</u>

**Other Assets:**

Security Deposits	1,134.00
Loan Rec. - Officer	40,000.00
Deposit - 7 Mile Rd	168,607.78
Deposit - Southfield Bldg	25,857.09
Deposit - Exohcsitow	5,000.00
Deposit - Vaughn	4,000.00
Deposit - Super Clean	210,987.53
<b>Total Other Assets</b>	<u>455,586.40</u>
<b>Total Assets</b>	<u>\$ 1,184,829.75</u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

**Current Liabilities:**

Federal W/H Tax Payable	\$ 7,335.44
State W/H Tax Payable	3,350.40
MESC Tax Payable	338.04
FUTA Tax Payable	80.16
Single Business Tax Payable	500.00
<b>Total Current Liabilities</b>	<u>11,604.04</u>

**Long-Term Liabilities:**

Loan Payable - MCI	45,052.70
<b>Total Long-Term Liabilities</b>	<u>45,052.70</u>

**Stockholder's Equity:**

Common Stock, \$1 Par Value, 50,000	
Shares Authorized, 300 Shares	
Issued and Outstanding	300.00
Accum. Adjustment Account	(480,864.28)

See Accountant's Compilation Report

American Telcom Inc.  
Balance Sheet  
As of December 31, 1996  
(Unaudited)

Current Income / (Loss)	<u>1,508,737.29</u>
Total Stockholder's Equity	<u>1,128,173.01</u>
Total Liabilities and Stockholder's Equity	<u>\$ 1,184,829.75</u>

See Accountant's Compilation Report



American Telcom Inc.  
Income Statement  
For The Period Ended December 31, 1996  
(Unaudited)

	1 Month Ended Dec. 31, 1996	Pct	12 Months Ended Dec. 31, 1996	Pct
<b>Revenue:</b>				
Fees Collected	\$ 121,276.05	100.00	\$ 3,374,184.58	100.00
<b>Total Revenue</b>	<u>121,276.05</u>	<u>100.00</u>	<u>3,374,184.58</u>	<u>100.00</u>
<b>Cost of Revenue:</b>				
Commissions	5,507.59	4.54	1,172,650.57	34.75
<b>Total Cost of Revenue</b>	<u>5,507.59</u>	<u>4.54</u>	<u>1,172,650.57</u>	<u>34.75</u>
<b>Gross Profit</b>	115,768.46	95.46	2,201,534.01	65.25
<b>Expenses:</b>				
Payroll	29,720.00	23.68	228,355.00	6.77
Taxes - FICA	882.70	0.73	11,945.24	0.35
Taxes - FUTA	36.16	0.03	204.16	0.01
Taxes - MESC	176.04	0.15	891.49	0.03
Taxes - SBT	500.00	0.41	1,200.00	0.04
Taxes - Property	56.25	0.05	227.27	0.01
Depreciation	434.43	0.36	3,631.79	0.11
Rent	2,825.00	2.33	32,168.88	0.95
Interest	0.00	0.00	173.63	0.01
Health Insurance - Employees	256.00	0.21	10,690.38	0.32
Insurance - Employees	0.00	0.00	244.00	0.01
Insurance - General	681.86	0.56	2,044.49	0.06
Repairs And Maintenance	100.00	0.08	522.00	0.02
Equipment Rental	515.36	0.42	4,392.21	0.13
Traveling Expenses	14,299.68	11.79	78,293.73	2.32
Meetings And Lunches	205.24	0.17	6,379.89	0.19
Auto Lease	0.00	0.00	3,330.23	0.10
Office Expenses	14.00	0.01	3,481.75	0.10
Office Supplies	0.00	0.00	3,000.00	0.09
Licenses	2,573.00	2.12	6,733.30	0.20
Supplies	0.00	0.00	54.44	0.00
Utilities	235.56	0.19	2,012.30	0.06
Telephone	5,679.92	4.68	83,241.13	2.47
Training	0.00	0.00	1,700.00	0.05
Legal And Accounting	0.00	0.00	7,248.25	0.21
Bank Charges	37.00	0.03	117.00	0.00
Seminars & Conventions	0.00	0.00	5,785.00	0.17
Books & Journals	0.00	0.00	395.15	0.01
Contributions	0.00	0.00	7,175.00	0.21
Membership Dues	0.00	0.00	250.00	0.01
Promotion And Advertising	12,000.00	9.89	81,242.04	2.41
Alarm	47.50	0.04	47.50	0.00
Auto Expense	940.55	0.78	2,082.16	0.06
Postage	0.00	0.00	289.00	0.01
Freight	305.95	0.25	3,052.70	0.09
Penalties	0.00	0.00	195.61	0.01
<b>Total Expenses</b>	<u>71,522.10</u>	<u>58.97</u>	<u>592,796.72</u>	<u>17.57</u>

See Accountant's Compilation Report

American Telcom Inc.  
Income Statement  
For The Period Ended December 31, 1996  
(Unaudited)

	<u>1 Month Ended</u>	<u>Pct</u>	<u>12 Months Ended</u>	<u>Pct</u>
	<u>Dec. 31, 1996</u>		<u>Dec. 31, 1996</u>	
<b>Net Income (Loss)</b>	<u>\$ 44,246.36</u>	<u>36.48</u>	<u>\$ 1,608,737.29</u>	<u>47.68</u>

See Accountant's Compilation Report



RECEIVED JAN 15 1997

**FLORIDA DEPARTMENT OF STATE**  
**Sandra B. Mortham**  
Secretary of State

January 13, 1997

**HELEN & ASSOCIATES, P.C.**  
8180 GREENSBORO DRIVE  
SUITE 700  
MCLEAN, VA 22102

Qualification documents for AMERICAN TELCOM, INC. doing business in Florida as FONOTEL, INC. were filed on January 13, 1997 and assigned document number F97000000198. Please refer to this number whenever corresponding with this office.

Your corporation is now qualified and authorized to transact business in Florida as of the file date.

A corporation annual report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number will be required before this report can be filed. If you do not already have an FEI number, please apply NOW with the Internal Revenue by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding this matter, please telephone (904) 487-6091, the Foreign Qualification/Tax Lien Section.

Michael Mays  
Document Specialist  
Division of Corporations

Letter Number: 297A00001634