



210 N Park Ave  
PO Drawer 200  
Winter Park, FL  
32790-0200

Tel 407-740-8575  
Fax 407-740-0613  
tm@tminc.com

Mr. Walter D'Haeseleer  
Florida Public Service Commission  
Division of Records and Reporting  
2540 Shumard Oaks Boulevard  
Gerald L. Gunter Bldg. Room 270  
Tallahassee, FL 32399-0850

RECEIVED  
January 22, 1998  
Overnight  
98 JAN 23 PM 12:46  
MAIL ROOM

980118-TI

RE: Initial Application of Empire Telecom, Inc. to Provide Resold Interexchange Telecommunications Services in Florida

Dear Mr. D'Haeseleer:

Enclosed for filing are the original and twelve copies of the above referenced application of Empire Telecom, Inc. to provide resold Interexchange Telecommunications Services in Florida.

Also enclosed is a check in the amount of \$250 to cover the applicant's filing fee. Questions pertaining to this application or tariff should be directed to my attention at (407) 740-8575.

Please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

Thank you for your assistance.

Sincerely,

Mark G. Lammert  
Consultant to Empire Telecom, Inc.

Enclosures

cc: Jay Jacobson - Empire Telecom, Inc.

File: Empire Telecom, Inc. - FL  
TMS: FLi9800

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with original deposit

Initials of person who forwarded check

DOCUMENT NUMBER DATE

JAN 23 98

FPSC RECORDS/REPORTING



210 N Park Ave.  
PO. Drawer 200  
Winter Park, FL  
32790-0200

Tel 407-740-8575  
Fax 407-740-0613  
tmj@tmnc.com

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Sincerely,

Mark G. Lammert  
Consultant to Empire Telecom, Inc

EMPIRE TELECOM, INC.  
D/B/A EMPIRE STATE CALLING CARD  
358 GREAT NECK RD  
GREAT NECK NY 11021

10/59

1-8133  
210

DATE \$/22/98

PAY TO THE ORDER OF Florida Public Service Commission \$ 250 <sup>00</sup>/<sub>100</sub>  
Two Hundred Fifty and <sup>00</sup>/<sub>100</sub> DOLLARS

CITIBANK

CITIBANK N.A. BR 9233  
1110 NORTHERN BOULEVARD  
TALLAHASSEE, FL 32309

FOR Filing Fee

**FLORIDA PUBLIC SERVICE COMMISSION**

**DIVISION OF COMMUNICATIONS**  
**BUREAU OF SERVICE EVALUATION**

**APPLICATION FORM**  
**for**

**AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE**  
**WITHIN THE STATE OF FLORIDA**

---

**Instructions**

- A. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Appendix A).
- B. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. If you have questions about completing the form, contact:

**Florida Public Service Commission  
Division of Communications  
Bureau of Service Evaluation  
2540 Shumard Oak Boulevard  
Gunter Building  
Tallahassee, Florida 32399-0850  
(904) 413-6600**

- E. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250.00 to:

**Florida Public Service Commission  
Division of Administration  
2540 Shumard Oak Blvd.  
Gunter Building  
Tallahassee, Florida 32399-0850  
(904) 413-6251**

FORM PSC/CMU 31 (11/95)  
Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).

1. Select what type of business your company will be conducting (check all that apply):

- ( ) **Facilities based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
- ( ) **Operator Service Provider** - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- (X) **Reseller** - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- ( ) **Switchless rebiller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- ( ) **Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.
- (X) **Prepaid Debit Card Provider** - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

2. This is an application for:

- Original Authority (new company)
- Approval of transfer (to another certificated company)
- Approval of assignment of existing certificate (to a noncertificated company)
- Approval for transfer of control (To another certificated company).

3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship:

Empire Telecom. Inc.

4. Name under which the applicant will do business (fictitious name, etc.):

Not Applicable

5. National address (including street name & number, post office box, city, state and zip code).

Empire Telecom. Inc.  
358 Great Neck Road  
Great Neck, NY 11201  
Telephone: (516) 466-8585  
Facsimile: (516) 466-4531

6. Florida address (including street name & number, post office box, city, state and zip code).

See #5 Above

7. Structure of organization:

- |                                                         |                                              |
|---------------------------------------------------------|----------------------------------------------|
| <input type="checkbox"/> Individual                     | <input type="checkbox"/> Corporation         |
| <input checked="" type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership            | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other, _____                   |                                              |

8. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners.

Not applicable.

- (a) Provide proof of compliance with the foreign partnership statute (Chapter 620.169 FS), if applicable.
- (b) Indicate if the individual or any of the partners have previously been:
- (1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.
- (2) officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with the company, give reason why not.

9. If incorporated, please give:

- (a) Proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: F97000001681

- (b) Name and address of the company's Florida registered agent.

Lino Morris  
1080 North West 163 Drive  
North Miami, FL 33169

- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number: Not Applicable

(d) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.

No officer, director or stockholder of the Company has been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime. No officer, director or stockholder of the Company are involved in proceedings which may result in such action.

(2) officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with the company, give reason why not.

No officer, director, partner or stockholder of the Company is an officer, director or stockholder in any other Florida certificated telephone company.

10. Who will serve as liaison with the Commission in regard to (please give name, title, address and telephone number):

(a) The application:

Mark G. Lammert  
Consultant to Empire Telecom, Inc.  
Technologies Management, Inc.  
P.O. Drawer 200  
Winter Park, FL 32790-0200  
(407) 740-8575  
(FAX) 740-0613

(b) Official Point of Contact for the ongoing operations of the company:

Mr. Jay Jacobson, President  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201  
Telephone: (516) 466-8585  
Facsimile: (516) 466-4531

(c) Tariff:

Mark G. Lammert  
Consultant to Empire Telecom, Inc.  
Technologies Management, Inc.  
P.O. Drawer 200  
Winter Park, FL 32790-0200  
(407) 740-8575

(d) Complaints/Inquiries from customers:

Customer Service Manager  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201  
Telephone: (516) 466-8585  
Facsimile: (516) 466-4531

11. List the states in which the applicant:

(a) Has operated as an interexchange carrier.

None.

(b) Has applications pending to be certificated as an interexchange carrier.

None.

(c) Is certificated to operate as an interexchange carrier.

None.

(d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.

None

(e) Has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

None



(f) Has been involved in civil court proceedings with an interexchange carrier, local exchange carrier or other telecommunications entity, and the circumstances involved.

None

12. What services will the applicant offer to other certified telephone companies:

- |                                                                                 |                                    |
|---------------------------------------------------------------------------------|------------------------------------|
| <input type="checkbox"/> Facilities                                             | <input type="checkbox"/> Operators |
| <input type="checkbox"/> Billing and Collection                                 | <input type="checkbox"/> Sales     |
| <input type="checkbox"/> Maintenance                                            |                                    |
| <input checked="" type="checkbox"/> Other: <u>None anticipated at this time</u> |                                    |

13. Do you have a marketing program?

Yes

14. Will your marketing program:

- Pay commissions?
- Offer sales franchises?
- Offer multi-level sales incentives?
- Offer other sales incentives?

15. Explain any of the offers checked in question 14 (to whom, what amount, type of franchise, etc.).

Dealers will be given a commission percentage based on volume of individual orders and/or monthly volume.

16. Who will receive the bills for your service (check all that apply)?

- |                                                                                                               |                                                    |
|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| <input type="checkbox"/> Residential customers                                                                | <input type="checkbox"/> Business customers        |
| <input type="checkbox"/> PATS providers                                                                       | <input type="checkbox"/> PATS station end-users    |
| <input type="checkbox"/> Hotels & motels                                                                      | <input type="checkbox"/> Hotel & motel guests      |
| <input type="checkbox"/> Universities                                                                         | <input type="checkbox"/> Univ. dormitory residents |
| <input checked="" type="checkbox"/> Other: (specify) <u>All services anticipated at this time are prepaid</u> |                                                    |

FORM PSC/CMU 31 (11/95)

Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).

17. Please provide the following (if applicable):

- (a) Will the name of your company appear on the bill for your services, and if not, who will the billed party contact to ask questions about the bill (provide name and phone number) and how is this information provided?

No, the Company only has plans at this time for prepaid services.

- (b) The name and address of the firm who will bill for your service.

N/A; the Company only has plans at this time for prepaid services.

18. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide interexchange telecommunications 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

See Attachment III.

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 affirm that the financial statements are true and correct.

B. Managerial capability.

See Attachment IV.

C. Technical capability.

As a reseller, Applicant relies on the technical expertise of its underlying carrier for maintenance of the network.

19. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

See Attachment II.

20. The applicant will provide the following interexchange carrier services (Check all that apply):

**MTS with distance sensitive per minute rates**

- Method of access is FGA
- Method of access is FGB
- Method of access is FGD
- Method of access is 800

**MTS with route specific rates per minute**

- Method of access is FGA
- Method of access is FGB
- Method of access is FGD
- Method of access is 800

**MTS with statewide flat rates per minute (i.e. not distance sensitive)**

- Method of access is FGA
- Method of access is FGB
- Method of access is FGD
- Method of access is 800

**MTS for pay telephone service providers.**

**Block of time calling plan (Reach Out Florida, Ring America, etc.)**

**800 Service (Toll free)**

**WATS type service (Bulk or volume discount)**

- Method of access is via dedicated facilities
- Method of access is via switched facilities

**Private line services (Channel Services)  
(For ex. 1.544 mbps, DS-3, etc.)**

**Travel service**

- Method of access is 950
- Method of access is 800

**900 service**

\_\_\_ **Operator Services**

- \_\_\_ Available to presubscribed customers
- \_\_\_ Available to non presubscribed customers (for example, patrons of hotels, students in universities, patients in hospitals.
- \_\_\_ Available to inmates

**Services included are:**

- \_\_\_ Station assistance
- \_\_\_ Person to person assistance
- \_\_\_ Directory assistance
- \_\_\_ Operator verify and interrupt
- \_\_\_ Conference calling

21. What does the end user dial for each of the interexchange carrier services that were checked in services included (above).

For Debit Card Service calls: a Toll Free (i.e. "800/888") access number, plus identification number, plus the destination telephone number.

22. Other:

**\*\* APPLICANT ACKNOWLEDGMENT STATEMENT \*\***

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** A non-refundable application fee of \$250.00 must be submitted with the application.
5. **RECEIPT AND UNDERSTANDING OF RULES:** I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange service.
7. **ACCURACY OF APPLICATION:** By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my knowledge and belief, the information is a true and correct statement.

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".

**UTILITY OFFICIAL:** \_\_\_\_\_

  
Signature

5/22/97

Date

Mr. Jay Jacobson, President  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201  
Telephone: (516) 466-8585  
Facsimile: (516) 466-4531

FORM PSC/CMU 31 (11/95)

Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).

**APPENDICES:**

- A - CERTIFICATE TRANSFER STATEMENT**
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**
- C - INTRASTATE NETWORK**
- D - FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES**

**ATTACHMENTS:**

- I - AUTHORITY TO OPERATE IN FLORIDA**
- II - PROPOSED TARIFF**
- III - FINANCIAL STATEMENTS**
- IV - MANAGERIAL AND TECHNICAL CAPABILITIES**

FORM PSC/CMU 31 (11/95)  
Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-  
24.480(2).

**\*\* APPENDIX A \*\***

**CERTIFICATE OF TRANSFER STATEMENT**

I, (TYPE NAME) \_\_\_\_\_,  
(TITLE) \_\_\_\_\_, of (NAME OF COMPANY)  
\_\_\_\_\_, and current  
holder of certificate number \_\_\_\_\_, have  
reviewed this application and join in the petitioner's  
request for a transfer of the above-mention certificate.

**Not Applicable.**

**UTILITY OFFICIAL:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone

FORM PSC/CMU 31 (11/95)

Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).



**\*\* APPENDIX B \*\***

**CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please check one):

- (X) The applicant will not collect deposits nor will it collect payments for service more than one month in advance.
  
- ( ) The applicant will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

UTILITY OFFICIAL:

Jay Jacobson  
Signature

5/22/97

Date

Mr. Jay Jacobson, President  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201  
Telephone: (516) 466-8585  
Facsimile: (516) 466-4531

**\*\* APPENDIX C \*\***

**INTRASTATE NETWORK**

1. **POP: Addresses where located, and indicate if owned or leased.**

1) None. 2)

3) 4)

2. **SWITCHES: Address where located, by type of switch and indicate if owned or leased.**

1) None 2)

3) 4)

3. **TRANSMISSION FACILITIES: POP-to-POP facilities by type of facilities (microwave, fiber copper, satellite, etc.) and indicate if owned or leased.**

POP-to-POP                      TYPE                      OWNERSHIP

1) None

2)

3)

4. **ORIGINATING SERVICE: Please provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate. (Appendix D)**

Statewide.

FORM PSC/CMU 31 (11/95)

Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).

5. **TRAFFIC RESTRICTIONS:** Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4) (a) (copy enclosed).

Not applicable.

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has ( ) or has not (X) previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:

(a) What services have been provided and when did these service begin?

Not applicable.

(b) If the services are not currently offered, when were they discontinued?

Not applicable.

UTILITY OFFICIAL: Jay Jacobson 5/22/97  
Signature Date  
Mr. Jay Jacobson, President  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201  
Telephone: (516) 466-8585  
Facsimile: (516) 466-4531

**\*\* APPENDIX D \*\***

**FLORIDA TELEPHONE EXCHANGES**

**AND**

**EAS ROUTES**

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

**\*\* FLORIDA EAS FOR MAJOR EXCHANGES \*\***

<u>Extended Service Area</u>	<u>with</u>	<u>These Exchanges</u>
PENSACOLA:		Cantonment, Gulf Breeze, Pace, Milton Holley-Navarre.
PANAMA CITY:		Lynn Haven, Panama City Beach, Youngstown-Fountain and Tyndall AFB.
TALLAHASSEE:		Crawfordville, Havana, Monticello, Panacea, Sopchoppy and St. Marks.
GAINESVILLE:		Alachua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry and Waldo.
OCALA:		Belleview, Citra, Dunnellon, Forest Lady Lake (B21), McIntosh, Iklawaha, Orange Springs, Salt Springs and Silver Springs Shores.
DAYTONA BEACH:		New Smyrna Beach.

FORM PSC/CMU 31 (11/95)  
Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).

TAMPA:	Central     None East        Plant City North       Zephyrhills South       Palmetto West        Clearwater
CLEARWATER:	St. Petersburg, Tampa-West and Tarpon Springs.
ST. PETERSBURG:	Clearwater.
LAKELAND:	Bartow, Mulberry, Plant City, Polk City and Winter Haven.
ORLANDO:	Apopka, East Orange, Lake Buena Vista, Oviedo, Windermere, Winter Garden, Winter Park, Montverde, Reedy Creet, and Oviedo-Winter Springs.
WINTER PARK:	Apopka, East Orange, Lake Buena Vista, Orlando, Oviedo, Sanford, Windermere, Winter Garden, Oviedo-Winter Springs, Reedy Creek, Geneva and Montverde.
TITUSVILLE:	Cocoa and Cocoa Beach.
COCOA:	Cocoa Beach, Eau Gallie, Melbourne and Titusville.
MELBOURNE:	Cocoa, Cocoa Beach, Eau Gallie and Sebastian.
SARASOTA:	Bradenton, Myakka and Venice.
FT. MYERS:	Cape Coral, Ft. Myers Beach, North Cape Coral, North Ft. Myers, Fine Island, Lehigh Acres and Sanibel-Captiva Islands.
NAPLES:	Marco Island and North Naples.

WEST PALM BEACH:	Boynton Beach and Jupiter.
POMPANO BEACH:	Boca Raton, Coral Springs, Deerfield Beach and Ft. Lauderdale.
FT. LAUDERDALE:	Coral Springs, Deerfield Beach, Hollywood and Pompano Beach.
HOLLYWOOD:	Ft. Lauderdale and North Dade.
NORTH DADE:	Hollywood, Miami and Perrine.
MIAMI:	Homestead, North Dade and Perrine.

Empire Telecom, Inc. intends to offer service throughout the State of Florida.

**ATTACHMENT I**

**AUTHORITY TO OPERATE IN FLORIDA**

# State of Florida

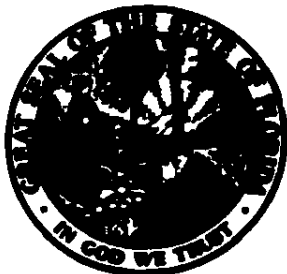


## Department of State

I certify the attached is a true and correct copy of the application by EMPIRE TELECOM, INC., a Delaware corporation, authorized to transact business within the State of Florida on April 2, 1997 as shown by the records of this office.

The document number of this corporation is F97000001681.

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
Second day of April, 1997



CR2E022 (1-88)

*Sandra B. Northam*

Sandra B. Northam  
Secretary of State



**ATTACHMENT II**  
**PROPOSED TARIFF**

**TITLE PAGE**

**FLORIDA TELECOMMUNICATIONS TARIFF**

**PREPAID SERVICES**

**OF**

**Empire Telecom, Inc.**

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of prepaid resold telecommunication services provided by Empire Telecom, Inc. ("Empire") with principal offices located at 358 Great Neck Road, Great Neck, NY 11201. This tariff applies to services furnished within the State of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

---

**ISSUED:** January 23, 1998

**EFFECTIVE:**

**ISSUED BY:** Jay Jacobson, President  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201

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**CHECK SHEET**

This tariff contains Sheets 1 through 25, inclusive, each of which is effective as of the date shown on each sheet. Original and revised pages as named below comprise all changes from the original tariff.

<b>SHEET</b>	<b>REVISION</b>
1	Original *
2	Original *
3	Original *
4	Original *
5	Original *
6	Original *
7	Original *
8	Original *
9	Original *
10	Original *
11	Original *
12	Original *
13	Original *
14	Original *
15	Original *
16	Original *
17	Original *
18	Original *
19	Original *
20	Original *
21	Original *
22	Original *
23	Original *
24	Original *
25	Original *
26	Original *
27	Original *

\* Indicates new or revised sheet with this filing

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**ISSUED:** January 23, 1998

**EFFECTIVE:**

**ISSUED BY:** Jay Jacobson, President  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201

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**ISSUED:** January 23, 1998

**EFFECTIVE:**

**ISSUED BY:** Jay Jacobson, President  
Empire Telecom, Inc.  
358 Great Neck Road  
Great Neck, NY 11201

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**SYMBOLS**

The following are the only symbols used for the purposes indicated below:

**D - Delete or Discontinue**

**I - Change Resulting in an Increase to a Customer's Bill**

**M - Moved from another Tariff Location**

**N - New**

**R - Change Resulting in a Reduction to a Customer's Bill**

**T - Change in Text or Regulation but no Change in Rate or Charge.**

When changes are made in any tariff sheet, a revised sheet will be issued canceling the tariff sheet affected. Changes will be identified on the revised sheet(s) through the use of the above mentioned symbols.

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**TARIFF FORMAT**

**A. Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

**B. Sheet Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the FPSC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff pages in effect. Consult the check sheet for sheet currently in effect.

**C. Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2.  
2.1.  
2.1.1.  
2.1.1.A.  
2.1.1.A.1.  
2.1.1.A.1.(a).  
2.1.1.A.1.(a).I.  
2.1.1.A.1.(a).I.(i).  
2.1.1.A.1.(a).I.(i).(1).

**D. Check Sheets** - When a tariff filing is made with the FPSC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on the check sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the FPSC.

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**SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS**

**1.1 Abbreviations**

The following abbreviations are used herein only for the purposes indicated below:

FCC	-	Federal Communications Commission
FPSC	-	Florida Public Service Commission
IXC	-	Interexchange Carrier
LEC	-	Local Exchange Carrier
MTS	-	Message Telecommunications Service

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**SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS, (Cont'd)****1.2 Definitions**

**Account Code or Authorization Code** - A number assigned to each Customer Account which enables the Company to identify the service user for rating and processing of calls.

**Authorized User** - A person, firm, corporation or other entity who is authorized by the Customer to be connected to or to use the Company's service under the terms and regulations of this tariff.

**Available Account Balance** - The amount of usage remaining on a Customer Account at any particular point in time. Each Customer Account has an Initial Account Balance which is stated in either U.S. dollars or Call Units, depending on the type of service. The Available Balance is Depleted by the appropriate dollar amount or number of Call Units, respectively, based on the actual usage of the Company's service.

**Call Unit** - A Call Unit is a measurement of usage, such that a specified quantity of Call Units equate to one minute of usage. For example, one Call Unit may equate to one minute of interstate usage, while several Call Units may equate to one minute of international usage. Call Units are depleted on a per-call, real time basis.

**Carrier** - Used throughout this tariff to refer to Empire Telecom, Inc. unless otherwise clearly indicated by the context.

**Commission** - Florida Public Service Commission.

**Company** - Used throughout this tariff to refer to Empire Telecom, Inc. unless otherwise clearly indicated by the context.

**Customer** - Any person, firm, partnership, corporation, or other entity which uses telecommunications services under the provisions and regulations of this tariff and is responsible for payment of charges.

**Customer Account** - An account which is not associated with a Local Exchange Carrier switched access business or residential line. Customer Accounts consist of prepaid balances which are Depleted on a real time basis during each call placed on each account.

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**SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS, (Cont'd)****1.2 Definitions, (Cont'd)**

**Depletion** - Reductions in the Available Balance based on usage of the Customer Account. Depletion of Dollar-Based Accounts occurs on a real time basis at the tariffed per minute rates contained herein. Depletion of Unit-Based Accounts occurs on a real time basis at the tariffed number of Call Units per minute contained herein.

**Initial Account Balance** - The Available Balance of a Customer Account upon issuance and before any Depleting call activity. The Initial Account Balance is expressed in either U.S. Dollars or in Call Units.

**Marks** - A collective term to mean such items as trademarks, service marks, trade names, and logos; copyrighted words, artwork, designs, pictures or images; or any other device or merchandise to which legal rights or ownership are held or reserved by an entity.

**Renewal** - A method of replenishing the Available Balance with additional quantities as authorized and paid for by the Customer. Renewal of Available Balances may be limited by the amount or the class of service.

**Sponsor** - A corporation or other legal entity that exclusively permits the use of its Marks to the Company for use with telephone cards, and contracts with the Company for the marketing of the services described herein.

**Sponsor Accounts** - Certain Customer Accounts are designated as Sponsor Accounts and are offered in conjunction with another entity which permits the use of it's name, logo, picture or other such Mark, under separate contract, to the Company in exchange for a sales commission based on the usage or sale of the particular Sponsor Accounts. The entity which permits the use of such name, logo, picture or other Mark to the Company is not the provider of the telecommunications service and is not considered a common carrier or reseller of the Company's telecommunications service. Promotional Accounts are established on a contract basis only.

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**SECTION 2.0 - RULES AND REGULATIONS**

**2.1 Undertaking of Empire**

Empire's services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this tariff. Empire installs, operates, and maintains the communications services provided hereinunder in accordance with the terms and conditions set forth under this tariff.

**2.2 Applicability of Tariff**

This tariff is applicable to telecommunications services provided by Empire Telecom, Inc. within the state of Florida.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)**

**2.3 Payment and Credit Regulations**

**2.3.1 Payment Arrangements**

All payments for service must be received by the Company or its authorized agent prior to the use of the Customer Account Code in the Company's system.

Renewal of Customer Account Balances made by charges to commercial credit cards are subject to the terms and conditions of the issuing commercial credit card company and those of Empire's credit card processing agent. Renewals of Customer Account Balances made by cashier's checks are subject to the terms and conditions of the issuing financial institution.

**2.3.2 Deposits**

The Company does not collect deposits from its Customers. The prepayment of services which are immediately available to the Customer does not constitute a deposit.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)**

**2.3 Payment and Credit Regulations, (Cont'd)**

**2.3.3 Advance Payments**

The prepayment of services which are immediately available to the Customer does not constitute an advance payment for purposes of establishing credit. The Company does not collect advance payments from its Customers.

**2.3.4 Taxes and Fees**

The Company shall charge the Customer an amount sufficient to recover any governmental assessments, fees, license, or other similar taxes or fees imposed upon the Company.

- (A) For Debit Service, taxes or fees shall be included in the rates and charges stated in the Company's rate schedule for this service.
- (B) For all other services offered by the Company, taxes and fees shall be added pro-rate, insofar as practical, to the rates and charges stated in the Company's rate schedules and listed as separate line items on the Customer's bill for services provided.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)****2.4 Refunds or Credits for Service Outages or Deficiencies****2.4.1 Interruption of Service**

Credit allowances for interruptions of service which are not due to the Carrier's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Carrier immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control.

The Company will provide a credit equal to one minute of applicable service for calls that are interrupted or subject to inadequate transmission. Credits will not be issued when an interruption or service deficiency is not reported to the Company or is caused by the failure of power, equipment or systems not provided by the Company.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)**

**2.4 Refunds or Credits for Service Outages or Deficiencies, (Cont'd)**

**2.4.2 Liability**

- (A) The liability of the Company for any claim or loss, expense or damage (including indirect, special, or consequential damage) for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff shall not exceed an amount equivalent to the proportionate charges to the Customer for the period of service or the facility provided during which such interruption, delay, error, omission, or defect occurs.
  
- (B) The Company shall not be liable for any claim or loss, expense, or damage (including indirect, special, or consequential damage), for any interruption, delay, error, omission, or other defect in any service facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by any act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

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**SECTION 2 0 - RULES AND REGULATIONS, (Cont'd)**

**2.4 Refunds or Credits for Service Outages or Deficiencies, (Cont'd)**

**2.4.2 Liability (Cont'd)**

- (C) The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer and Subscriber against any claim or loss, expense, or damage, (i) for defamation, invasion of privacy, infringement of copyright or patent, unauthorized use of any trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property, or entity arising from the material data, information, or content revealed to, transmitted, processed, handled, or used by Company under this tariff, or (ii) for connecting, combining, or adapting Company's facilities with Customer's or Subscriber's apparatus or systems, or (iii) for any act or omission of the Customer or Subscriber, or (iv) for any personal injury or death of any person, or for any loss of or damage to Subscriber's or Customer's premises or any other property, whether owned by Customer, Subscriber or others, caused directly; or indirectly by the installation, maintenance, location, condition, operation, failure or removal of equipment or wiring provided by the Company if not directly caused by negligence of the Company.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)**

**2.5 Refusal or Discontinuance by Company**

Empire Telecom, Inc., may refuse or discontinue service for non-compliance with and/or violation of any Federal, State or municipal law, ordinance or regulation pertaining to telephone service. Service may also be discontinued or refused without notice for the following conditions:

- 2.5.1** For non-compliance with and/or violation of the Commission's regulations or the Company's rules and regulations.
- 2.5.2** For non-payment of any amount past due to the Company by the Customer, including non-payment of a Customer Account Renewal of a fully-depleted balance.
- 2.5.3** When the Available Account Balance of a non-renewable account is Depleted to a level insufficient to place a one-minute call to the location of least cost.
- 2.5.4** When the established expiration date of the Customer Account is reached.
- 2.5.5** In the event of Customer use in such a manner as to adversely affect the Company's equipment, the Company's service to others, or the Company's financial position.
- 2.5.6** In the event of tampering with the equipment furnished and owned by the Company.
- 2.5.7** In the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- 2.5.8** When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)**

**2.6 Limitations of Service**

- 2.6.1** Service will be furnished subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this tariff.
- 2.6.2** Empire reserves the right to discontinue furnishing service when necessitated by conditions beyond its control, or when the Customer is using the service in violation of the provisions of this tariff, or in violation of law.
- 2.6.3** The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.6.4** Empire reserves the right to discontinue the offering of service if a change in regulation materially and negatively impacts the financial viability of the service in the best business judgment of the Company.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)**

**2.7 Use of Service**

Service may be used for any lawful purpose for which it is technically suited. Customers reselling Empire's Florida intrastate service must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Florida Public Service Commission.

**2.8 Applicable Law**

This tariff shall be subject to and construed in accordance with Florida law.

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**SECTION 2.0 - RULES AND REGULATIONS, (Cont'd)**

**2.9 Tests, Pilots, Promotional Campaigns and Contests**

The Company may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Company may also waive a portion or all processing fees or installation fees for winner of contests and other occasional promotional events sponsored or endorsed by the Company. From time to time the Company may waive all processing fees for a Customer.

These promotions will be approved by the FPSC with specific starting and ending dates with promotions running under no circumstances longer than 90 days in any twelve month period.

**2.10 Miscellaneous Rates and Charges**

The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Example of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to payphone service providers for the use of their payphones to access the Company's service.

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**SECTION 3.0 - DESCRIPTION OF SERVICE****3.1 General**

Empire offers prepaid long distance to its Florida Customers. Customers access the service through the Company's toll free (1-800 or 1-888) number, followed by the Customer's Account Code and destination station number.

**3.2 Quality and Grade of Service Offered**

**Minimum Call Completion Rate** - Customers can expect a call completion rate of not less than 95% during peak use periods. The call completion rate is calculated as the number of calls completed (including calls completed to a busy line or to a line which remains unanswered by the called party) divided by the number of calls attempted.

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**SECTION 3.0 - DESCRIPTION OF SERVICE, (Cont'd)**

**3.3 Timing of Calls**

**3.3.1** Long distance usage charges are based on the actual usage of Empire's network.

**3.3.2** Timing begins when the called station is answered, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection.

**3.3.3** Chargeable time ends when the called or calling party hangs up, whichever occurs first.

**3.3.4** Depletion increments are specified by service in Section 4.

**3.3.5** The Company does not bill for unanswered calls.

**3.4 Calculation of Distance**

The Company does not offer any services which are distance-sensitive. All calls are charged at the same rate regardless of distance.

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**SECTION 4.0 - RATES**
**4.1 Basic Service**

Basic Service is available to Customers for originating calls from any business, residential or pay telephone access line. Customers dial a toll free (i.e. 1-800 or 1-888) number followed by their Customer Account Code. Customers are informed of their Available Balance and can place calls to any domestic location until the Available Balance of the Customer Account is fully Depleted. For debiting purposes, call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute. Depletion of the Available Balance is based on minutes of use rounded to the next higher full minute.

Basic Service has two available options:

**Option 1:** Non-renewable service with expiration one year from issuance.

**Option 2:** Renewable service with expiration at the latter of one year from issuance or one year from last Renewal.

Basic Service	Per Minute Rates	
	Option 1	Option 2
All miles	\$0.09	\$0.09

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**SECTION 4.0 - RATES, (Cont'd)**

**4.2 Sponsor Service**

Sponsor Service is offered to Customers through the sponsorship of third party corporations or other entities who permit the use of their names, logos, pictures or other such Marks on an exclusive basis to the Company for printing on telephone cards. The sponsor whose name, logo, picture or other such Marks appears on the card may participate in or control the marketing distribution channels under the terms of contract agreements. The terms and conditions of the Sponsor agreement are not part of the provision of service and are not covered under the terms and conditions of this tariff.

A Sponsor Customer dials a 1-800 number followed by its Customer Account Code. The Customer is informed of its Available Balance and can place calls to any interstate location until the Available Balance of the Customer Account is fully Depleted. For debiting purposes, call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute. Depletion of the Available Balance is based on minutes of use rounded to the next higher full minute. Sponsor Service may be provided to Customers as a no-charge complimentary item at the direction and expense of the sponsor and will Deplete at the appropriate rates below.

**Option 1:** Non-renewable Sponsor Account bearing the Sponsor's Marks with an expiration date set for one year after issuance. The Initial Account Balance of each Customer Account is set by the Sponsor in conjunction with the Company's technical capabilities.

**Option 2:** Renewable Sponsor Account bearing the Sponsor's Marks with expiration at the latter of one year from issuance or one year from last Renewal. The Initial Account Balance and the minimum Renewal amount are set by the Sponsor in conjunction with the Company's technical capabilities.

Sponsor Service	Per Minute Rates	
	Option 1	Option 2
All miles	\$0.09	\$0.09

- When Customer Accounts are given as complimentary items to Customers at the direction and expense of the promotional Sponsor, the actual cost to the Customer will be zero. The complimentary Initial Account Balances and subsequent Available Balances will be Depleted at the rates stated above.

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**SECTION 4.0 - RATES, (Cont'd)**

**4.3 Public Telephone Surcharge**

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

Per Call Surcharge: \$0.30

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**SECTION 4.0 - RATES, (Cont'd)****4.4 Exemptions and Special Rates****4.4.1 Discounts for Hearing Impaired Customers**

A telephone toll message which is communicated using a telecommunications device for the deaf (TDD) by properly certified hearing or speech impaired persons or properly certified business establishments or individuals equipped with TDDs for communicating with hearing or speech impaired persons will receive, upon request, credit on charges for certain intrastate toll calls placed between TDDs. Discounts do not apply to surcharges or per call add-on charges for operator services when the call is placed by a method that would normally incur the surcharge.

- A) The credit to be given on a subsequent bill for such calls placed between TDDs will be equal to applying the evening rate during business day hours and the night/weekend rate during the evening rate period.
- B) The credit to be given on a subsequent bill for such calls placed by TDDs with the assistance of the relay center will be equal to 50% of the rate for the applicable rate period. If either party is both hearing and visually impaired, the call shall be discounted at 60% of the applicable rate.

**4.4.2 Emergency Call Exemptions**

Not applicable to the Company's service.

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**SECTION 4.0 - RATES, (Cont'd)**

**4.5 Late Payment Charge**

Not applicable to the Company's service.

**4.6 Return Check Charge**

A return check charge of \$25.00 will be assessed for checks returned for insufficient funds if the face value does not exceed \$50.00, \$30.00 if the face value does exceed \$50.00 but does not exceed \$300.00, \$40.00 if the face value exceeds \$300.00 or 5% of the value of the check, which ever is greater.

**4.7 Directory Assistance**

Not applicable to the Company's service.

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**SECTION 5.0 CONTRACT AND CONCESSIONS**

**5.1 Sponsorship Contracts**

At the option of the Company, services may be offered on a contract basis to meet the specialized requirements of the Sponsors of Card Services which are not contemplated in this tariff. The terms of each contract shall be mutually agreed upon between the Sponsor and the Company and may include corporate discounts off of rates contained herein, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type or location of originating or terminating access, mixture of services or other distinguishing features. Service shall be available to all similarly situated potential Sponsors for six months after the initial offering to the first contract Sponsor for any given set of terms.

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**ATTACHMENT III**

**FINANCIAL STATEMENTS**

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.

**Empire Telecom, Inc.**

**Statement of Financial Capability**

Empire Telecom, Inc. has sufficient financial capability to provide the requested telecommunication services in Florida, the financial capability to maintain these services, and the financial capability to meet its lease and ownership obligations. Attached are the February 1, 1997 financial statements as of the Company's inception.

The purpose of this Statement of Financial Capability is to analyze the financial statements and to document explanations and fluctuations to the Company's financial performance.

Overview of Financial Status

The Company's primary product/service is pre-paid telecommunications service. A preliminary analysis of the Company's financial statements bring out the following highlights:

1. Cash & Cash Equivalent balance of \$257K. This balance was received from an affiliate transaction from Coast to Coast Plus, Inc. which is the Note Payable - Affiliate.
2. Equipment balance of \$259K. Primarily, this equipment is a switch purchased from NAIC, a switch manufacturer in Orem, Utah. The switch is financed by NAIC. The combined current and long term debt owed to NAIC at 2/1/97 was \$249K.
3. Equity of \$10K that consisted of \$10K of capital infusion from the owners
4. The 3 year projection of financial results in Florida are below:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Earned Revenue	\$4,000	\$7,000	\$12,000
Less: Sales Commissions	<u>(2,000)</u>	<u>(3,500)</u>	<u>(6,000)</u>
Net Sales	\$2,000	3,500	6,000
Cost of Sales	<u>\$1,280</u>	<u>2,100</u>	<u>3,500</u>
Gross Profit	\$ 720	1,400	2,500
Gross Profit Percentage	36%	40%	42%
Sales, General & Admin. Expenses applicable to Florida	<u>\$ 500</u>	<u>750</u>	<u>1,000</u>
Earnings Before Income Tax	\$ 220	650	1,500
	=====	=====	=====

The Company does have sufficient financial capability to provide the requested telecommunication services, sufficient financial capability to meet all lease and ownership obligations, and sufficient financial capability to maintain their Customer base and increase their portfolio of telecommunications products and services offered to Customers in Florida.

FROM :

PHONE NO. :

JAN 29 1997 06:54:11 PZ

**EMPIRE TELECOM INC.  
BALANCE SHEET  
AS OF FEBRUARY 1, 1997**

Current Assets:

Cash	\$ 257,100
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Total Current Assets:	\$ <u>257,100</u>
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Long Term Assets:

Equipment	\$ 259,000
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Total Long Term Assets	\$ 259,000
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Total Assets	\$ <u>516,100</u>
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LIABILITIES AND STOCKHOLDER'S EQUITYCurrent Liabilities:

Notes Payable-NAIC (Current Portion)	\$ 48,000
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Notes Payable- Affiliate	\$ 257,100
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Long Term Liabilities

Notes Payable- NAIC (Long-Term Portion)	\$ 201,000
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Total Liabilities	\$ <u>506,100</u>
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Common Stock	\$ 10,000
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Total Liabilities and Stockholder's Equity	\$ <u>516,100</u>
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**ATTACHMENT IV**  
**MANAGERIAL AND TECHNICAL CAPABILITIES**



## **EMPIRE TELECOM, INC.**

### **Profiles of Key Personnel**

#### **Jay C. Jacobson, President**

Mr. Jacobson has been the President of Empire Telecom, Inc. since its inception in January 1997. Mr. Jacobson actively participates in every aspect of the business. Mr. Jacobson was Vice President of National Telecommunications, Inc., and Director of National Telephone of America; companies engaged in the long distance discount telephone business. In addition to the telecommunications industry, Mr. Jacobson has also been active in the managerial aspect of the food industry. He was a co-founder and Director of Metro Fresh and Fancy Foods. He actively participated in the growth, development and management of this business from 1986 to 1989. He studied at the National Applied Computer Technologies in Orem, Utah. Part of his curriculum included telecommunication courses such as AIN and Open Telco Platforms, International Callback, ISDN Hardware and Software, LAN-Based Telephony, Programmable PBXs and PC-Based Switching, telephone Network Interface cards, Matrix Programming, and Traffic Engineering. Mr. Jacobson also attended New York University.

#### **George Reither, Senior Technical Advisor**

Since 1987, Mr. Reither has been the President of GHR Telecom, Inc, whose primary business is assisting Regional Operating Companies (RBOC) in generating accurate and timely local phone bills through subcontracted work from RBOC. Mr. Reither was previously director of service engineering for Satellite Business Systems, which was formerly a major division of IBM that handled the reselling of discounted long distance services. Satellite Business Systems is currently MCI. After Satellite Business Systems became MCI, Mr. Reither moved on to become the Northeast Director of Operations for LDDS Metromedia Long Distance (currently known as LDDS WorldCom). Mr. Reither is a prominent technical engineer in the field of telecommunications. As a platform architectural engineer, he has assisted and designed long-range implementation programs/switching networks for many major telecommunication companies such as Satellite Business Systems (currently MCI) and Metromedia Long Distance (currently LDDS World Com). Because of his prominence and experience, Mr. Reither is actively sought by major telecommunications magazines for his expertise and knowledge in the architectural engineering of telecommunication systems. He has had many impressive articles published by telecommunication magazines, such as Intel-Card News.