

Lance J.M. Steinhart
Attorney At Law
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

DEPOSIT DATE
D 6 3 3 OCT 13 1997

Also Admitted in New York
and Maryland

Telephone: (770) 232-9200
Facsimile: (770) 232-2208

October 9, 1997

VIA OVERNIGHT DELIVERY

Florida Public Service Commission
Division of Records & Reporting
Certification & Compliance Section
2540 Shumard Oak Blvd.
Gunter Bldg.
Tallahassee, Florida 32399-0850

971318 - TX

Re: International Telcom, Ltd.

Dear Sir/Madam:

Enclosed please find one original and six (6) copies of International Telcom, Ltd.'s Application for Authority to Provide Alternate Local Exchange Service Within the State of Florida.

International Telcom, Ltd. has sufficient financial capability to provide the requested service in the State of Florida and has sufficient financial capability to maintain the requested service and to meet its lease or ownership obligations. In support of International Telcom, Ltd.'s stated financial capability, copies of its financial statements for the years ended December 31, 1994, 1995 & 1996 respectively are being submitted under separate cover requesting confidential treatment. As a reseller, applicant does not intend to make a capital investment to provide service in the State of Florida, however, applicant intends to fund the provision of service through internally generated cash flow. International Telcom, Ltd. also has the ability to borrow funds, if required, based upon its financial capabilities.

I also have enclosed a check in the amount of \$250.00 payable to the Florida Public Service Commission to cover the cost of filing these documents.

RECEIVED
OCT 13 1997

DOCUMENT NUMBER-DATE
1-0466-OCT 13 97
FPSC-RECORDS/REPORTING

Florida Public Service Commission
October 9, 1997
Page 2

Please return a stamped copy of the extra copy of this letter in the enclosed preaddressed prepaid envelope.

If you have any questions regarding the application, please do not hesitate to call me. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to be "Lance J.M. Steinhart", written over the word "Sincerely,".

Lance J.M. Steinhart, Esq.
Attorney for International Telecom, Ltd.

Enclosures

cc: Yvette Melendez

FLORIDA PUBLIC SERVICE COMMISSION
CAPITAL CIRCLE OFFICE CENTER - 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

APPLICATION FORM
for
AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA

INSTRUCTIONS

1. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing alternative local exchange certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee.
2. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
3. Use a separate sheet for each answer which will not fit the allotted space.
4. If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Communications
Certification & Compliance Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0866
(904) 413-6600

5. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250 made payable to the Florida Public Service Commission at the above address.
-

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

(X) 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 of authority.

() Approval of assignment of existing certificate (to a non-certificated 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:

International Telcom, Ltd.

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

d/b/a Not Applicable

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

Fictitious name registration number: Not Applicable

5. A. National mailing address including street name, number, post office box, city, state, zip code and phone number.

417 2nd Avenue West
Seattle, Washington 98119
206-286-5252

B. Florida mailing address including street name, number, post office box, city, state, zip code and phone number.

None

6. Structure of organization:

<input type="checkbox"/>	Individual	<input checked="" type="checkbox"/>	Corporation
<input type="checkbox"/>	Foreign Corporation	<input type="checkbox"/>	Foreign Partnership
<input type="checkbox"/>	General Partnership	<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Joint Venture	<input type="checkbox"/>	Other, Please explain

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

N/A

8. 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.

No.

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

Corporate charter number: F96000003678

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.

Yvette Melendez - On going liaison
417 2nd Avenue West
Seattle, Washington 98119
206-286-5252
206-301-7515/Facsimile

Lance J.M. Steinhart - Responsible for this application
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097
770-232-9200
770-232-9208/Facsimile

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

Washington and Oregon. The company intends to apply to provide local exchange service in the 48 contiguous states.

12. Has the applicant been denied certification in any other state? If so, please list the state and reason for denial.

No.

13. Have penalties been imposed against the applicant in any other state? If so, please list the state and reason for penalty.

No.

14. Please indicate how a customer can file a service complaint with your company.

Customer service will be available at the same times as the incumbent local exchange carriers which will provide the underlying facilities for applicant's proposed service.

15. Please complete and file a price list in accordance with Commission Rule 25-24.825.

Applicant will provide prior to the commencement of the provision of basic service.

16. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida.

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.

See Attached letter requesting confidential treatment

B. Managerial capability.

See Attached.

C. Technical capability.

(If you will be providing local intra-exchange switched telecommunications service, then state how you will provide access to 911 emergency service. If the nature of the emergency 911 service access and funding mechanism is not equivalent to that provided by the local exchange companies in the areas to be served, describe in detail the difference.)

Since applicant intends to provide only resold local exchange service utilizing the facilities of incumbent local exchange carriers, access to 911 emergency service will be provided by the LECs.

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

Sept 27 1997
Date

Title: _____

Joel Eisenberg

206-286-5252

Telephone Number

President

Address: _____

417 2nd Avenue West

Seattle, Washington 98119

FORM PSC/CNU (11/95)
Required by Chapter 364.337 F.S.

LIST OF ATTACHMENTS

MANAGEMENT INFORMATION

Joel Eisenberg, Chairman

Mr. Eisenberg founded International Telecom in early 1993 as a successor to Telcom Design. He is the principal creative influence at ITL. He conceived Kallback in 1992, and has been the driving force behind most of the company's new ideas.

Prior to Kallback's success, Mr. Eisenberg was an entrepreneur who achieved significant financial success in the pay-per-call and audiotext segments of the telecommunications industry. In the 1970's, prior to airline deregulation, he founded AeroAmerica, an international charter airline operating a fleet of Boeing 707s based in Las Vegas and Berlin, with extensive operations in the Middle East and Africa. AeroAmerica was one of the first charter airlines to be granted scheduled routes after deregulation.

Mr. Eisenberg is a member of the Telecommunications Resellers Association and the International Resale Council. He is a graduate of Columbia University, and studied at M.I.T. and the University of Washington.

Mike Wells, Chief Financial Officer

Mr. Wells oversees the day-to-day operation of the company and is directly responsible for the Accounting Department, Billing Department and Management Information Systems. In addition, he works with the computer hardware specialists and programmers in reviewing the capital needs for continued growth of the company. Mr. Wells is also responsible for financial forecasting, cash flow and banking relations. As new products come on line, he takes the point in setting up systems, budgets and procedures.

Mr. Wells brought to the company a wide range of accounting and management experience, including several years as a CFO in a developing nation. Mr. Wells has a base of four years as an Audit senior and eleven years as a Controller both for startup and

entrepreneurial companies, as well as companies that needed accounting and management controls established.

Mr. Wells graduated in 1980 from San Diego State University with a Business Degree in Accounting and a minor in Data Processing. He received his CPA certificate in 1985 from California. Mr. Wells' interest in accounting and data processing began during his term in the Marine Corps, while instructing and setting up the automated military pay system.

Barb Silverman, Vice President, Operations

Ms. Silverman is a member of the original team recruited in 1993 to launch Kallback. In her current position she manages the Affiliate Support Department, Customer Service Department, and Human Resources Department.

Before arriving at International Telcom, Ms. Silverman spent fifteen years in international management and product management, in Europe and the United States. She worked in Market Research at Continental Can in Brussels, identifying strategic acquisitions for expanding the business. Later, at Welch Foods, she was a senior product manager for Bottled Grape Juice, the flagship product for the company.

Ms. Silverman has a BA in German from the University of Washington; a Master of International Management degree from the American Graduate School of International Management (Thunderbird), and a Masters degree in Leisure and Recreation Management from Boston University.

Ken Davis, Technical Director

Mr. Davis is in charge of all of the technical operations of International Telcom, and another member of the original Kallback startup team. Mr. Davis is the senior supervising engineer for all of ITL's design and development activities. His staff consists of 20 programmers, hardware engineers, technicians and analysts.

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Mr. Davis has been in the employ of ITL and its predecessor companies for over ten years. Prior to joining ITL, he had his own company, InTelephone Systems, providing consulting services in telecommunications to Seattle businesses for five years. He also spent seven years as a Mechanical Engineer at Cenex, where he advanced his interest in developing software.

Mr. Davis received a BA in Electronic Engineering Technology from RETS, in Rock Island, Illinois.

Eric Doescher, Director of Marketing

Mr. Doescher oversees the international communications, advertising and press relations of the International Telcom. During his two-year tenure, the company has been featured in virtually every major international publication, including the New York Times, the Financial Times, the International Herald Tribune, The Wall Street Journal, USA Today, The Economist, CBS News, RTHK in Hong Kong, the BBC, KTLA in Los Angeles, and many other important media. He has developed an international advertising campaign in various media targeting international businesses and expatriates. Additionally, he supervises a creative staff to support the company's activities for trade shows, events, direct mail, customer communications and documentation.

Prior to his arrival at International Telcom, Mr. Doescher spent most of his career in advertising agencies in New York City, notably with Omnicom and The Interpublic Group. In various roles he developed marketing campaigns for such companies and products as Coca-Cola, Smirnoff, Citicorp, Sony, Philips, Sharp Electronics, Siemens, NEC, Okidata, Hewlett-Packard and Ziff-Davis Publications. He also worked as a **International Marketing Manager for Rémy Martin in France.**

Eric is a graduate of Brown University in Providence, R.I. and received an MBA from L'Institut Européen d'Administration des Affaires (INSEAD) in Fontainebleau, France.

Chuck Briggs, Telecommunications Manager and Director of Network Services

Mr. Briggs is the primary technical supervisor of ITL's telephone switching equipment and Telecom Tech Support Staff. He is responsible for switch planning and provisioning, network monitoring and design, and the development and implementation of Network Control Center procedures. His major contribution to ITL has been the acquisition and implementation of a Northern Telecom DMS250 Tandem Central Office, and a private voice network consisting of switches in London, New York, Los Angeles and Vancouver, B.C.

Mr. Briggs is a veteran of 17 years in the telecommunications industry. He worked as a Senior Design Engineer at Rep-Sac, Senior Applications Manager at Leviton Telecom, and as Director of Technical Services at STS.

Mr. Briggs is a graduate of BCC, and officially certified by almost every major telecom and datacom manufacturer for network design and installation.

Richard Belin, Director of Customer Services

Mr. Belin is in charge of the Customer Services Department, which includes both Kallback Customer Care and Direct Tele Sales departments, which is staffed twenty-four hours a day. Customer Service is a point of pride in the International Telecom organization, and is the largest single department.

Mr. Belin has over twenty years of experience in the telecommunications industry. He has held sales and marketing positions with Pacific Northwest Bell (US West), AT&T, and Shared Technologies, where he developed the Seattle regional office from start-up to annual revenues exceeding \$3.5 million.

Mr. Belin earned his undergraduate degree at Lakeland College in Wisconsin and has pursued graduate studies in Computer Science at M.I.T. and North Dakota State

Mr. Hayes is responsible for all aspects of marketing Faxaway services, strategically and executionally. Faxaway is currently the fastest growing service in the International Telecom portfolio.

Mr. Hayes's background includes seven years in the personal computer industry, having worked previously as a project manager for Microsoft and Apple Computer.

Mr. Hayes received a bachelor's degree in economics from the University of Washington in 1986, and is completing an MBA at Seattle University.

Veronica Crellin, Billing Manager

Ms. Crellin is responsible for the accurate processing and distribution of all account billing information, the processing of affiliate commissions, and Kallback's accounts receivable collection efforts. She manages a staff of twenty-two in her effort to administer customer payments by cash, credit card, electronic funds transfer or wire.

Before joining International Telecom, Ms. Crellin was employed at PacNet, Inc. a subsidiary of MidCom Telecommunications as the Manager of Support Services for this regional carrier.

Ms. Crellin is a graduate of City University in Bellevue and has a Bachelor of Science degree in Business Administration.

Rick Whitaker, Controller

Mr. Whitaker is responsible for the company's current account ledger and Accounts Payable Department. He works with the company's outside auditors on their periodic reviews.

Most recently, Mr. Whitaker spent eight years as Division Controller for Bell Industries, with responsibility for a \$50 million unit of the company.

Mr. Whitaker is a graduate of the University of Utah, College of Business, with a B.S. in

MARTIN R. CURBEV

PROFESSIONAL EXPERIENCE

NETWORK SUPPORT SYSTEMS, Dallas, Texas

President 1994 - 96

The company distributes (exclusively) call re-origination dialers to the call back industry.

COMP-U-CHECK, INC., Southfield, Michigan

President 1989 - 93

Responsible for operations for this \$8M public company. Corporation provides check guarantee, check verification, collection and private label credit card services.

- Established control systems to reduce communication costs from \$85K to \$30K per month. Point-of-sale cost reduction from 11. cents to 1.2 cents per call.
- Increased collection percentage points more than 5% and decreased legal fees.
- Successfully negotiated \$2M, 5-year loan with subsequent \$200K payoff.

OPERATOR ASSISTED SYSTEMS, INC., Dallas, Texas

President and Founder (1988 - 1989)

Formed company to provide operator-assisted telecommunication services to hotel industry and casual caller market segment.

- Spearheaded marketing efforts resulting in communication management of several thousand hotel rooms. Clientele included such hotel chains as the Hilton and Four Seasons.

ASCI, INC., Dallas, Texas

1980 - 1988

ASCI is a holding company primarily dedicated to the creation, manufacture, marketing and distribution of various automated telephone systems and equipment. The two most notable subsidiaries formed are Intellicaid (1984) and Telephone Broadcasting Systems (1980).

INTELLICALL, INC., Dallas, Texas**Executive Vice President of Sales (1984 - 1988)**

Intellicall is a manufacturer, marketer and distributor of innovative telecommunications equipment. Company achieved \$24M in sales in first year of operation.

INTELLICHARGE/division of Intellicall

Responsible for the set-up of the communications switch and LAN for the live operator services

INTERVOICE, INC., Dallas, Texas**Vice President of Sales (1984)**

Intervoice develops digital voice technologies. Responsible for establishment of strategic planning and marketing directions prior to public offering. Concluded company's first multiple sales and a multi-million dollar sale for a check validation and collection contract into 4,000 of Southland Corporation 7-Eleven stores.

TELEPHONE BROADCASTING SYSTEMS, INC., Dallas, Texas**Vice President of Sales (1980 - 1984)**

TBS manufactures, markets and distributes predictive dialing systems for high volume collection and marketing applications. Recruited to develop and implement key strategies that would contribute to the development and growth of company Sales. Result: Company grew to 80 employees with \$10M+ in annual revenues. High volume sales were achieved in General Electric Credit, GMAC, Ford Motor Credit, The Southland Corporation, and many divisions of Citicorp.

Prior Positions

Vice President Marketing/MICHIGAN GENERAL

Director of BC7/SPERRY UNIVAC - Toronto, Canada

National Sales Manager/International Product Manager/SINGER FRIDEN - Toronto, Canada,

Brussels, Belgium and London, England

Branch Sales and Systems Manager/HONEYWELL - London, England

EDUCATION

Leeds University - Civil Engineering Degree Course

Subsidiary studies in Accounting and Economics

Lance J.M. Steinhart
Attorney At Law
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

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D 6 8 8 **OCT 13 1997**

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THIS DOCUMENT WAS PRINTED ON PAPER CONTAINING ULTRAVIOLET FIBERS AND AN ARTIFICIAL WATERMARK

KALLBACK
INTERNATIONAL TELCOM LTD.
417 2ND AVE. W. (206) 286-5293
SEATTLE, WA 98119-4012 USA

US BANK OF WASHINGTON, NA
SEATTLE MAIN OFFICE
1420 FIFTH AVE.
SEATTLE, WA 98111 0720

0364

*TWO HUNDRED FIFTY DOLLARS AND NO CENTS

10/06/97

*****250.00

PAY
TO
THE
ORDER
OF

FLORIDA PUBLIC SERVICE COMM

00-FLORIDA

VOID IF NOT CASHED WITHIN 120 DAYS OF ISSUE

[Signature]
DOCUMENT NUMBER-DATE
[Signature] OCT 13 97

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