

FISHER WAYLAND COOPER LEADER & ZARAGOZA LLP  
2001 PENNSYLVANIA AVENUE, N.W.  
SUITE 400  
WASHINGTON, D. C. 20006-1851  
TELEPHONE (202) 659-3494

ORIGINAL  
ORIGINAL

COLETTE M. CAPRETZ  
(202) 775-3532

FACSIMILE  
(202) 276-6518

April 15, 1998

INTERNET  
ccapretz@fwclz.com

VIA FEDERAL EXPRESS

980527-TX

Ms. Blanca S. Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0866

Re: **Telecard Communications International, Inc.**

Dear Ms. Bayo:

Enclosed for filing on behalf of Telecard Communications International, Inc. please find an original and six (6) copies of its Application for Authority to Provide Alternative Local Exchange Services in the State of Florida. Also enclosed is a check for \$250.00 payable to the Florida Public Service Commission to cover the application fee.

Please date-stamp the enclosed "Receipt" copy of the Application and return it to the undersigned in the self-addressed, stamped envelope provided. Should you have any questions concerning the application, please do not hesitate to contact the undersigned.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LWJ \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC \_\_\_\_\_
- WAS \_\_\_\_\_
- DTH \_\_\_\_\_

Sincerely,

Colette M. Capretz

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

Initials of person who forwarded check:  
CMC

TELECARD/BAYOLTR 1 6054 000

DDP...  
04022  
FPC...

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

**APPLICATION FORM  
for**

**AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE  
WITHIN THE STATE OF FLORIDA**

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**INSTRUCTIONS**

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

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

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

- 
1. This is an application for (check one):
- Original authority (new company)
  - Approval of transfer (to another certificated company)  
Example, a certificated company purchases an existing company and desires to retain the original certificate authority.
  - Approval of assignment of existing certificate (to a noncertificated company)  
Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.
  - Approval for transfer of control (to another certificated company)  
Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.
2. Name of applicant:  
**Telecard Communications International, Inc.**
3. A. National mailing address including street name, number, post office box, city, state, zip code, and phone number.  
**229 S.W. 31st Street**  
**Fort Lauderdale, Florida 33315**  
**(954) 764-4300 (phone)**  
**(954) 764-4373 (fax)**
- B. Florida mailing address including street name, number, post office box, city, state, zip code, and phone number.  
**229 S.W. 31st Street**  
**Fort Lauderdale, Florida 33315**  
**(954) 764-4300 (phone)**  
**(954) 764-4373 (fax)**
- C. Physical address of alternative local exchange service in Florida including street name, number, post office box, city, zip code and phone number.  
**N/A**

4. Structure of organization:

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

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

Corporate charter number: F96000004823

**Applicant was incorporated in the State of Delaware on February 26, 1996. Copies of its Articles of Incorporation and Certificate of Authority to operate in Florida are attached hereto as Exhibit I.**

6. Name under which the applicant will do business (d/b/a):  
**Same as above.**

7. If applicable, please provide proof of fictitious name (d/b/a) registration.  
Fictitious name registration number: N/A

8. If applicant is an individual, partnership, or joint venture, please give name, title and address of each legal entity.  
**N/A**

9. State whether any of the officers, directors, or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.  
**None**

10. Please provide the name, title, address, telephone number, Internet address, and facsimile number for the person serving as ongoing liaison with the Commission, and if different, the liaison responsible for this application.

**Ongoing Operations:**  
**Daniel T. Oshatz**  
**General Counsel**  
**Telecard Communications International, Inc.**  
**229 S.W. 31st Street**  
**Fort Lauderdale, Florida 33315**  
**(954) 764-4300 (phone)**  
**(954) 764-4373 (fax)**

**Application:**  
**Glenn S. Richards**  
**Colette M. Capretz**  
**Fisher Wayland et al., L.L.P.**  
**2001 Pennsylvania Avenue, N.W., Ste. 400**  
**Washington, D.C. 20006**  
**(202) 659-3494 (phone)**  
**(202) 296-6518 (fax)**

- 
11. Please list other states in which the applicant is currently providing or has applied to provide local exchange or alternative local exchange service.  
**None**
12. Has the applicant been denied certification in any other state? If so, please list the state and reason for denial.  
**No**
13. Have penalties been imposed against the applicant in any other state? If so, please list the state and reason for penalty.  
**No**
14. Please indicate how a customer can file a service complaint with your company.  
**Customers can either call the Company's toll-free telephone number (888) 330-4165 between 8:00 a.m. and midnight or write the Company directly.**
15. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida.

A. Financial capability. **See Exhibit II.**

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements, including:

1. the balance sheet
2. income statement
3. statement of retained earnings for the most recent 3 years.

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.

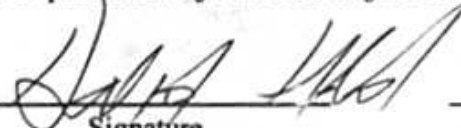
B. Managerial capability.  
**See Exhibit III.**

C. Technical capability.  
**See Exhibit IV.**

**AFFIDAVIT**

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in §775.082 and §775.083."

Official:  4-1-98  
Signature Date

Title: President (954) 764-4300  
Telephone Number

Address: Telecard Communications International, Inc.  
229 S.W. 31st Street  
Fort Lauderdale, Florida 33315

Telecard Communications International, Inc.

**EXHIBIT I**

**ARTICLES OF INCORPORATION  
AND  
CERTIFICATE OF AUTHORITY**

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "TELECARD COMMUNICATIONS INTERNATIONAL, INC.", FILED IN THIS OFFICE ON THE TWENTY-SIXTH DAY OF FEBRUARY, A.D. 1996, AT 9 O'CLOCK A.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.



*Edward J. Freel*

Edward J. Freel, Secretary of State

25907B1 B100

960055489

AUTHENTICATION:

7843360

DATE:

02-27-96



--ooOoo--

TELECARD COMMUNICATIONS INTERNATIONAL, INC.

--ooOoo--

--ooOoo--

C O R P O R A T E R E C O R D S

--ooOoo--

--ooOoo--

CERTIFICATE  
FILED  
February 26, 1996

--ooOoo--

CERTIFICATE OF INCORPORATION

OF

TELECARD COMMUNICATIONS INTERNATIONAL, INC.

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The undersigned, a natural person, for the purpose of organizing a corporation for conducting the business and promoting the purposes hereinafter stated, under the provisions and subject to the requirements of the laws of the State of Delaware (particularly Chapter 1, Title 8 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the "General Corporation Law of the State of Delaware"), hereby certifies that:

FIRST: The name of the corporation (hereinafter called the "corporation") is TELECARD COMMUNICATIONS INTERNATIONAL, INC.

SECOND: The address, including street, number, city, and county, of the registered office of the corporation in the State of Delaware is 1013 Centre Road, City of Wilmington 19805, County of New Castle; and the name of the registered agent of the corporation in the State of Delaware at such address is Corporation Service Company.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of stock which the corporation shall have authority to issue is ten thousand, all of which are without par value. All such shares are of one class and are shares of Common Stock.

FIFTH: The name and the mailing address of the incorporator are as follows:

<u>NAME</u>	<u>MAILING ADDRESS</u>
Samuel Saleem	375 Hudson Street, 11th Floor New York, New York 10014

SIXTH: The corporation is to have perpetual existence.

**SEVENTH:** Whenever a compromise or arrangement is proposed by this corporation between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this corporation under § 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under § 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

**EIGHTH:** For the management of the business and for the conduct of the affairs of the corporation, and in further definition, limitation, and regulation of the powers of the corporation and of its directors and of its stockholders or any class thereof, as the case may be, it is further provided:

1. The management of the business and the conduct of the affairs of the corporation shall be vested in its Board of Directors. The number of directors which shall constitute the whole Board of Directors shall be fixed by, or in the manner provided in, the Bylaws. The phrase "whole Board" and the phrase "total number of directors" shall be deemed to have the same meaning, to wit, the total number of directors which the corporation would have if there were no vacancies. No election of directors need be by written ballot.

2. After the original or other Bylaws of the corporation have been adopted, amended, or repealed, as the case may be, in accordance with the provisions of § 109 of the General Corporation Law of the State of Delaware, and, after the corporation has received any payment for any of its stock, the power to adopt, amend, or repeal the Bylaws of the corporation may be exercised by the Board of Directors of the corporation; provided, however, that any provision for the classification of directors of the corporation for staggered terms pursuant to the provisions of subsection (d) of § 141 of the General Corporation Law of the State of Delaware shall be set forth in an initial Bylaw or in a Bylaw adopted by the stockholders entitled to vote of the corporation unless provisions for such classification shall be set forth in this certificate of incorporation.

3. Whenever the corporation shall be authorized to issue only one class of stock, each outstanding share shall entitle the holder thereof to notice of, and the right to vote at, any meeting of stockholders. Whenever the corporation shall be authorized to issue more than one class of stock, no outstanding share of any class of stock which is denied voting power under the provisions of the certificate of incorporation shall entitle the holder thereof to the right to vote at any meeting of stockholders except as the provisions of paragraph (2) of subsection (b) of § 242 of the General Corporation Law of the State of Delaware shall otherwise require; provided, that no share of any such class which is otherwise denied voting power shall entitle the holder thereof to vote upon the increase or decrease in the number of authorized shares of said class.

NINTH: The personal liability of the directors of the corporation is hereby eliminated to the fullest extent permitted by the provisions of paragraph (7) of subsection (b) of § 102 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented.

TENTH: The corporation shall, to the fullest extent permitted by the provisions of § 145 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said section from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said section, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

ELEVENTH: From time to time any of the provisions of this certificate of incorporation may be amended, altered, or repealed, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted in the manner and at the time prescribed by said laws, and all rights at any time conferred upon the stockholders of the corporation by this certificate of incorporation are granted subject to the provisions of this Article ELEVENTH.

Signed on February 20, 1996.

  
Incorporator

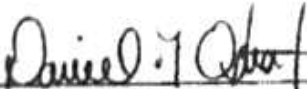
**CERTIFICATE OF AMENDMENT**  
**JANUARY 12, 1998**

Pursuant to Section 242 of the General Corporation Law of the State of Delaware, the **CERTIFICATE OF INCORPORATION OF TELECARD COMMUNICATIONS INTERNATIONAL, INC.** is hereby amended as follows:

**FOURTH:** The total number of shares of stock which the corporation shall have authority to issue is **THIRTEEN THOUSAND FIFTY (13,050)**, all of which are without par value. All such shares are of one class and are shares of Common Stock.

I **HEREBY CERTIFY** that the foregoing is a full, true, and correct copy of the **CERTIFICATE OF AMENDMENT OF JANUARY 12, 1998**, to the **CERTIFICATE OF INCORPORATION OF TELECARD COMMUNICATIONS INTERNATIONAL, INC.**

Signed on January 12, 1998

  
Daniel T. Oshatz  
Secretary of the Corporation





FLORIDA DEPARTMENT OF STATE  
Sandra B. Mortham  
Secretary of State

September 19, 1996

CSC

Qualification documents for TELECARD COMMUNICATIONS INTERNATIONAL, INC. were filed on September 19, 1996 and assigned document number F96000004823. Please refer to this number whenever corresponding with this office.

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

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

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

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

Doug Dickinson  
Document Specialist  
Division of Corporations

Letter Number: 596A00043393

Account number: 072100000032

Account charged: 70.00

**EXHIBIT II**

**BALANCE SHEET/  
INCOME STATEMENT/  
STATEMENT OF RETAINED EARNINGS FOR 3 YEARS**

Pursuant to Sections 364.337(1)(3) and 364.339(2), Florida Statutes, effective July 1, 1995, Telecard Communications International, Inc. ("TCI") has the financial ability to:

- (1) Provide the requested service in the geographic area proposed to be serviced;
- (2) Maintain the requested service; and
- (3) Meet its ownership obligations.

TCI possesses adequate financial resources to provide the proposed services. TCI will be able to maintain the requested service and meet its ownership obligations. Applicant estimates that it will have more than 24,000 customers by the end of its first year in service in the State of Florida. Based on this estimate, Applicant has projected that its gross revenues will exceed \$12,295,200.00 for this same period. Included herewith are an unaudited copy of TCI's 1997 Financial Statements, including TCI's Balance Sheet and Statement of Operations for the year ended December 31, 1997. The company was incorporated on February 26, 1996, and therefore does not have a statement of retained earnings for three years.

TCI has neither a chief executive officer nor a chief financial officer. David Hold and James R. Corbett, the President and Controller of TCI, respectively, have certified that the unaudited financial statement is true and correct.



REVENUE PROJECTIONS BY MONTH

	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Number of customers	2,000	4,000	6,000	8,000	10,000	12,000	14,000	16,000	18,000	20,000	22,000	24,000	
Monthly Standard Service Fee	99,500	199,000	299,700	399,000	499,500	599,400	699,300	799,200	899,100	999,000	1,098,900	1,198,800	7,792,200
Application Processing Fee	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	1,320,000
Reconnection Fee (.5%)	500	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	5,000	5,500	6,000	39,000

Optional Features

Call waiting (50%)	5,000	10,000	15,000	20,000	25,000	30,000	35,000	40,000	45,000	50,000	55,000	60,000	390,000
Call forwarding (20%)	2,000	4,000	6,000	8,000	10,000	12,000	14,000	16,000	18,000	20,000	22,000	24,000	156,000
Caller ID (75%)	30,000	45,000	60,000	75,000	90,000	105,000	120,000	135,000	150,000	165,000	180,000	195,000	1,350,000
Non-published (50%)	5,000	10,000	15,000	20,000	25,000	30,000	35,000	40,000	45,000	50,000	55,000	60,000	390,000
Three way calling (10%)	1,000	2,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000	10,000	11,000	12,000	78,000
Voice Mail (50%)	10,000	20,000	30,000	40,000	50,000	60,000	70,000	80,000	90,000	100,000	110,000	120,000	780,000


53,000 91,000 129,000 167,000 205,000 243,000 281,000 319,000 357,000 395,000 433,000 471,000 3,144,000

TOTAL REVENUES 263,400 401,800 540,200 678,600 817,000 955,400 1,093,800 1,232,200 1,370,600 1,509,000 1,647,400 1,785,800 12,285,200



CERTIFICATION OF APPLICANT

I, David Hold, am President of Telecard Communications International, Inc. I certify that, based on my information and belief, the attached financial statements of Telecard Communications International, Inc. are true and correct.

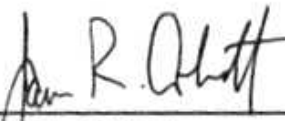
A handwritten signature in black ink, appearing to read "David Hold", written over a horizontal line.

David Hold  
President  
Telecard Communications International, Inc.

Dated: 4/1/98

CERTIFICATION OF APPLICANT

I, James R. Corbett, am Controller of Telecard Communications International, Inc. I certify that, based on my information and belief, the attached financial statements of Telecard Communications International, Inc. are true and correct.

  
\_\_\_\_\_  
James R. Corbett  
Controller  
Telecard Communications International, Inc.

Dated: 4.1.98

**TELECARD COMMUNICATIONS INTERNATIONAL, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 1997**

*(Unaudited)*



**TELECARD COMMUNICATIONS INTERNATIONAL, INC.**

**229 S.W. 31ST STREET  
FT. LAUDERDALE, FL 33315**

**TELEPHONE: (954) 764-4300**  
**FACSIMILE: (954) 764-4373**

**FEBRUARY 19, 1998**

I have prepared the accompanying balance sheet of Telecard Communications International, Inc as of December 31, 1997 and the related statement of operations.

This effort was limited to presenting in the form of financial statements information that is the representation of management. I have not audited the accompanying financial statements.

**JAMES R. CORBETT**  
*CONTROLLER, C.P.A.*

**TELECARD COMMUNICATIONS INTERNATIONAL, INC.**  
**BALANCE SHEET**  
**YEAR ENDED DECEMBER 31, 1997**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 38,998
Accounts Receivable	341,353
Employee Receivable	6,686
GMS Receivable	2,000
Investor Receivable	<u>171,000</u>

**TOTAL CURRENT ASSETS**

**\$ 560,037**

**PROPERTY & EQUIPMENT**

Leased Property - Capital Leases	\$ 1,739,896
Equipment	381,835
Switches	2,853,925
Software & Development Costs	1,061,337
Leasehold Improvements	21,343
Accumulated Depreciation	<u>-15,671</u>

**NET PROPERTY & EQUIPMENT**

**6,042,665**

**OTHER ASSETS**

Deposits	<u>89,280</u>
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**TOTAL ASSETS**

**\$ 6,691,982**

**LIABILITIES**

**CURRENT LIABILITIES**

Accounts Payable	\$ 33,189
Deposits Payable	10,000
Loans Payable	1,807,786
Notes Payable	32,900
Payroll Liabilities	<u>64,872</u>

**TOTAL CURRENT LIABILITIES**

**\$ 1,947,747**

**SUBORDINATED DEBT**

Capital Lease Payable	\$ 1,691,048
Shareholder Loan Payable	<u>288,817</u>

**TOTAL SUBORDINATED DEBT**

**1,979,865**

**TOTAL LIABILITIES**

**3,927,612**

**EQUITY**

Capital Stock	\$ 1,000
Paid in Capital Surplus	2,753,594
Retained Earnings	<u>9,776</u>

**TOTAL EQUITY**

**2,764,370**

**TOTAL LIABILITIES AND EQUITY**

**\$ 6,691,982**

TELECARD COMMUNICATIONS INTERNATIONAL, INC.

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1997

REVENUES

International Callback Income	\$	101,623
Lease Income - Vending Machines		1,200
Local Loop & Transport Income		79,024
Sales		9,111
Switch Partition Sales		152,984
Switching Income		1,001
Telephony Sales		53,324
Wholesale Phone Cards		<u>876,433</u>

TOTAL REVENUES

\$ 1,274,700

OPERATING EXPENSES

Airtime	\$	731,422
Selling, General & Administrative		384,773
Interest		5,400
Depreciation & Amortization		<u>15,671</u>

TOTAL OPERATING EXPENSES

1,137,266

NET PROFIT

\$ 137,434

**TELECARD COMMUNICATIONS INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1997**

**NATURE OF OPERATIONS**

**ORGANIZATION**

Telecard Communications International, Inc. ("TCI" or the "Company") was incorporated in the State of Delaware on February 26, 1996.

**DESCRIPTION OF BUSINESS**

TCI is a facilities-based telecommunications reseller providing both local and long distance services. TCI's Harris Digital Switching Systems are being installed in hub cities throughout the United States, where TCI will replicate the SONET Ring it controls in South Florida. TCI also engages in the ancillary businesses of providing switch partitioning and collocation services. Using its Harris switching systems, enhanced with proprietary technologies described herein, TCI provides services to other carriers and resellers interested in the unusually high-level of control offered by TCI. In addition to providing switched services, both domestically and internationally, TCI operates a research and development department that creates hi-tech applications for the telecommunications industry. Among TCI's more significant technologies are real-time monitoring and billing, and a revolutionary compression method through frequency expansion. Through its relationships with industry leaders such as Compaq Computer Corporation and Harris Corporation, TCI maintains a competitive advantage.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**ACCOUNTS RECEIVABLE**

The Company recognizes revenue when earned. Revenues earned in excess of prepaid amounts received are reflected in this account.

**INVESTOR RECEIVABLE**

A note has been pledged by a current investor. This note is to be satisfied by the end of the first quarter in 1998.

**PROPERTY AND EQUIPMENT**

Property and equipment are stated at fair market value. On July 23, 1996, TCI assumed all of the rights and obligations of a predecessor company as lessee under a lease with ML Investors Service, Inc. dated October 3, 1995. Future payments under capital lease are \$2,039,869.

Depreciation on plant and equipment is calculated on the straight-line method over the estimated useful lives of the assets.



**EXHIBIT III**

**MANAGERIAL CAPABILITY**

Telecard Communications International, Inc. ("TCI"), the Applicant herein, has the managerial capability to provide the proposed services. Applicant's resale operations will be directed by a team of professional, technical, and operations personnel. All of these individuals have significant experience in management and/or the provision of telecommunications service. TCI's two most senior corporate officers have approximately forty years' managerial experience and ten years' telecommunications experience between them. Below is a description of the qualifications of its key personnel.

**George McCannless – Chairman of the Board**

George McCannless, Chairman of the Board of TCI, is also the President of ML Investor's Services, Inc. ("ML"), a company that provides lease brokerage services, specializing in originating equipment leases with start-up and young high-tech companies with unestablished credit ratings. Mr. McCannless has also served as President and Chairman of the Board of Computer Equipment Investors, Inc. ("CEI"), a company that he founded in 1976. CEI specialized in short-term operating lease of computer large-scale mainframes and peripherals to blue-chip users, and through subsidiaries and related companies, in operating leases of jet and propjet aircraft to commercial airlines and leases of various other equipment such as modular buildings and laboratory furniture to commercial users. CEI also acted as administrator and manager of other lessors' leases of both computer and non-computer equipment. The total amount of lease equipment owned and managed by CEI had an initial cost in excess of \$600,000,000.00. During his tenure with CEI, Mr. McCannless was active in the Computer Dealers and Lessors Association (the "CDLA"), the industry's Washington-based trade association, serving on its Executive, Ethics, and Government Affairs Committees. Mr. McCannless also served as Chairman of the CDLA's Legislative Liaison, Finance and Audit, and Computer PAC Committees, and sat on its Board of Directors in his capacity as both Vice President and Treasurer of the association. Mr. McCannless has also been Senior Vice President of Decimus Corporation, a subsidiary of Bank America Corporation and has worked for International Business Machines ("IBM"), where he was responsible for all sales worldwide made by IBM to Exxon Corporation. Mr. McCannless obtained a B.S. in Mathematics from Trinity College in Hartford, Connecticut in 1956.

### **David Hold - President**

David Hold, President of Telecard Communications International, Inc., established the company in 1996. As President, Mr. Hold has negotiated major agreements for the company, including deals with such industry leaders as the Harris Corporation, Compaq Computer Company and Bell South. Responsible for the company's corporate direction and strategy, Mr. Hold espouses diversified and customized services. By controlling his own network facilities and maintaining programmers and developers on staff, Mr. Hold has situated the company to provide its customers the flexibility necessary to succeed in this dynamic industry. For nearly ten years prior to founding the company, Mr. Hold was a financial consultant in Nashville, Tennessee, where he represented a wide range of businesses. Specializing in financings, as well as in workouts and turnarounds of distressed companies, Mr. Hold dealt extensively with the Nashville banking community. Mr. Hold is also known as a financial innovator in the telecommunications field. He is responsible for resolving some of the most difficult problems of the telecommunications business, including real-time monitoring and billing, the creation of prepaid software, and the maintenance of secrecy for businesses interested in maintaining the anonymity of their customers and vendors. Prior to becoming a full-time financial consultant, Mr. Hold had extensive experience in accounting, foreign exchange trading, and banking with both American Express Company and several other financial institutions. Also, while attending graduate school and thereafter, Mr. Hold served as Associate Professor of Finance, teaching at both graduate and undergraduate levels. Mr. Hold earned a B.S. in both Accounting and Economics and an M.B.A. In both cases, Mr. Hold graduated Magna Cum Laude.

### **Ken Kuzmenko - Chief Operating Officer**

Ken Kuzmenko, Chief Operating Officer of Telecard Communications International, Inc., first became involved in telecommunications when he joined Illinois Bell's Management Program after graduating from business school in 1967. While participating in this program, Mr. Kuzmenko spent a minimum of two months working within the various departments of the company, where he had a broad range of responsibilities, including the installation of phones, laying of cable, working in switch rooms and working at Bell Labs. Mr. Kuzmenko was promoted to Manager of the company's local sales office. Since that time, he has worked as an Account Manager in Carrier Sales for Atlas Communications & Telephone, Inc. where he negotiated contracts for telecommunications services, trained sales staff, arranged international rate matrices and was responsible for both the buying and selling of long distance contracts. Mr. Kuzmenko founded Tomenko Specialty Steel, a company that he sold in 1982, and has served as President and Chief Operating Officer of K.C. Glader Co., and has owned and operated various restaurants in the south Florida market. Mr. Kuzmenko received his undergraduate degree from Rockhurst College, and he has earned a B.A. in Business Administration.

### **James R. Rennie - Senior Engineer**

James R. Rennie, Senior Engineer of Telecard Communications International, Inc., is also the general manager of Web 2000, Inc., where he formulated new methods of increasing market share and customer containment. As general manager, Mr. Rennie has increased sales by 400% within one year and has provided technical management solutions to increase the company's competitiveness. Prior to working at Web 2000, Inc., Mr. Rennie was the President of Internet Gateway Connections, a company that he established and developed as one of south Florida's leading internet companies. In this capacity, Mr. Rennie developed operations, customer service, and all technical aspects of the business, and he managed a staff of 25 sales and engineering professionals. He successfully managed major accounts, led his company to become the largest provider of Frame Relay and ISDN networks, and drove the company's revenues to \$60,000.00 per month within the first quarter of operations. Mr. Rennie worked in telecommunications at Capricorn Telecommunications, where he served as the company's Vice President/Operations. In that capacity, he developed marketing and technical operations for distribution of pre-paid calling cards. In addition, he was involved with assisting companies in acquiring switch platforms and negotiating with long distance vendors for rates. Mr. Rennie also worked for International Tele-Marine as the Director of Technical Operations where he designed and implemented the first ship to shore voice/data system for use in the cruise line industry. This involved the use of Voice/Data compression technology and the deployment of satellite transponders. Systems have now been deployed on over 40 cruise ships. He also worked for Royal Caribbean Cruise Lines as the senior Telecommunications Technologist where he was responsible for the development of new technologies to enhance the company's call center and Telecommunications Voice and Data Network systems and of systems for call accounting and billing reconciliation and where he managed all equipment and network procurements with Southern Bell and AT&T. Mr. Rennie also worked for American Savings and Loan as the Senior Network Analyst/Administrator where he was responsible for complete traffic analysis and network applications. He provided long term strategic planning and design for the bank's voice and data network by using ESSX and Digital Synchronet service from Southern Bell. He also implemented the Audix Voice messaging system with multiple applications for the company and oversaw all major projects involving the company's telecommunications systems. Mr. Rennie has also worked for American Communications Sciences where he was the Manager of Network Services. In this capacity, he designed and implemented voice/data networks for the company's customer base. He also designed voice messaging networks and interface with a wide variety of PBX systems, and he designed a gateway project to link south Florida with the Grand Bahamas by using voice and data compression techniques over a satellite link.

Telecard Communications International, Inc.

**EXHIBIT IV**

**TECHNICAL CAPABILITY**

Telecard Communications International, Inc. ("TCI"), the Applicant herein, has the technical capability to provide the proposed services. TCI employs two full-time engineers with over thirty years experience in telecommunications. Additionally, TCI employs three full-time programmers that handle billing and other applications. Further, TCI will be providing only resold services, and any technical issues that cannot be resolved by TCI will be resolved by the underlying carriers whose service TCI resells.

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ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

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TITLE SHEET

FLORIDA TELECOMMUNICATIONS PRICE LIST

This Price List contains the descriptions, regulations, service standards and rates applicable to the furnishing of telecommunications services by Telecard Communications International, Inc. with principal offices at 229 S.W. 31st Street, Fort Lauderdale, Florida 33315. This Price List applies to services furnished within the State of Florida. This Price List is on file with the Florida Public Service Commission, and copies can be inspected, during normal business hours, at the Company's principal place of business.

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Issued:

David Hold  
President

Effective:

Telecard Communications International, Inc.  
229 S.W. 31st Street  
Fort Lauderdale, Florida 33315

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ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

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CHECK SHEET

Sheets of this price list are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets, as named below, comprise all changes from the original price list that are currently in effect as of the date on the bottom of this sheet.

<u>SHEET</u>	<u>NUMBER OF REVISION</u> <u>(except as indicated)</u>
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
28	Original
29	Original

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ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

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 ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES
 

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PRICE LIST FORMAT

- a. Sheet Numbering - Sheet numbers appear in the upper-right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the price list. 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 the sheet. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the third revised Sheet 14. Because of various suspension periods, deferrals, etc. the Commission follows in their price list approval process, the most current sheet number on file with the Commission is not always the price list page in effect. Consult the Check Sheet for the 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 of coding.
- 2
  - 2.1
  - 2.1.1
  - 2.1.1.1
  - 2.1.1.1.A
  - 2.1.1.1.A.1
  - 2.1.1.1.A.1.(a)
  - 2.1.1.1.A.1.(a).1
  - 2.1.1.1.A.1.(a).1.(i)
- d. Check Sheets - When a price list filing is made with the Commission, an updated check sheet accompanies the price list filing. The check sheet lists the sheets contained in the price list, with a cross reference to the current revision number. When new sheets 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 this sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The price list user should refer to the latest check sheet to find out if a particular sheet is the most current sheet on file with the Commission.

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ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

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EXPLANATION OF SYMBOLS

The following symbols shall be used in this price list for the purpose indicated below:

- D - deleted or discontinued
- I - a change resulting in an increase to a customer's bill
- M - moved from another tariff location
- N - new
- R - a change resulting in a decrease to a customer's bill
- T - a change in text or regulation, but no change in rate or charge

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**SECTION I - DEFINITIONS**

Certain terms used generally throughout this price list are defined below.

**Account Number:** Customer's telephone number is his/her account number.

**Advance Payment:** Payment of all or part of a charge required before the start of service.

**Alternative Local Exchange Carrier:** A company that furnishes local exchange telephone service in competition with an Incumbent Local Exchange Carrier.

**Authorized User:** A person that either is authorized by Customer to use local exchange telephone service at Customer's residence or other location, or is placed in a position by Customer, either through acts or omissions, to use local exchange telephone service.

**Call Forwarding:** Permits calls directed to a Customer's line to be routed to a user-defined line inside or outside Customer's telephone system.

**Commission:** The Florida Public Service Commission.

**Company:** Telecard Communications International, Inc., a Delaware corporation, which is the issuer of this price list.

**Conference/Three-Way:** The User can sequentially call up to two other people and add them together to make a three-way call.

**Customer:** The person or entity which orders service and is responsible for the payment of charges and for compliance with the Company price list regulations.

**Exchange Carrier:** Any individual, partnership, association, joint-stock company, trust, governmental entity or corporation engaged in the provision of local exchange telephone service.

**Incumbent Local Exchange Carrier (ILEC):** Local exchange carriers that are providing telephone exchange service in an area on the date of the enactment of the Telecommunications Act of 1996

**Individual Case Basis:** A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of Customer's situation.

**LATA:** A local access and transport area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192 for the provision and administration of communications services.

**Local Calling:** A completed call or telephone communication between a calling Station and any other Station within the local service area of the calling Station.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**SECTION 1 - DEFINITIONS (Cont'd)**

**Non-Recurring Charges:** The one-time initial charges for services or facilities, including but not limited to charges for processing and installation, for which Customer becomes liable at the time the Service Order is executed.

**Recurring Charges:** The monthly charges to Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

**Service Commencement Date:** The first day following the date on which the Company notifies Customer that the requested service or facility is available for use, unless extended by Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this price list, in which case the Service Commencement Date is the date of Customer's acceptance of service. The parties may mutually agree on a substitute Service Commencement Date.

**Service Order:** The written request for local exchange services executed by Customer and the Company in a format specified by the Company. The signing of a Service Order by Customer and acceptance thereof by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this price list, but the duration of the service is calculated from the Service Commencement Date. Service Order may also be referred to as Customer Service Agreement.

**Services:** The Company's local telecommunications services offered to Customer. Such services consist of basic and optional elements.

**Speed Dial:** Provides a User with the option to call selected directory numbers by dialing a one or two-digit code.

**Station:** Telephone equipment from or to which calls are placed.

**Trunk:** A communications path connecting two switching systems in a network, used in the establishment of an end-to-end connection.

**User:** A Customer or any other person authorized by Customer to use Services provided under this price list.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**SECTION 2 - REGULATIONS****2.1 Undertaking of the Company****2.1.1 Scope**

The Company undertakes to furnish local exchange telecommunications services within the State of Florida under the terms of this price list as a reseller. Service is available 24 hours a day, seven days a week.

The Company is responsible under this price list only for the services and facilities provided herein. Should Customers use such services and facilities to obtain access to services offered by other providers, the Company assumes no responsibility for such other service.

**2.1.2 Shortage of Equipment or Facilities**

2.1.2.1 The Company reserves the right to limit or allocate the use of existing facilities, or of additional facilities offered by the Company when necessary because of lack of facilities or due to some other cause beyond the Company's control.

2.1.2.2 The furnishing of service under this price list is subject to availability on a continuing basis of all necessary facilities from the Incumbent Local Exchange Carrier or other providers to the Company for resale.

**2.1.3 Terms and Conditions**

2.1.3.1 Except as otherwise provided herein, the minimum period of service is one month (30 days). All calculations of dates set forth in this price list shall be based on calendar days. Should the applicable date fall on a Sunday or Federal holiday, Customer will be permitted to make payment on the next regular business day.

2.1.3.2 At the expiration of any term specified in a Customer Service Agreement, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon 30 days written notice. Any termination shall not relieve Customer of its obligation to pay any charges incurred under the Agreement and this price list prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the Agreement shall survive such termination.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.1 Undertaking of the Company (Cont'd)****2.1.3 Terms and Conditions (Cont'd)**

2.1.3.3 This price list shall be interpreted and governed by the laws of the State of Florida.

2.1.3.4 Another telephone company must not interfere with the right of any person or entity to obtain service directly from the Company.

2.1.3.5 Customer has no property right to the telephone number or any other call number designation associated with services furnished by the Company. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, assigned to Customer, whenever the Company deems it necessary to do so in the conduct of its business.

**2.1.4 Liability of the Company**

2.1.4.1 The liability of the Company arising out of the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, other defects, or representations by the Company, or use of these services arising out of the failure to furnish the service whether caused by acts or omission, shall be limited to the extension of allowances for interruptions as set forth in Section 2.6 below. The extension of such allowances for interruption shall be the sole remedy of Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents, unless ordered by the Commission.

2.1.4.2 The Company's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this price list. With respect to any other claim or suit, by a Customer or by others, associated with the ordering (including the reservation of any specific number for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this price list, and subject to the provisions of Section 2.6, the Company's liability, if any, shall be limited as provided herein.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.1 Undertaking of the Company (Cont'd)****2.1.4 Liability of the Company (Cont'd)**

- 2.1.4.3 The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; and law, order, regulation, direction, action or request of the United States government or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more these federal, state, or local governments, or of any military authority; preemption of existing service in compliance with national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials, or strikes, lockouts, work stoppages, or other labor difficulties.
- 2.1.4.4 The Company shall not be liable for: (a) any act or omission of any entity furnishing the Company or the Company's Customers facilities or equipment used for or with the services the Company offers; or (b) for the acts or omissions of other common carriers or warehousemen.
- 2.1.4.5 The Company shall not be liable for any losses due to the fault or negligence of, or any omission by, Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- 2.1.4.6 Customer shall indemnify and hold the Company harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, condition, location or use of any installation provided by the Company. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section as a condition precedent to such installations.
- 2.1.4.7 The Company shall not be liable for any defacement of or damage to Customer premises resulting from the furnishing of services of equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by gross negligence or willful misconduct of the Company's agents or employees. No agents or employees of other participating carriers shall be deemed to be agents or employees of the Company.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.1 Undertaking of the Company (Cont'd)****2.1.4. Liability of the Company (Cont'd)**

2.1.4.8 Notwithstanding Customer's obligations as set forth in Section 2.3.2, the Company shall be indemnified, defended, and held harmless by Customer or by others authorized by it to use the service against any claim or loss arising from Customer's use of services furnished under this price list, including:

- A. Claims for defamation libel, slander, invasion of privacy, infringement of copyright, unauthorized use of 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 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 the Company under this price list;
- B. patent infringement claims arising from combining or connecting the service offered by the Company with apparatus and systems of Customer or others; and
- C. all other claims arising out of any act or omission of Customer or others, in connection with any service provided by the Company pursuant to this price list.

2.1.4.9 The entire liability of the Company for any claim, loss or expense from any cause whatsoever shall in no event exceed sums actually paid to the Company by Customer for the specific services giving rise to the claim, and no action or proceeding against the Company shall be commenced more than one year after the service is rendered, unless ordered by the Commission.

2.1.4.10 THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.1 Undertaking of the Company (Cont'd)****2.1.4. Liability of the Company (Cont'd)**

- 2.1.4.11 The Company shall not be liable for any act or omission of any other company or companies furnishing a portion of the service associated with service, channels, or equipment which it does not furnish, or for damages which result from the operation of Customer-provided systems, equipment, facilities or services which are interconnected with Company services.
- 2.1.4.12 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.1.4.13 With respect to Emergency Number 911 Service:
- A. This service is offered as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by Customer or by any other party or person for any personal injury to or death of any person or persons, and for any loss, damage or destruction of property, whether owned by Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of this service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
  - B. Neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing Emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, Customer, its Users, agencies or municipalities, or the employees or agents of any one of them.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.1 Undertaking of the Company (Cont'd)****2.1.4 Liability of the Company (Cont'd)**

- 2.1.4.14 The Company's liability arising from errors or omissions in Directory Listings, other than charged listings, shall be limited to the amount of actual impairment to Customer's service and in no event shall exceed one-half the amount of the fixed monthly charges applicable to exchange service affected during the period covered by the directory in which the error or omission occurs. In cases of charged Directory Listings, the liability of the Company shall be limited to an amount not exceeding the amount of charges for the charged listings involved during the period covered by the directory in which the error or omission occurs.
- 2.1.4.15 In conjunction with a non-published telephone number, the Company will not be liable for failure or refusal to complete any call to such telephone when the call is not placed by the number. The Company will try to prevent the disclosure of the number of such telephone, but will not be liable should such number be divulged.
- 2.1.4.16 When a Customer with a non-published telephone number places a call to the Emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined to the appropriate local governmental authority responsible for the Emergency 911 Service upon request of such governmental authority. By subscribing to service under this price list, Customer acknowledges and agrees with the release of information as described above.

**2.1.5 Notification of Service-Affecting Activities**

The Company will provide Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routing preventive maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as outage resulting from cable damage, notification to Customer may not be possible.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.1 Undertaking of the Company (Cont'd)****2.1.6 Provision of Equipment and Facilities**

- 2.1.6.1 The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by Customer with, the regulations contained in this price list. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- 2.1.6.2 The Company shall use reasonable efforts to maintain facilities that it furnishes to Customer. Customer may not, nor may Customer permit others, except the Incumbent Local Exchange Carrier to, rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities installed by the Company, except upon written consent of the Company.
- 2.1.6.3 The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this price list, the responsibility of the Company shall be limited to the furnishing of facilities offered under this price list and to the maintenance and operation of such facilities. Beyond this responsibility, the Company shall not be responsible for:
- A. the transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission or
  - B. the reception of signals by Customer provided equipment; or
  - C. network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

**2.1.7 Non-Routing Installation**

At Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on the cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.1 Undertaking of the Company (Cont'd)****2.1.8 Ownership of Facilities**

Title to all facilities provided in accordance with this price list remains in the Company, its agents or contractors or the Incumbent Local Exchange Carrier.

**2.2 Prohibited Uses**

2.2.1 The services the Company offers shall not be used for any unlawful purposes or for any use as to which Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits. Services also may not be used for any purpose for which any payment or other compensation is received by Customer except when Customer is a duly authorized regulated common carrier. This provision does not prohibit an arrangement between Customer, authorized user, or joint user to share the cost of the service as long as the arrangement generates no profit for any participant in the arrangement.

2.2.2 The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.

**2.3 Obligations of Customer****2.3.1 General**

Customer shall be responsible for:

**2.3.1.1 Placing orders for service.**

When placing an order for service, Customer must provide:

- A. The name(s) and address(es) of the person(s) responsible for the payment of service charges; and
- B. The name(s), telephone number(s), and address(es) of Customer contact person(s).

2.3.1.2 The payment of all applicable charges pursuant to this price list;

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President

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.3. Obligations of Customer (Cont'd)****2.3.1. General (Cont'd)**

- 2.3.1.3 Reimbursing the Company for damage to, or loss of, the Company's facilities or equipment caused by the acts or omissions of Customer, or the noncompliance by Customer, with these regulations; or by fire or theft or other casualty on Customer's premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company. The Company will, upon reimbursement for damages, cooperate with Customer in prosecuting a claim against the person causing such damage and Customer shall be subrogated to the Company's right of recovery of damages to the extent of such payment.
- 2.3.1.4 Providing at no charge, as specified from time to time by the Company, any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of Customer, and the level of heating and air conditioning necessary to maintain the operating environment on such premises;
- 2.3.1.5 Obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide local exchange service to Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1.D. Any costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, Customer. The Company may require Customer to demonstrate its compliance with this section prior to accepting an order for service;
- 2.3.1.6 Providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;

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**2.3. Obligations of Customer (Cont'd)****2.3.1. General (Cont'd)**

- 2.3.1.7 Complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as maybe required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under section 2.3.1E. above; and granting or obtaining permission for Company agents or employees to enter the premises of Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- 2.3.1.8 Not creating or allowing to be placed or maintained any liens or other encumbrances on the Company's equipment or facilities; and
- 2.3.1.9 Making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and Customer. No allowance for interruptions in service will be made for the period during which service is interrupted for such purposes.

**2.3.2 Claims**

With respect to any service or facility provided by the Company, Customer shall indemnify, defend and hold harmless the Company from all claims, actions, liabilities, costs and expenses, including reasonable attorneys' fees for:

- 2.3.2.1 Any loss or destruction to property of the Company or any third party, or the death of or injury to persons, including, but not limited to, employees or invitees of either the Company or Customer, to the extent caused by or resulting from negligent or intentional act or omission of Customer, its employees, agents, representatives or invitees; or
- 2.3.2.2 Any claim, loss, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by Customer, including, with limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between Customer and the Company.

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**2.4 Customer Equipment and Channels****2.4.1 Interconnection of Facilities**

- 2.4.1.1 Services furnished by the Company may be connected to the services or facilities of other authorized communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections. Service furnished by the Company is not part of a joint undertaking with such other carriers.
- 2.4.1.2 Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing local exchange service and the channels, facilities, or equipment of others may be provided at Customer's expense.
- 2.4.1.3 Facilities furnished under this price list may be connected to Customer provided terminal equipment in accordance with the provisions of this price list.
- 2.4.1.4 Customer is responsible for taking all necessary legal steps for interconnecting his or her customer provided terminal equipment of communications systems with the Company's facilities. Customers shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnections.

**2.4.2 Inspections**

- 2.4.2.1 Upon reasonable notification to Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that Customer is complying with the requirements set forth herein for the installation, operation, and maintenance of any Customer-provided facilities and equipment to any Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.
- 2.4.2.2 If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice Customer must take this corrective action and notify the Company of the action taken. If Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm. The Company will, upon request 24 hours in advance, provide Customer with a statement of technical parameters that Customer's equipment must meet.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.5 Payment Arrangements****2.5.1 Payment for Service**

Customer is responsible for payment of all charges for service and facilities furnished by the Company to Customer or authorized Users. Objections must be received by the Company within 10 days after the due date, or the charges shall be deemed correct. Should Customer pay the charges under protest, he may have an additional 30 days to dispute same in writing or the charges will become binding upon Customer. If an entity other than the Company imposes charges on the Company, in addition to its own internal costs, in connection with a service for which a Company Non-Recurring Charge is specified, those charges may be passed on to Customer.

2.5.1.1 **Taxes:** Customer is responsible for the payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income assessed in conjunction with service used. Taxes will be separately stated on the bill. Any taxes imposed by a local jurisdiction (e.g. County and municipal taxes) will only be recovered from those Customers residing in the affected jurisdictions. It shall be the responsibility of Customer to pay any such taxes that subsequently become applicable retroactively.

**2.5.2 Billing and Collection of Charges**

2.5.2.1 Customer's monthly service provided by the Company shall be prepaid by Customer for each one-month period. The Company shall present a bill or Reminder Notice for monthly charges to Customer in advance of the month for which service is being provided.

2.5.2.2 Bills are to be prepaid each month. The first payment is due in advance when Customer signs up for service - the activation date. All other payments are due monthly on the anniversary of Customer's activation date for the ensuing month's service.

2.5.2.3 Payments shall be considered delinquent if not paid within ten (10) days after a bill is sent to Customer. Additionally, a non-recurring 1.5 percent per month penalty fee will accrue upon any unpaid amount after Customer's account becomes delinquent.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.5 Payment Arrangements (Cont'd)****2.52 Billing and Collection of Charges (Cont'd)**

- 2.5.2.4 Customer is responsible for payment of all charges for service furnished to Customer, including, but not limited to all calls originated and/or received at Customer's number(s). Notwithstanding Section 3.1.1 of this Tariff, which provides for the blocking of certain toll calls, including direct dial long distance, collect calls, operator-assisted calls, and third number billed calls, in the event that the blocking of these calls is circumvented by Customer, or in the event of a temporary failure of the blocking mechanism, Customer is responsible for payment of any toll charges billed to Customer's number(s). The initial billing may include the account set-up charge where applicable.
- 2.5.2.5 For existing customers whose service is disconnected, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
- 2.5.2.6 A charge of \$50.00, or the applicable statutory charge for reconnection of service (if any), whichever is greater, will apply whenever a Customer requests to be reconnected to the Services after the Company has terminated Services to Customer for any reason allowed by this Tariff.
- 2.5.2.7 Customers may pay for service by credit card, an authorized payment agent, or check.
- 2.5.2.8 The Company will bill Customer a one-time charge of \$20.00 or 5% of the amount of the check, whichever is greater, if Customer's check for payment of service is returned for insufficient or uncollected funds, closed accounts, or any other insufficiency or discrepancy necessitating return of the check at the discretion of the drawee bank or other financial institution.

**2.5.3 Disputed Bills**

Customer shall notify the Company of any disputed items on a bill within 10 days. If Customer and the Company are unable to resolve the dispute to their mutual satisfaction, Customer may file a complaint with the Florida Public Service Commission in accordance with the Commission's rules of procedure.

- 2.5.3.1 The date of the dispute shall be the date the Company receives sufficient documentation to enable it to investigate the dispute.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.5 Payment Arrangements (Cont'd)****2.5.4 Discontinuance of Service**

The Company may discontinue service or cancel an application for service without incurring any liability for any of the following:

- 2.5.4.1 Upon nonpayment of any amounts owing to the Company, and after ten (10) days from the due date, the Company may discontinue or suspend service without incurring any liability.
- 2.5.4.2 Upon violation of any of the other material terms or conditions for furnishing service, the Company may, by giving ten (10) days' prior notice in writing to Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- 2.5.4.3 Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to Customer, may discontinue or suspend service without incurring any liability.
- 2.5.4.4 Upon Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, failing to discharge an involuntary petition within the time permitted by law, or abandonment of service, the Company may, with prior notice to Customer, immediately discontinue or suspend service without incurring any liability.
- 2.5.4.5 Upon any governmental prohibition, or required alteration of the services to be provided or any violation of any applicable law or regulation, the Company may immediately discontinue or suspend service without incurring any liability.

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2.5 Payment Arrangements (Cont'd)2.5.4 Discontinuance of Service (Cont'd)

2.5.4.6 The Company may discontinue the furnishing of any and/or all service(s) to a Customer, without incurring any liability:

- A. Immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services. The Company may discontinue service pursuant to this sub-section 2.5.4.6.A (1-5) if:
1. Customer refuses to furnish information to the Company regarding Customer's credit-worthiness, its past or current use of common carrier communications services or its planned use of service(s); or
  2. Customer provides false information to the Company regarding Customer's identity, address, or current use of common carrier communications services(s); or
  3. Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part, of the price listed charges for the service by:
    - a. Using or attempting to use service by rearranging, tampering with, or making connections to the Company's service not authorized by this price list; or
    - b. Using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or
    - c. Any other fraudulent means or devices; or
  4. Use of service in such a manner as to interfere with the service of other users; or
  5. Use of service for unlawful purposes.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**2.5 Payment Arrangements (Cont'd)****2.5.4 Discontinuance of Service (Cont'd)****2.5.4.6 (Cont'd)**

- B. After ten (10) days' written notice to a Customer who has failed to pay any sum within 10 days of the date when payment was due;
- C. Ten (10) days after sending Customer written notice of noncompliance with any provisions of this price list if the noncompliance is not corrected within such notice period; or

2.5.4.7 The suspension or discontinuance of service(s) by the Company pursuant to this Section does not relieve Customer of any obligation to pay the Company for charges due and owing for service(s) furnished during the time of or up to suspension or discontinuance.

2.5.4.8 Upon the Company's discontinuance of service to Customer under Section 2.5.4.1 or 2.5.4.2, all applicable charges, including termination charges, shall become due. This is in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this price list

**2.6 Allowances for Interruptions of Service**

When the use of service or facilities furnished by the Company is interrupted due to any cause other than the negligence or willful act of Customer, or the operation or failure of the facilities or equipment provided by Customer, a pro rata adjustment of the monthly Charges subject to interruption will be allowed for the service and facilities rendered useless and inoperative by reason of the interruption whenever said interruption continues for a period of 24 hours or more from the time the interruption is reported to or known to exist by the Company, except as otherwise specified in the Company's price lists.

It shall be the obligation of Customer to notify Company 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 being caused by any action or omission of Customer within his or her control, or is not in writing or equipment, if any, furnished by Customer and connected to the Company's terminal. If Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.

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**2.6 Allowances for Interruptions of Service (Cont'd)****2.6.1 Credit Allowances**

- 2.6.1.1 Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in facilities or equipment owned, provided and billed for, by the Company.
- 2.6.1.2 Credit allowances for failure of service or equipment starts when Customer notifies the Company of the failure or when the Company becomes aware of the failure and ceases when the operation has been restored and an attempt has been made to notify Customer.
- 2.6.1.3 For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the monthly Charges specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit. Credit allowances for service outages that exceed 24 hours in duration will be rounded up to the next whole 24 hours.

**2.6.2 Limitations on Allowances**

No credit will be made for:

- 2.6.2.1 interruptions due to the negligence of, or noncompliance with the provisions of this price list by, Customer;
- 2.6.2.2 interruptions due to the negligence of any person using the Company's facilities with Customer's permission;
- 2.6.2.3 interruptions due to the failure or malfunction of non-Company equipment;
- 2.6.2.4 interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- 2.6.2.5 interruptions of service during a period in which Customer continues to use the service on an impaired basis;
- 2.6.2.6 interruptions of service during any period when Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- 2.6.2.7 interruption of service due to circumstances or causes beyond the control of the Company.

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**2.7 Cancellation of Service****2.7.1 Cancellation of Application for Service**

- 2.7.1.1 Applications for service are noncancellable unless the Company otherwise agrees. Where the Company permits Customer to cancel an application for service prior to the start of service or prior to any special constructions, no charges will be imposed except for those specified below.
- 2.7.1.2 Where, prior to cancellation by Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to Customer had service begun.
- 2.7.1.3 The special charges described in 2.7.1.1 and 2.7.1.2 will be calculated and applied on a case-by-case basis.

**2.7.2 Cancellation of Service by a Customer**

- 2.7.2.1 To cancel or terminate service, a customer must provide the Company with 30 days' notice.
- 2.7.2.2 If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in 2.6 above), Customer agrees to pay to the Company the following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in 2.5.2, all costs, fees and expenses incurred in connection with:
- A. all Non-Recurring Charges reasonably expended by the Company to establish service to Customer, plus
  - B. any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of Customer, plus
  - C. all Recurring Charges for the applicable notice period.

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**2.8 Transfer and Assignments**

Neither the Company nor Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company; (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing, merger or reorganization of the Company.

**2.9 Notices and Communications**

2.9.1 Customer shall designate an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.

2.9.2 The Company shall designate an address to which Customer shall mail or deliver all notices and other communications, except that the Company may designate a separate address to which Customer shall mail payment on that bill.

2.9.3 All notices or other communications required to be given pursuant to this price list will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following deposit of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

**2.10 Minimum Call Completion Rate**

Customers can expect a call completion rate of 99.5 percent (number of calls completed/number of calls attempted) and not less than 90 percent during peak use periods for all 1+ dialing services.

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**ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**SECTION 3 - SERVICE DESCRIPTIONS****3.1 Local Exchange Service**

The Company's Local Telephone Service enables Customer to:

- Place or receive calls to any calling Station in the local calling area, as defined herein;
- Access basic 911 Emergency Service if available in Customer's area;
- Where available, place or receive calls to 800 telephone numbers.

The Company's service can not be used to originate calls to other telephone companies caller-paid information services (e.g., 900, 976).

**3.1.1 Prepaid Local Service**

Prepaid Local Service is a service which is available for access by residential subscribers on a full time basis. It consists of dialtone and access to unlimited local calls, 911 calls, relay services and the operator. The Service does not include any long distance service or other toll services. The following types of calls will be blocked by the Company: direct dial long distance, collect calls, third-number billed calls, operator services, directory assistance, and 900 and 976 calls. Service will be charged on a monthly basis, and upon payment, a customer will have unlimited use of the aforementioned service for that month.

**3.2 Directory Listings**

The Company shall provide for a single directory listing, termed the primary listing, in the telephone directory published by the dominant exchange service provider in Customer's exchange area of the Station number which is designated as Customer's main billing number.

- 3.2.1 The Company reserves the right to limit the length of any listing in the directory by the use of abbreviations when, in its judgment, the clearness of the listing or the identification of Customer is not impaired thereby. Where more than one line is required to properly list Customer, no additional charge is made.
- 3.2.2 The Company may refuse a listing which is known not to constitute a legally authorized or adopted name, obscenities in the name, or any listing which, in the opinion of the Company, is likely to mislead or deceive calling persons as to the identity of the listed party, or is a contrived name used for advertising purposes or to secure a preferential position in the directory or is more elaborate than is reasonably necessary to identify the listed party. The Company, upon notification to Customer, will withdraw any listing which is found to be in violation of its rules with respect thereto.
- 3.2.3 In order for listings to appear in an upcoming directory, Customer must furnish the listing to the Company in time to meet the directory publishing schedule.
- 3.2.4 Directory listings are provided in connection with each Customer service as specified herein.

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3.2 Directory Listings (Cont'd)3.2.5 Non-Recurring Charges

Non-Recurring Charges associated with Directory Listings are as follows:

Non-Recurring

Primary Listing (one number)	N/C
------------------------------	-----

3.2.6 Recurring Charges

Monthly Recurring Charges associated with Directory Listings are as follows:

Monthly

Primary Listing (one number)	N/C
------------------------------	-----

3.3 Emergency Services (Enhanced 911)

Allows Customers to reach appropriate emergency services including police, fire and medical services. Enhanced 911 has the ability to selectively route an emergency call to the primary E911 provider so that it reaches the correct emergency service located closest to the caller. In addition, Customer's address and telephone information will be provided to the primary E911 provider for display at the Public Service Answering Point (PSAP).

3.4 Promotional Offerings

The Company, from time to time, may make promotional offerings of its services which may include waiving or reducing the applicable charges for the promoted service. The promotional offerings may be limited as to the duration, the date and times of the offerings and the locations where the offerings are made. Promotional offerings are subject to the approval of the Commission.

3.5 Discount For Handicapped Persons

3.5.1 Pursuant to Florida Public Service Commission rules and regulations, the Company will not charge for the first 50 directory assistance calls made each month by a handicapped person.

3.5.1.1 Directory assistance will be provided by the underlying local exchange carrier.

3.6 Operator Assistance for Handicapped Persons

Operator station surcharges will be waived for operator assistance provided to a caller who identified him or herself as being handicapped and unable to dial the call because of a handicap.

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**SECTION 4 - SERVICE RATES****4.1 Prepaid Local Service Rates and Charges**

A Prepaid Local Service Customer will be charged applicable Non-Recurring Charges and monthly Recurring Charges as specified below.

**4.1.1 Monthly Standard Service Fee**

\$49.95

**4.1.2 Application Processing Fee (one-time charge)**

\$55.00

**4.1.3 Optional Features**

	<u>Per Month</u>	<u>One-Time Set-Up Fee</u>
Call Waiting	\$ 5.00	N/A
Call Forwarding	\$ 5.00	N/A
Caller ID	\$ 10.00	\$ 10.00
Non-Published	\$ 5.00	N/A
Three-Way Calling	\$ 5.00	N/A
Voice Mail	\$ 10.00	N/A

**4.1.4 Miscellaneous Charges****4.1.4.1 Reconnection Fee**

\$55.00

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FISHER WAYLAND COOPER LEADER & ZARAGOZA L.L.P.

2001 PENNSYLVANIA AVENUE, N.W.

SUITE 400

WASHINGTON, D. C. 20006-1881

TELEPHONE (202) 659-3494

ORIGINAL

COLETTE M. CAPRETZ

(202) 775-3532

April 15, 1998

FACSIMILE

(202) 296-6518

INTERNET

ccapretz@fwclz.com

VIA FEDERAL EXPRESS

DEPOSIT

DATE

Ms. Blanca S. Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0866

D756

APR 16 1998

Re: Telecard Communications International, Inc.

Dear Ms. Bayo:

Enclosed for filing on behalf of Telecard Communications International, Inc. please find an original and six (6) copies of its Application for Authority to Provide Alternative Local Exchange Services in the State of Florida. Also enclosed is a check for \$250.00 payable to the Florida Public Service Commission to cover the application fee.

Please date-stamp the enclosed "Receipt" copy of the Application and return it to the undersigned in the self-addressed, stamped envelope provided. Should you have any questions concerning the application, please do not hesitate to contact the undersigned.

Sincerely,

*Colette M. Capretz*

2682

TELECARD COMMUNICATIONS INTERNATIONAL, INC.

229 S.W. 31ST STREET  
FORT LAUDERDALE, FL 33315

4.13 19 98

63-643/970  
00675

PAY TO THE ORDER OF

FLORIDA PSC

\$ 250.00

TWO HUNDRED FIFTY

DOLLARS

FIRST UNION

First Union National Bank of Florida  
Ft. Lauderdale, Florida  
24 Hour Information Service  
1-800-735-1012

FOR ALEC Application

*Daniel Ochoa*

**FISHER WAYLAND COOPER LEADER & ZARAGOZA L.L.P.**

2001 PENNSYLVANIA AVENUE, N.W.  
SUITE 400

WASHINGTON, D. C. 20006-1851  
TELEPHONE (202) 659-3494

ORIGINAL

COLETTE M. CAPRETZ  
(202) 775-3532

April 15, 1998

FACSIMILE  
(202) 296-6518

INTERNET  
ccapretz@fwciz.com

VIA FEDERAL EXPRESS

DEPOSIT

DATE

Ms. Blanca S. Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0866

D756 ~

APR 16 1998

**Re: Telecard Communications International, Inc.**

Dear Ms. Bayo:

Enclosed for filing on behalf of Telecard Communications International, Inc. please find an original and six (6) copies of its Application for Authority to Provide Alternative Local Exchange Services in the State of Florida. Also enclosed is a check for \$250.00 payable to the Florida Public Service Commission to cover the application fee.

Please date-stamp the enclosed "Receipt" copy of the Application and return it to the undersigned in the self-addressed, stamped envelope provided. Should you have any questions concerning the application, please do not hesitate to contact the undersigned.

Sincerely,



Colette M. Capretz

RECEIVED  
APR 16 1998  
Enclosure  
CMC/jch  
FISHER WAYLAND COOPER LEADER & ZARAGOZA L.L.P.