

ORIGINAL

STATE OF FLORIDA
PUBLIC SERVICE COMMISSION
DIVISION OF CONSUMER AFFAIRS

IN RE:

CAPITAL SERVICES OF SOUTH
FLORIDA, INC.

vs.

DOCKET NO. 98-0520-TP

INTERMEDIA COMMUNICATIONS, INC.
_____ /

AMENDED COMPLAINT

CAPITAL SERVICES OF SOUTH FLORIDA, INC. makes this complaint against INTERMEDIA COMMUNICATIONS, INC. pursuant to Rule 25-22.032, Florida Administrative Code.

COMMISSION DOCKET NUMBER

1. Docket number 98-0520-TP has been assigned to this complaint.

THE COMPLAINANT

2. The complainant is CAPITAL SERVICES OF SOUTH FLORIDA, INC. (hereafter referred to as "Capital Services"). Its address is 8200 N.W. 27th Street, Suite 108, Miami, Florida 33122.

However, pleadings, orders, and documents in connection with this matter, should be directed to Capital Services attorneys: Katz, Kutter, Haigler, Alderman, Bryant and Yon, P.A., 106 East College Avenue, Tallahassee, Florida, 32301 (fax (850) 222-0103), to the attention of the undersigned.

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[Signature]
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

PERSON AGAINST WHOM COMPLAINT IS LODGED

3. The person complained against is INTERMEDIA COMMUNICATIONS, INC., (hereafter referred to as "Intermedia"). Its address is 3625 Queen Palm Drive, Tampa, Florida 33619 (fax (813) 744-2469).

NATURE OF THE COMPLAINT

4. Intermedia is a regulated telephone carrier within the jurisdiction of the Florida Public Service Commission.

5. On or about November 12, 1997, Intermedia entered into a contract with Capital Services to provide Capital Services with long distance telecommunications services. A true copy of the contract is attached as Exhibit 1.

6. At various times in 1997 and 1998, Intermedia entered into twenty-four separate but similar contracts with Capital Services to provide Capital Services with local area telecommunications services.

7. Since inception of the contract, Intermedia has repeatedly failed:

(a) To properly credit Capital Services' account with amounts which Capital Services has paid for telecommunications services provided by Intermedia;

(b) To bill Capital Services correctly; that is, to bill only for services actually provided to Capital Services; and

(c) To provide reasonable connectivity and other services under the contract;
all in violation of § 364.03, Florida Statutes.

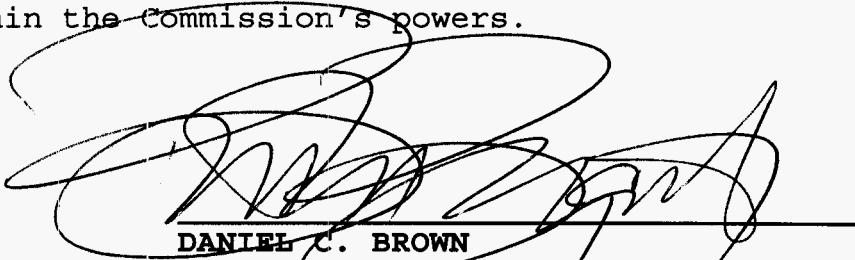
8. On or about April 8, 1998, in violation of Rule 25-4.113 (f), (g), and Rule 25-24.490, Florida Administrative Code, Intermedia threatened to suspend or discontinue service to Capital Services if Capital Services did not deliver the sum of \$1,044,104.31 to Intermedia on or before 10:00 a.m. on April 9, 1998. A true copy of that communication is attached as Exhibit 3. Intermedia further in fact suspended service to Capital Services on April 9, 1998, in violation of said rules.

9. Capital Services disputes the amount demanded by Intermedia, and advised Intermedia of the dispute (a dispute which exists because of Intermedia's grossly erroneous billing procedures) before Intermedia threatened to and in fact did interrupt service to Capital Services.

10. On information and belief, Intermedia disputes the matters stated in paragraph 6, above, and the allegations of paragraph 7, above, to the extent that paragraph 7 alleges a violation of the rules there cited.

WHEREFORE, Capital Services asks that the Commission take cognizance of this complaint, determine a reasonable estimate of amounts owed pending resolution of the dispute, determine the correct amount of the disputed billings, compel Intermedia to accept as payment in full the amount so ascertained by the Commission regarding the disputed billings, fine or otherwise discipline Intermedia for its violation of the foregoing rules and statutes, prevent Intermedia from continuing to interrupt service to Capital Services on account of the disputed billings during the pendency of this complaint as required by Rule 25-22.032 (10), Florida Administrative Code, and grant such other relief as may be within the Commission's powers.

Dated April 15, 1998.



DANIEL C. BROWN

Florida Bar No.: 191049

BILL L. BRYANT, JR.

Florida Bar No.: 179270

**KATZ, KUTTER, HAIGLER, ALDERMAN,
BRYANT & YON, P.A.**

Highpoint Center, Suite 1200

106 East College Avenue

Tallahassee, Florida 32301

(850) 224-9634

(850) 222-0103 (fax)

ATTORNEYS FOR CAPITAL SERVICES OF
SOUTH FLORIDA, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished by facsimile and United States Mail to **DAVID T. KNIGHT**, Hill, Ward & Henderson, 101 East Kennedy Boulevard, Suite 3700, Tampa, Florida 33602, fax: (813) 221-2900 and **PATRICIA T. KURLIN**, General Counsel of Intermedia Communications, Inc., 3625 Queen Palm Drive, Tampa, Florida 33619, fax: (813) 829-2312, this 15th day of April, 1998.



DANIEL C. BROWN

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CARRIER SERVICES AGREEMENT

This CARRIER SERVICES AGREEMENT, ("Agreement") is made this 12th day of November, 1997 (Effective Date") between INTERMEDIA COMMUNICATIONS INC., ("ICI"), and Capital Services of South Florida Inc., a Florida based corporation ("CUSTOMER").

RECITALS

1. ICI is in the business of providing long distance voice, data and related telecommunications services ("Service" or "the Service");
2. CUSTOMER desires to designate ICI as its carrier of choice to provide telecommunications services to CUSTOMER for resale by CUSTOMER to end users;
3. ICI is willing to act as the carrier of choice for CUSTOMER for this purpose, and CUSTOMER shall from time to time order Service from ICI in accordance with the provisions hereof.

AGREEMENT

In consideration of the mutual promises, representations, covenants and conditions in this Agreement, the parties, intending to be legally bound by the terms of this Agreement, agree as follows:

EXHIBIT 1

CONFIDENTIAL AND PROPRIETARY
between

Capital Services of South Florida Inc. and Intermedia Communications Inc.

ARTICLE I - EFFECTIVE DATE - MINIMUM SERVICE TERM

- 1.1 **Effective Date** - This Agreement is effective between the parties as of the date first written above.
- 1.2 **Start of Service** - ICI's obligation to provide and CUSTOMER's obligation to accept and pay for Service pursuant to this Agreement shall commence on the date specified in the Service Schedule in *Exhibit A* hereto ("Start of Service Date").
- 1.3 **Minimum Service Term** - The parties' obligations hereunder with respect to Service shall commence with the Start of Service Date and terminate upon the completion of the Commitment Period as set forth in the Service Schedule ("Minimum Service Term"). Upon the expiration of the Minimum Service Term, Service shall continue to be provided on a month-to-month basis subject to termination as provided herein. CUSTOMER shall be liable to pay ICI for all charges associated with Service during the Minimum Service Term and any month-to-month continuation thereof as well as any charges for its Minimum Discount Commitment (as defined below and on the Service Schedule).
- 1.4 **Minimum Discount Commitment** - For each month during the Minimum Service Term and any extension or continuation thereof, CUSTOMER shall obtain Monthly Revenue of at least the amount set forth in the Service Schedule (the "Minimum Discount Commitment").
- 1.5 **Rate Schedule/Competitive Pricing** - ICI will charge CUSTOMER for Service at the rates set forth in the Rate Schedule attached hereto as *Exhibit B*. For all periods in which CUSTOMER meets its obligations ICI warrants that the rates shall be at least as favorable as those which CUSTOMER can obtain from any

other service provider for substantially similar services in substantially similar volumes in substantially similar geographical areas (hereafter "Substantially Similar Services"). At any time after the Minimum Service Term, in the event that CUSTOMER obtains one or more commitments from another provider or providers to furnish Substantially Similar Services at rates below those in *Exhibit B*, CUSTOMER shall give written notice thereof to ICI, which notice shall include the name(s) of such other provider(s) and the terms and prices of such commitment(s), and shall provide ICI with the opportunity to verify the validity of such commitment(s). ICI shall thereafter have the right (but not the obligation) to modify the applicable rates in *Exhibit B* to meet or beat those of any such commitment. If ICI does not exercise such right, or waives it, within thirty (30) days after its verification, then CUSTOMER shall have the right to terminate all or any portion of this Agreement effective immediately upon the expiration of the notice period or any extension thereof. If ICI elects to exercise its right the applicable rates in *Exhibit B* will be modified to conform to the most favorable committed rates effective no later than thirty (30) days after receipt of the notice from the CUSTOMER.

ARTICLE II - SERVICE SCHEDULE AND EXHIBITS - Service or the Service as used in this Agreement is described in *Exhibit B* attached hereto and made a part hereof. The Service Schedule in *Exhibit A* shall be executed by the parties and shall become a part of this Agreement. In the event of any conflict or inconsistency between the terms of the Service Schedule (*Exhibit A*) or *Exhibit B* and those of this Agreement, the terms of the Service Schedule or *Exhibit B* shall govern.

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Capital Services of South Florida Inc. and Intermedia Communications Inc.

ARTICLE III - TECHNICAL REQUIREMENTS: TAXES; SERVICE BILLINGS

- 3.1 **Licenses** - CUSTOMER is solely responsible for obtaining all licenses and approvals from any regulatory authorities for its operation as a reseller of services to its customers. CUSTOMER shall indemnify and hold ICI harmless from all costs and damages, including without limitation, reasonable attorney's fees, arising out of or resulting from CUSTOMER's failure to comply with any regulatory or governmental approvals or license requirements. ICI may terminate this Agreement immediately at any time if CUSTOMER fails to comply with these requirements. Notwithstanding the foregoing, any such termination pursuant to this Article shall not relieve CUSTOMER of any of its obligations to pay for its Minimum Discount Commitment over the Minimum Service Term.
- 3.2 **Tax Exemption** - CUSTOMER will provide ICI with a valid tax exemption certificate which exempts CUSTOMER, under applicable law, from taxes that would otherwise be paid by CUSTOMER. ICI will invoice CUSTOMER for taxes that are not covered by any tax exemption certificate filed with ICI.
- 3.3 **Billing** - CUSTOMER will comply with all ICI billing practices. CUSTOMER is solely responsible for billing and collection of all accounts, customers or end-users to whom CUSTOMER provides services.
- 3.4 **Expedite Charges** - Should CUSTOMER request expeditious Service and/or changes to orders and ICI agrees to such request, ICI may charge CUSTOMER for any costs incurred by ICI on CUSTOMER's behalf. ICI may further condition its consent to such request upon CUSTOMER's payment of additional charges to ICI for providing such services.

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between

Capital Services of South Florida Inc. and Intermedia Communications Inc.

- 3.5 **Fraudulent Calls** - CUSTOMER shall indemnify and hold ICI harmless from all costs, expense, claims, or actions arising out of or resulting from fraudulent calls of any nature which may comprise a portion of the Service provided that the party claiming the call(s) in question to be fraudulent is (or had been at the time of the call) the CUSTOMER or any End-User (as defined in 4.1 below).

ARTICLE IV - OTHER CUSTOMER OBLIGATIONS

- 4.1 **Use of Service** - CUSTOMER will use the Service only for lawful purposes, including but not limited to, resale of the Service or any components thereof. In the event of any such resale, CUSTOMER (including its sales agents and representatives) will do so only under its own name or tradename, using its own logos or marks. Purchasers of the Service upon resale by CUSTOMER are referred to throughout this Agreement as "End-User(s)".
- 4.2 **PIC Codes** - CUSTOMER shall produce for ICI's inspection, at CUSTOMER's expense, any Primary Interexchange Carrier ("PIC") Authorization within thirty-six (36) hours after ICI's oral or written request, or within any shorter period required by any regulatory agency or local exchange carrier ("LEC"). If CUSTOMER fails to comply with this subparagraph, then ICI may suspend Service as provided in this Agreement.
- 4.3 **PIC Fees** - CUSTOMER shall reimburse ICI for any charge assessed by a LEC for processing a PIC request initiated by CUSTOMER and will pay ICI a PIC Assessment Fee equal to the charge.
- 4.4 **End-User Responsibility** - CUSTOMER shall be solely responsible for End-User solicitation, service, requests, creditworthiness, customer service, billing and

collection, and shall indemnify and hold ICI harmless from all costs (including attorney's fees) arising out of or resulting from these responsibilities.

4.5 **ANI Numbers** - CUSTOMER shall be liable for usage generated by each End-User ANI identification number activated by ICI until such ANI is resubscribed to another IXC. CUSTOMER may request ICI to block network extension service to an ANI upon the End-User's failure to pay CUSTOMER, subject to CUSTOMER's prior certification to ICI that it has given the End-User any notice required by law. CUSTOMER shall reimburse ICI for expenses incurred to block an ANI.

4.6 **End-User Collections** - CUSTOMER shall be solely liable, and acknowledges that ICI accepts no responsibility for, amounts it cannot collect from End-Users, including billing adjustments it grants End-Users, whether for adjustments for fraudulent charges, directory assistance or any other form of credit.

ARTICLE V - CHARGES AND PAYMENTS TERMS

5.1 **Taxes** - CUSTOMER agrees that all charges stated in the Service Schedule are computed by ICI exclusive of any applicable use, excise, gross receipt, sales and privileges taxes, duties, fees or other taxes or similar governmental charges (other than general income or property tax), whether charged to or against ICI or CUSTOMER arising from the Service ("Additional Charges"). Unless and until supported by a Tax Exemption Certificate as required by Paragraph 3.2 above, all Additional Charges shall be billed to CUSTOMER by ICI and shall be paid by CUSTOMER pursuant to this Article in addition to all other charges provided for herein.

- 5.2 **Billing Disputes** - Any billing discrepancies shall be presented to ICI in reasonable detail, in writing, within thirty (30) days of the date of invoice in question. ICI shall not be obligated to consider any CUSTOMER notice of billing discrepancies which are received by ICI more than thirty (30) days following the date of the invoice. CUSTOMER acknowledges that it has no right of setoff or deduction of any kind for billing discrepancies unless agreed by ICI. For purposes of compliance by CUSTOMER with Sections 5.3 and 5.6 hereof, disputed amounts shall NOT be excluded from the total amount due hereunder.
- 5.3 **Security Deposits** - ICI may withhold the provision of Service until CUSTOMER provides ICI with a cash deposit or an irrevocable standby letter of credit, a corporate or personal guarantee, or other appropriate security in form and content acceptable to ICI, in the amount indicated on *Exhibit A*. As usage increases, ICI may, at its sole discretion, require CUSTOMER to increase the security in an amount sufficient to cover such additional amounts as ICI deems necessary. In the event a Security Deposit is required CUSTOMER grants ICI the right at any time to deduct any amounts due ICI from CUSTOMER from such Security Deposit.
- 5.4 **Charges and Payment Terms** - ICI billing for Service shall be made on a monthly basis (or such other basis as may be mutually agreed to by the parties) commencing with the Effective Date hereof. Service shall be billed at the rates set forth in *Exhibit B* hereto. CUSTOMER will pay each ICI invoice for Service in full, without deduction or offset of any kind, within fifteen (15) calendar days after the invoice date ("Due Date"). All payments due hereunder shall be made in US dollars to an account specified by ICI. If payment is not received by ICI on or before the Due Date, CUSTOMER shall also pay a late fee in the amount of one and one-half percent (1 1/2%) of the unpaid balance of each invoice per month or the maximum lawful rate under applicable law, whichever is less.

- 5.5 **Suspension of Services** - In the event payment in full is not received from CUSTOMER by the Due Date, or, in the event the Credit Limit in Section 5.6 is exceeded and additional payments or deposits as required in the Service Schedule are not made, ICI shall also have the right, after giving five (5) days notice, to suspend all or any portion of the Service to CUSTOMER until such time as CUSTOMER has paid in full all charges then due, including any late fees. Following such payment, ICI shall reinstate Service to CUSTOMER, provided that CUSTOMER furnishes to ICI satisfactory assurance, acceptable to ICI in its sole discretion, of CUSTOMER's ability to pay for Service, including any advance payment for the cost of reinstating Service. If CUSTOMER fails to make such payment by a date determined by ICI, CUSTOMER will at ICI's discretion, be deemed to have cancelled the Service or suspended the effective date of such reinstatement of Service. Notwithstanding the foregoing, such cancellation or suspension shall not in any way relieve CUSTOMER from its obligations to pay for any unexpired portion of the CUSTOMER's Minimum Discount Commitment over the Minimum Service Term or any extension thereof.
- 5.6 **Credit** - At all times during the term of this Agreement, CUSTOMER shall comply with all ICI credit limits, approval procedures and policies. A limit on usage by CUSTOMER without a security deposit is established in the Service Schedule. ICI reserves the right to withhold initiation, implementation or further provision of Service under this Agreement pending compliance by CUSTOMER with any such credit limit and other credit policies and approval procedures.

5.7 **Security Interest** - CUSTOMER hereby assigns to ICI as collateral, all revenues, proceeds and receipts generated by it through the use of ICI's Service (the "**Collateral**"), ~~to secure payment of amounts due ICI under this Agreement;~~ and CUSTOMER hereby grants ICI a first lien on the Collateral as well as the right to collect the revenues from any call records processed by CUSTOMER through the use of ICI's Service, deduct amounts due to ICI and remit the remaining balance, if any, to CUSTOMER. CUSTOMER agrees to execute all necessary security documents required to perfect ICI's security interest in the Collateral, including, but not limited to, UCC filing forms, and CUSTOMER agrees to subordinate any other existing liens on the Collateral to ICI's lien on same.

ARTICLE VI - WARRANTY - EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, ICI MAKES NO WARRANTIES WITH RESPECT TO THE SERVICE, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE BY CUSTOMER OR ANY END-USER.

ARTICLE VII - HOLD HARMLESS AND INDEMNITY

7.1 **Consequential Damages** - In no event will either party hereto be liable to the other party for any indirect, special, incidental, or consequential losses or damages, including without limitation, loss of revenue, loss of customers, loss of goodwill, or loss of profits arising in any manner from this Agreement and the performance or nonperformance of obligations hereunder.

7.2 **Third Parties/Breach** - In the event parties other than CUSTOMER (including but not limited to End-Users), shall have use of the Service through CUSTOMER, then CUSTOMER agrees to forever indemnify and hold ICI and any third party provider or operator of facilities used in the provision of Service harmless from

and against any and all claims, demands, suits, actions, losses, damages, assessments or payment, which those parties may assert arising out of or relating to the Service, as well as any damages arising as a result of breach by CUSTOMER of any of its obligations or representations to ICI under this Agreement.

ARTICLE VIII - DEFAULT; CONTINUED RELATIONSHIP; TERMINATION

8.1 **Default** - This Agreement and relationship of the parties may be terminated by the non-defaulting party in accordance with applicable provisions hereof and/or the occurrence of any of the following events (collectively, a "Default"):

- A. A party may terminate this Agreement upon the other party's failure to cure any of the following within thirty (30) days following written notice thereof: (a) the (i) insolvency, corporate reorganization, arrangement with creditors, receivership or dissolution of the other party, or (ii) institution of bankruptcy proceedings by or against the other party; (b) assignment or attempted assignment of the Agreement or any interest therein, except as permitted by Article XVI hereof; (c) change in control of CUSTOMER without ICI's prior written consent, which consent shall not be unreasonably withhold; (d) a final order by a government entity with appropriate jurisdiction that a Service or the relationship hereunder is contrary to law or regulation; or (e) breach of any other provision in this Agreement not otherwise referred to in this Article VIII.
- B. ICI may terminate this Agreement in the event CUSTOMER fails to make any payment when due or fails to furnish security as may be required pursuant to Section 5.3 or 5.6 hereof, or in the Service Schedule, and fails

to cure the default within ten (10) days after receipt of notice of such default.

- 8.2 **Survival** - Notwithstanding the foregoing, any termination pursuant to this Article VIII by ICI shall not, in any way, relieve CUSTOMER of its obligations to pay for any unexpired portion of the Minimum Service Term.

ARTICLE IX - LIMITATION OF LIABILITY

- 9.1 **Limited Liability** - ICI shall provide the Services in accordance with the terms and conditions of this Agreement and the conditions of service set forth in its applicable Federal and State tariffs, which are incorporated in this Agreement by this reference ("The Tariffs"). Provisions relating to the limitation of ICI liabilities are set forth in The Tariffs. IN ADDITION TO THE DISCLAIMER OF WARRANTIES IN ARTICLE VI AND THE LIABILITY LIMITATIONS PROVIDED IN THE TARIFFS, CUSTOMER AGREES THAT ICI SHALL NOT BE LIABLE FOR INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR REVENUES, CREDITS FOR SERVICE, OUTAGES OR LOST TRAFFIC OR END-USER CREDITS. THE MAXIMUM LIABILITY OF ICI FOR ALL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR BREACH OF THIS AGREEMENT, SHALL BE LIMITED TO THE SUM OF \$10,000.

ARTICLE X - FORCE MAJEURE - If ICI's performance of this Agreement or any of its obligations hereunder is prevented, restricted or interfered with by any cause beyond its control including, but not limited to, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrence, or any law, order, regulation, direction, action or request of the United States government or any

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between

Capital Services of South Florida Inc. and Intermedia Communications Inc.

state or local governments or of any department, agency, commission, court, bureau, corporation or other instrumentality of any one or more of said governments or government agencies, or of any civil or military authority, or by national emergency, insurrection, riot, war, strike, lockout or work stoppage or other labor difficulties, supplier failure, shortage, breach or delay, then ICI shall be excused from such performance on a day-to-day basis to the extent of such restriction or interference.

ARTICLE XI - NOTICES - Any notices to be given hereunder by either party to the other may be effected by either personal delivery in writing or by mail, registered or certified, postage prepaid, with returned receipt requested. Mailed notices shall be addressed to the respective addresses shown below. Either party may change its address for notice by giving written notice in accordance with terms of this Agreement.

If to CUSTOMER:

If to ICI:

Capital Services Of South Florida Inc.
8200 NW 27th St Suite 108
Miami, FL 33122

Intermedia Communications Inc.
3625 Queen Palm Drive
Tampa, FL 33619
Attn: DVP Carrier Services

Billing address if different:

ARTICLE XII - NO WAIVER - No term or provision of this Agreement shall be deemed waived and no breach or default shall be deemed excused unless such

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waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of, a breach or default by the other, whether express or implied, shall constitute a consent to, waiver of, or excuse for any different or subsequent breach or default.

ARTICLE XIII - HEADINGS - The headings of the Articles of this Agreement are inserted solely for convenience and do not form a part of or affect the meaning hereof.

ARTICLE XIV - CONFIDENTIALITY/NON-CIRCUMVENTION

14.1 Confidential Information - The parties understand and agree that the terms and conditions of this Agreement, all documents referenced (including any Service Schedule(s) now or hereafter executed) herein, communications between the parties regarding this Agreement or the Service to be provided or actually provided hereunder (including price quotes and rates charged to CUSTOMER for any Service proposed to be provided or actually provided hereunder) as well as such information relevant to any other agreement between the parties (collectively "Confidential Information") are confidential as between CUSTOMER and ICI.

14.2 Limited Disclosure - Neither party shall disclose Confidential Information to any third party unless subject to discovery or disclosure pursuant to legal process as provided below or to any other party other than the directors, officers, and employees of the recipient or its agents or representatives who have specifically agreed in writing to nondisclosure of the terms and conditions hereof. Any disclosure hereof required by legal process shall only be made after providing the nondisclosing party with notice thereof in order to permit the nondisclosing party to seek an appropriate protective order or exemption. It is acknowledged by the parties hereto that violation by a party or its agents of the foregoing provisions

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between

Capital Services of South Florida Inc. and Intermedia Communications Inc.

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shall entitle the nondisclosing party at its option to obtain injunctive relief without a showing of irreparable harm or injury and without bond.

14.3 **Survival of Confidentiality** - The provisions of this Article XIV will be effective as of the date of this Agreement and remain in full force and effect for a period which will be the longer of (i) one (1) year following the date of this Agreement or (ii) one (1) year from the termination of all Service hereunder.

14.4 **Public Domain Exception** - The obligations of confidentiality set forth above shall not apply, or shall terminate, with respect to any particular portion of Confidential Information which:

- A. Is known to the receiving party at the time of disclosure;
- B. Becomes publicly known or available other than as a result of a disclosure in violation of this Agreement;
- C. Is rightfully received from a third party without restriction; or
- D. Is independently developed.


14.5 **Non-Circumvention** - The parties agree that for the period of this Agreement and twelve (12) months after its termination, neither shall engage in any business activity which could reasonably be considered to be in competition with that of the other, and that neither will solicit or attempt to solicit any business or accounts of any customers of the other.


ARTICLE XV - GOVERNING LAW - This Agreement shall be construed under the laws of the State of Florida without regard to choice of law principles.

ARTICLE XVI - ASSIGNMENT - ICI may assign the whole or any part of this Agreement at any time upon five (5) days written notice to CUSTOMER. This Agreement may not be assigned by CUSTOMER without the prior written consent of ICI. All terms and conditions hereof shall be binding upon and inure to the benefit of and be enforceable by any assignee.

ARTICLE XVII - COUNTERPARTS - This Agreement may be executed in more than one counterpart, each of which shall be deemed to be an original, but all of which together shall constitute a single Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

By: 
 (Signature)
Ely Margolin
 (Print Name)
 Title: PRESIDENT

Intermedia Communications Inc.
 By: 
 (Signature)
Kenneth R. Rowan
 (Print Name)
 Title: Division Vice President

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 CONFIDENTIAL AND PROPRIETARY
 between

Capital Services of South Florida Inc. and Intermedia Communications Inc.

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EXHIBIT A**SERVICE SCHEDULE**

In addition to all other obligations in the Agreement, the parties agree that the following conditions and discounts shall apply:

1. **Start of Service Date** - The Start of Service Date shall be: 11/12/97
2. **Customer's Minimum Discount Commitment** - Commencing on the Start of Service Date, and continuing through the period ending on 11/12/98 ("Commitment Period"), CUSTOMER shall obtain Monthly Revenue (as defined below) of at least the following per month : \$50,000 ("Minimum Discount Commitment"). "Monthly Revenue" shall mean gross monthly billings less applicable taxes and other fees attributable to the provision of Service.
3. **Deficiency Charge** - In the event CUSTOMER does not maintain the Minimum Discount Commitment for the months indicated, then for those month(s), and in addition to payment in full for actual Monthly Revenue generated, CUSTOMER will pay ICI the difference between the Minimum Commitment and such actual Monthly Revenue (the "Deficiency Charge"). The Deficiency Charge will be due at the same time as payment is due for Service provided to CUSTOMER.
4. **Cancellation Charge** - At any time during the Commitment Period, CUSTOMER may cancel this Service Schedule if CUSTOMER provides written notification thereof to ICI not less than thirty (30) days prior to the effective date of cancellation. In such event, CUSTOMER shall immediately pay to ICI all charges for Service provided through the effective date of such cancellation plus (a) a cancellation charge equal to fifty percent (50%) of the Minimum Discount

Commitment that would become due for the unexpired portion of the Commitment Period, and (b) any disconnection, early cancellation or termination charges reasonably incurred by ICI on CUSTOMER's behalf (the "Cancellation Charges").

5. **Liquidated Damages** - It is agreed that damages to ICI in the event CUSTOMER cancels Service or fails to meet the Minimum Discount Commitment shall be difficult or impossible to ascertain. The provision for Cancellation Charge(s) and Deficiency Charge is intended, therefore, to establish liquidated damages in the event of a cancellation or failure by CUSTOMER to meet the Minimum Discount Commitment and is not intended as a penalty.
6. **Cancellation Without Charge** - Notwithstanding anything in Section 4 above, CUSTOMER may cancel this Service Schedule without incurring any Cancellation Charge(s) or Deficiency Charge if ICI materially breaches the Agreement; provided, however, that CUSTOMER shall first give ICI written notice of any such default and an opportunity to cure such default within thirty (30) days after the notice before any such cancellation shall be effective.
7. **Other Charges** - Any Deficiency Charge or Cancellation Charge(s) payable pursuant to this Service Schedule shall be in addition to all other charges payable by CUSTOMER pursuant to the Agreement.
8. **Rate Adjustment** - CUSTOMER's charges for Service shall be as set forth in the Exhibits attached hereto. ICI reserves the right, however, to adjust charges for and/or delete ICI Service offerings to one or more specific locations, upon not less than thirty (30) days prior notice to CUSTOMER.

9. **Security Deposit** - A Security Deposit equal to \$0 is required pursuant to Section 5.3 of the Agreement.

10. **Credit Limit** - A Credit Limit of \$50,000 is hereby established pursuant to Section 5.6 of the Agreement. If at any time CUSTOMER's account balance exceeds such limit ICI may require immediate remittance of all amounts due and owing in excess of such limit, and/or an additional Security Deposit in such amount as ICI in its reasonable discretion deems appropriate.

IN WITNESS WHEREOF, the parties have executed this Service Schedule on the _____ day of _____, 199__.

Intermedia Communications Inc.

By: _____
(Signature)

By: _____
(Signature)

(Print Name)

(Print Name)

Title: _____

Title: _____

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CONFIDENTIAL AND PROPRIETARY
between

Capital Services of South Florida Inc. and Intermedia Communications Inc.

Initials 

EXHIBIT B**SERVICES**

- A. For domestic termination CUSTOMER will be billed at the discounted rates noted below provided CUSTOMER meets the Minimum Discount Commitment. If the Minimum Discount Commitment is not met, a surcharge of 10% will be applied to the Discount Rates. CUSTOMER will be billed for domestic termination at \$0.049. If CUSTOMER fails to maintain minimum commitment, then CUSTOMER shall be billed at a rate of \$0.0605 per minute for all minutes billed on Interstate termination.
- B. CUSTOMER Intrastate rate will be \$0.0575 per minute. The percent of minutes terminating to LEC's is not to exceed 20% of total traffic volume. If traffic exceeds 20%, then a rate of \$0.06325 will be applied to all Independent LEC minutes.
- C. CUSTOMER International Calls shall be billed at the \$100,000.00 or more rate schedule.
- | <u>Services</u> | <u>Discount Rates</u> |
|---|-----------------------|
| Domestic Interstate Termination 48 States | \$0.049 |
| Domestic Intrastate Termination Florida | \$0.0575 |
| 800 Service | \$.060 |
- D. Customer Gateway charges shall be billed per the attached Gateway addendums.

E. The following Supplemental Charges shall apply:

SUPPLEMENTARY CHARGES

Separate charging levels have been established for orders of ICI-only services and for orders involving leased services. Charges are per order unless otherwise noted.

Subsequent Order Processing- Unspecified Change*	\$25
Subsequent Order Processing- Unspecified Change- Leased*	Pass thru charge plus \$25, \$50 min.
Customer Requested Expedite	\$250
Customer Requested Expedite- Leased	Pass thru charge plus \$100, \$250 min.
Customer Requested Due Date Change	\$50
Customer Requested Due Date Change- Leased	Pass thru charge plus \$25, \$50 min.

ICI DUE DATE CHANGE POLICY- "No due date change accepted at or after three (3) days prior to the current due date. If a customer request is received during that time period, the supplemental charge will apply and, in addition, the billing will start on the current due date without exception."

Cancellation	After 3 business days from order date- \$150; Or- 2 days prior to due date and after- One month full recurring charges; \$250 min.
Cancellation- Leased Services	Pass thru charge plus: After three business days from order date- \$100; \$250 min.; Or- 2 days prior to due date and after- One month full recurring charges; \$350 min.

ACCESS SERVICE SPECIFIC SUPPLEMENTARY CHARGES- Per Circuit:

Reengineering on order in progress- ICI DS-1/DS-0	\$150
Reengineering on order in progress- Leased DS-1/DS-0	Pass thru charge plus \$100, \$400 min.
Reengineering on order in progress- ICI DS-3/SONET	\$300
Reengineering on order in progress- Lease DS-3/SONET	Pass thru charge plus \$100, \$600 min
Demark move on existing service- DS-1/DS-0	\$250
Demark move on existing service- DS-3	\$500

*Other than specified changes designated below (Expedite, Due Date Change, Cancellation and Reengineering)

**EXHIBIT B
Addendum**

**Originating Pricing
Meet Point - Miami**

10/20/97

<u>LATA</u>	<u>TANDEM</u>	<u>Interstate</u>	<u>Intrastate</u>
448	Pensacola	\$0.03499	\$0.03384
448	Ft. Walton Bch	\$0.03499	\$0.03384
448	Crestview	\$0.03826	\$0.09192
450	Panama City	\$0.03499	\$0.03384
450	Port St. Joe	\$0.04930	\$0.08580
450	Marianna	\$0.04930	\$0.09108
452	Jacksonville, CL	\$0.03169	\$0.03054
452	Jacksonville, SM	\$0.03169	\$0.03054
452	Live Oak	\$0.08489	\$0.08489
454	Gainesville	\$0.03243	\$0.03128
454	Ocala	\$0.03243	\$0.03128
458	Daytona	\$0.03118	\$0.03003
458	Orlando, Colonial	\$0.03069	\$0.02954
458	Orlando, Magnol.	\$0.03069	\$0.02954
458	Lake Buena Vist	\$0.08383	\$0.08944
458	Winter Park	\$0.03459	\$0.08086
480	West Palm Bch	\$0.02629	\$0.02541
480	Miami	\$0.02629	\$0.02541
460	Ft. Lauderdale	\$0.02629	\$0.02541
939	Ft. Myers	\$0.03558	\$0.08182
952	Tampa	\$0.03024	\$0.06828
953	Tallahassee	\$0.03712	\$0.08339
All	Georgia	\$0.36280	\$0.36280

Note above Pricing require MSS product

Pricing per DS1 port	\$440.00
Initial Database setup per Switch	\$1,091.00
	\$341.00

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CONFIDENTIAL AND PROPRIETARY

between

Capital Services of South Florida Inc. and Intermedia Communications Inc.

11/12/97 mod0

initials 

**EXHIBIT B
Addendum**

**Termination Pricing
Meet Point -Miami**

10/20/97

<u>LATA</u>	<u>TANDEM</u>	<u>Interstate</u>	<u>Intrastate</u>
448	Pensacola	\$0.0353	\$0.04220
448	Ft. Walton Bch	\$0.0383	\$0.04220
448	Crestview	\$0.0383	\$0.09192
450	Panama City	\$0.0358	\$0.04136
450	Port St. Joe	\$0.0493	\$0.08560
450	Marianna	\$0.0493	\$0.09108
452	Jacksonville, CL	\$0.0358	\$0.03845
452	Jacksonville, SM	\$0.0358	\$0.03845
452	Live Oak	\$0.0398	\$0.07184
454	Gainesville	\$0.0328	\$0.03916
454	Ocala	\$0.0328	\$0.03972
456	Daytona	\$0.0335	\$0.04041
458	Orlando, Colonial	\$0.0355	\$0.03985
458	Orlando, Magnol.	\$0.0355	\$0.03985
458	Lake Buena Vist	\$0.0838	\$0.08944
458	Winter Park	\$0.0355	\$0.03985
460	West Palm Bch	\$0.0348	\$0.04041
460	Miami	\$0.0348	\$0.04041
480	Ft. Lauderdale	\$0.0348	\$0.04041
939	Ft. Myers	\$0.0412	\$0.09077
952	Tampa	\$0.0381	\$0.08371
953	Tallahassee	\$0.0426	\$0.09032
All	Georgia	\$0.3828	\$0.38280

Note above Pricing require MSS product

Pricing per DS1 port	\$440.00
Initial Database setup per Switch	\$1,091.00
Subsequent Database	\$341.00

INTERNATIONAL RATES

	Country	<100K	>100K
83	AFGHANISTAN	\$1.2995	\$1.2430
356	ALBANIA	\$0.4945	\$0.4730
213	ALGERIA	\$0.4953	\$0.4738
884	AM. SAMOA	\$0.5693	\$0.5445
33	ANDORRA(FRANCE)	\$0.2808	\$0.2684
244	ANGOLA	\$0.7167	\$0.5855
808	ANGUILLA (BARBUDA)	\$0.5693	\$0.5445
872	ANTARCTICA(CASEY)	\$0.3450	\$0.3300
872	ANTARCTICA(SCOTT)	\$0.3450	\$0.3300
808	ANTIOUA	\$0.3934	\$0.3763
54	ARGENTINA	\$0.4485	\$0.4290
074	ARMENIA	\$0.6774	\$0.6479
297	ARUBA	\$0.3439	\$0.3289
247	ASCENSION ISL.	\$0.9301	\$0.8897
81	AUSTRALIA	\$0.1484	\$0.1419
43	AUSTRIA	\$0.2530	\$0.2420
894	AZERBAIJAN	\$0.4428	\$0.4235
381	AZORES	\$0.4255	\$0.4070
808	BAHAMAS	\$0.2094	\$0.2003
978	BAHRAIN	\$0.7533	\$0.7205
880	BANGLADESH	\$1.0235	\$0.9790
808	BARBADOS	\$0.5693	\$0.5445
378	BELARUS	\$0.4773	\$0.4565
32	BELOJUM	\$0.2128	\$0.2035
601	BELIZR	\$0.7912	\$0.7568
228	BENIN	\$0.8774	\$0.8479
808	BERMUDA	\$0.2490	\$0.2382
878	BHUTAN	\$0.9582	\$0.9185
691	BOLIVIA	\$0.7303	\$0.6985
387	BOSNIA/HERZEGOVINA	\$0.4773	\$0.4585
287	BOTSWANA	\$0.7188	\$0.6854
55	BRAZIL	\$0.4945	\$0.4730
808	BR. VIRGIN	\$0.3542	\$0.3388
873	BRUNEI	\$0.7015	\$0.6710
358	BULGARIA	\$0.5003	\$0.4785
228	BURKINA FASO	\$0.7303	\$0.6985
257	BURUNDI	\$0.9718	\$0.9285
855	CAMBODIA	\$1.1980	\$1.1440
237	CAMEROON	\$0.9775	\$0.9350
238	CAPE VERDE IS	\$0.5750	\$0.5500
808	CAYMAN ISL.	\$0.4025	\$0.3850
238	CENTRAL AFRICA	\$1.0350	\$0.9900
235	CHAD REPUBLIC	\$1.2420	\$1.1880
58	CHILE	\$0.3324	\$0.3179
88	CHINA	\$0.7878	\$0.7535
872	CHRISTMAS & COCOS IS	\$0.5932	\$0.5674

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INTERNATIONAL RATES

	Country	<\$100K	>\$100K
57	COLOMBIA	\$0.5796	\$0.5543
200	COMOROS	\$1.0120	\$0.9880
242	CONGO REP	\$0.9718	\$0.8295
882	COOK ISL	\$1.1385	\$1.0890
606	COSTA RICA	\$0.5693	\$0.5445
385	CROATIA	\$0.4773	\$0.4566
58	CUBA	\$0.6613	\$0.6325
357	CYPRUS REPUBLIC	\$0.5578	\$0.5335
42	CZECHOSLOVAKIA	\$0.3439	\$0.3289
45	DENMARK	\$0.1840	\$0.1760
240	DIEGO GARCIA	\$0.7376	\$0.7055
253	DJIBOUTI	\$0.9752	\$0.9328
800	DOMINICA	\$0.4083	\$0.3905
800	DOM. REP.	\$0.3324	\$0.3179
680	ECUADOR	\$0.6210	\$0.5940
20	EGYPT	\$0.7671	\$0.7337
603	EL SALVADOR	\$0.5980	\$0.5720
240	EQUATORIAL GUINEA	\$1.3110	\$1.2540
291	ERITREA	\$1.2420	\$1.1880
372	ESTONIA	\$0.4393	\$0.4202
251	ETHIOPIA	\$1.0235	\$0.9790
298	FALKLAND ISL	\$0.3298	\$0.3155
500	FALKLAND ISL	\$0.8625	\$0.8250
670	FJI ISL	\$0.8855	\$0.8470
388	FINLAND	\$0.2128	\$0.2035
33	FRANCE	\$0.1717	\$0.1642
600	FRENCH ANTELLES	\$0.5080	\$0.4840
584	FRENCH GUIANA	\$0.6095	\$0.5830
600	FRENCH POLYNESIA	\$0.7763	\$0.7425
241	GABON	\$0.8798	\$0.8415
220	GAMBIA	\$0.8496	\$0.8214
305	GEORGIA, REP OF	\$0.7648	\$0.7315
48	GERMANY	\$0.1485	\$0.1420
223	GHANA	\$0.6356	\$0.6080
360	GIBRALTAR	\$0.3895	\$0.3728
30	GREECE	\$0.3795	\$0.3630
200	GREENLAND	\$0.5076	\$0.4855
800	GRENADA	\$0.5313	\$0.5192
680	GUADALOUPE	\$0.4934	\$0.4719
871	GUAM	\$0.2046	\$0.1957
63-80	GUANTANAMO	\$0.6843	\$0.6545
502	GUATEMALA	\$0.5520	\$0.5280
224	GUINEA	\$0.8556	\$0.8184
248	GUINEA-BISSAU	\$1.2271	\$1.1737
582	GUYANA	\$0.8878	\$0.8402
500	HAITI	\$0.6095	\$0.5830
504	HONDURAS	\$0.6038	\$0.5775

INTERNATIONAL RATES

	Country	<\$100K	>\$100K
352	HONG KONG	\$0.3064	\$0.2918
38	HUNGARY	\$0.3048	\$0.2915
353	ICELAND	\$0.3439	\$0.3289
81	INDIA	\$0.7380	\$0.7040
83	INDONESIA	\$0.7935	\$0.7590
871	INMARSAT-ATL-EAST	\$5.9800	\$5.7200
874	INMARSAT-ATL-WEST	\$5.9800	\$5.7200
873	INMARSAT-INDIAN	\$5.9800	\$5.7200
872	INMARSAT-PAC	\$5.9800	\$5.7200
98	IRAN	\$1.0293	\$0.9845
984	IRAQ	\$1.0984	\$1.0506
353	IRELAND	\$0.2300	\$0.2200
972	ISRAEL	\$0.5164	\$0.4939
38	ITALY	\$0.2444	\$0.2338
226	IVORY COAST	\$0.9430	\$0.9020
809	JAMAICA	\$0.5885	\$0.5610
81	JAPAN	\$0.2645	\$0.2530
982	JORDAN	\$0.7820	\$0.7480
7	KAZAKHISTAN	\$0.5234	\$0.5008
284	KENYA	\$0.7618	\$0.7286
888	KIRIBATI	\$0.9775	\$0.9350
880	KOREA (NORTH)	\$0.6210	\$0.5940
82	KOREA (SOUTH)	\$0.4730	\$0.4524
888	KUWAIT	\$0.7993	\$0.7645
7	KYRGYZSTAN	\$0.5234	\$0.5008
888	LAOS	\$1.1139	\$1.0855
871	LATVIA	\$0.4183	\$0.4001
881	LEBANON	\$0.8395	\$0.8030
888	LESOTHO	\$0.9430	\$0.9020
281	LIBERIA	\$0.5483	\$0.5245
218	LIBYA	\$0.6210	\$0.5940
41	LIECHTENSTEIN	\$0.2078	\$0.1988
870	LITHUANIA	\$0.5093	\$0.4872
382	LUXEMBOURG	\$0.2749	\$0.2629
853	MACAO	\$0.5913	\$0.5658
388	MACEDONIA	\$0.5739	\$0.5489
291	MADAGASCAR	\$0.8740	\$0.8380
381-81	MADERA	\$0.4370	\$0.4180
288	MALAWI	\$0.6337	\$0.6061
80	MALAYSIA	\$0.4290	\$0.4103
880	MALDIVES	\$0.9085	\$0.8690
223	MALI REP	\$0.9021	\$0.8628
388	MALTA	\$0.4428	\$0.4235
870	MARIANA ISL(SAIPAN)	\$0.5495	\$0.5256
882	MARSHALL ISL	\$0.5833	\$0.5579
222	MAURITANIA	\$0.8317	\$0.7955
230	MAURITIUS	\$0.6331	\$0.6056

INTERNATIONAL RATES

	Country	<\$100K	>\$100K
200	MAYOTTE ISL	\$1.0120	\$0.9080
621	MEXICO zone #1	\$0.1800	\$0.1722
622	MEXICO zone #2	\$0.1898	\$0.1815
623	MEXICO zone #3	\$0.2780	\$0.2340
624	MEXICO zone #4	\$0.3554	\$0.3399
625	MEXICO zone #5	\$0.4014	\$0.3839
626	MEXICO zone #6	\$0.4704	\$0.4499
627	MEXICO zone #7	\$0.5164	\$0.4939
628	MEXICO zone #8	\$0.4945	\$0.4730
081	MICRONESIA	\$0.9085	\$0.8890
373	MOLDAVIA	\$0.8227	\$0.7885
33	MONACO 339	\$0.2415	\$0.2310
978	MONGOLIA	\$0.9028	\$0.8635
809	MONTSERAT	\$0.5704	\$0.5458
212	MOROCCO	\$0.4953	\$0.4738
238	MOZAMBIQUE	\$0.7130	\$0.6820
808	MUSTIQUE	\$0.7590	\$0.7260
86	MYANMAR(BURMA)	\$1.3007	\$1.2441
	NAKHODKA	\$0.7015	\$0.6710
284	NAMIBIA	\$0.8970	\$0.8580
674	NAURU	\$1.0721	\$1.0255
977	NEPAL	\$1.1443	\$1.0945
31	NETHERLANDS	\$0.1868	\$0.1768
600	NETHERLANDS ANTILLES	\$0.4140	\$0.3960
809	NEVIS	\$0.5704	\$0.5458
667	NEW CALIFORNIA	\$0.7748	\$0.7411
84	NEW ZEALAND	\$0.2048	\$0.1957
605	NICARAGUA	\$0.8889	\$0.8589
227	NIGER REPUBLIC	\$0.8855	\$0.8470
234	NIGERIA	\$0.8880	\$0.8580
663	NIUE ISLAND	\$1.1785	\$1.1253
672	NORFOLK ISLAND	\$0.6325	\$0.6050
47	NORWAY	\$0.1898	\$0.1815
988	OMAN	\$0.9948	\$0.9515
92	PAKISTAN	\$1.0235	\$0.9790
680	PALAU REP.	\$1.2650	\$1.2100
608	PALM ISL	\$0.6325	\$0.6050
607	PANAMA	\$0.6498	\$0.6215
675	PAPUA NEW GUIN	\$0.6331	\$0.6058
685	PARAGUAY	\$0.7627	\$0.7295
61	PERU	\$0.8498	\$0.8216
63	PHILLIPINES	\$0.5520	\$0.5280
48	POLAND	\$0.3738	\$0.3575
351	PORTUGAL	\$0.3853	\$0.3685
974	QATAR	\$0.9028	\$0.8635
262	REUNION ISL	\$1.0580	\$1.0120
40	ROMANIA	\$0.5093	\$0.4872

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INTERNATIONAL RATES

	Country	<SIKK	>SIKK
7	RUSSIA	\$0.5234	\$0.5008
280	RWANDA	\$0.9478	\$0.9084
670	SAIPAN	\$0.5495	\$0.5258
7	SAKHALIN	\$0.8555	\$0.6270
60	SAN MARINO	\$0.4543	\$0.4345
230	SAO TOME	\$1.1443	\$1.0945
888	SAUDI ARABIA	\$0.8510	\$0.8140
221	SENEGAL	\$1.1040	\$1.0580
	SERBIA	\$0.8325	\$0.8050
240	SEYCHELLES IEL	\$1.3225	\$1.2850
252	SIERRA LEONE	\$0.9803	\$0.9185
85	SINGAPORE	\$0.2042	\$0.1954
42	SLOVAKIA 427	\$0.3542	\$0.3388
388	SLOVENIA	\$0.4543	\$0.4345
677	SOLOMON ISL	\$0.8832	\$0.8448
282	SOMALIA	\$1.1489	\$1.0989
27	SOUTH AFRICA	\$0.6233	\$0.5005
34	SPAIN	\$0.3094	\$0.2959
84	SRI LANKA	\$0.9880	\$0.9240
808	ST. CHRISTOPHER	\$0.6072	\$0.5808
260	ST. HELENA	\$1.0293	\$0.9845
808	ST. KITTS	\$0.5340	\$0.5115
808	ST. LUCIA	\$0.5348	\$0.5115
808	ST. PIERRE	\$0.3450	\$0.3300
808	ST. VINCENT	\$0.5693	\$0.5445
240	SUDAN	\$0.5500	\$1.5843
387	SURINAME	\$1.0339	\$0.9889
288	SWAZILAND	\$0.5093	\$0.4872
40	SWEDEN	\$0.0788	\$0.0754
41	SWITZERLAND	\$0.1944	\$0.1859
882	SYRIA	\$0.9879	\$0.9449
888	TAIWAN	\$0.4313	\$0.4125
7	TAJKISTAN	\$0.5234	\$0.5008
286	TANZANIA	\$0.9154	\$0.8756
88	THAILAND	\$0.7418	\$0.7095
228	TOGO	\$0.8959	\$0.8589
670	TONGA	\$1.0465	\$1.0010
808	TRINIDAD/TOBAGO	\$0.6038	\$0.5776
218	TUNISIA	\$0.5693	\$0.5445
80	TURKEY	\$0.5118	\$0.4895
7	TURKMENISTAN	\$0.8555	\$0.6270
808	TURKS/CAICOS	\$0.5483	\$0.5225
888	TUVALU	\$0.8159	\$0.7805
258	UGANDA	\$0.8917	\$0.8517
390	UKRAINE	\$0.5739	\$0.5489
808	UNION ISL.	\$0.8095	\$0.5830
44	UNITED KINGDOM	\$0.0817	\$0.0781

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INTERNATIONAL RATES

	Country	<-\$100K	>\$100K
686	URUGUAY	\$0.6658	\$0.6665
7	UZBEKISTAN	\$0.8234	\$0.5008
971	U.A. EMIRATES	\$0.8266	\$0.5984
678	VANUATU	\$0.8668	\$0.8195
30	YANGON CITY 306	\$0.2067	\$0.2838
60	VENEZUELA	\$0.2875	\$0.2750
84	VIETNAM	\$0.9948	\$0.9515
641	WALLIS & FORTUNA	\$0.2640	\$0.2528
686	WESTERN SOMOA	\$0.9200	\$0.8800
687	YEMEN ARAB REP	\$0.8783	\$0.8382
381	YUGOSLAVIA	\$0.5175	\$0.4950
248	ZAMBIA	\$0.7130	\$0.6820
290	ZAMBIA	\$0.7835	\$0.7590
200	ZAMBIA	\$0.6325	\$0.6050

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Kenneth R. Rowen

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INTERMEDIA
COMMUNICATIONS

April 8, 1998

VIA FACSIMILE TRANSMISSION

Mr. Ely Margolin
President
Capital Services of South Florida, Inc.
8200 NW 27th Street, Suite 108
Miami, FL 33122

Dear Ely:

Intermedia has not received from Capital Services the payment of \$1,311,533.85 requested in my correspondence to you dated April 6, 1998. Based upon our meeting today, and in order for Intermedia to continue service to Capital Services, Capital Services must wire transfer the amount of \$1,044,104.22 to Intermedia before 10:00 am Eastern Time on Thursday, April 9, 1998. A copy of the wire transfer instructions follows this letter.

The required amount is broken down as follows:

Original 2/98 Invoice Amount	\$1,364,492.46
Re-rated Invoice Amount	\$1,311,533.85
Capital Services Billing Dispute Amount	(\$ 267,429.54)
Adjusted Payment Amount	\$1,044,104.31

Intermedia agrees that the "Capital Services Billing Dispute Amount" of \$267,429.54 is being held in abeyance with other billing disputes, pending further review and final resolution.

We remain committed to reviewing any outstanding reasonable disputes concerning billing and we have acknowledged and worked to credit any rating issues on invoices received.

If the wire transfer is not received by the aforementioned deadline, service will be discontinued, the Carrier Services Agreement between our companies will be terminated, and Intermedia will continue to pursue other remedies available to it.

Sincerely,

Ken Rowen
Division Vice President
Carrier Services

EXHIBIT 2