



DEPOSIT DATE
D777 - MAY 18 1998

May 15, 1998

210 N. Park Ave.
Winter Park, FL
32789

OVERNIGHT

P.O. Drawer 200
Winter Park, FL
32790-0200

Mr. Walter D'Haeseleer, Director Communications
Florida Public Service Commission
Division of Communication
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Room 270
Tallahassee, FL 32399-0850

980665 - TT

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

RE: Initial Application and Tariff of Z-Tel Communications Inc., d/b/a Z-Tel Communications of Delaware, Inc., for Authority to Provide Interexchange Telecommunications Services within the State of Florida.

Dear Mr. D'Haeseleer:

Enclosed for filing are the original and six (6) copies of the above-referenced application of Z-Tel Communications of Delaware, Inc. Also enclosed is a \$250 check to cover the filing fee.

Please acknowledge receipt of this filing by returning, filed stamped, the extra copy of this letter in the self-addressed stamped envelope.

I may be reached at (407) 740-8575 with any questions, comments or correspondence regarding this application. Thank you for your assistance.

Sincerely,

Monique Byrnes
Consultant to
Z-Tel Communications, Inc.

MB/lk

cc: A. Graham, Cass & Graham
R. Curtis, Z-Tel
file: Z-Tel - FL
tms: FL9800

RECEIVED
REGISTRY DIVISION
SERVICE COMMISSION
98 MAY 18 AM 10 51
MAIL ROOM

DOCUMENT NUMBER - DATE

05527 MAY 18 98

FPSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION

APPLICATION FORM
for

AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE
WITHIN THE STATE OF FLORIDA

Instructions

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

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

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

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

FORM PSC/CMU 31 (11/95)

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

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

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

2. This is an application for:

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

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

Z-Tel Communications, Inc.

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

Z-Tel Communications of Delaware, Inc.

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

Z-Tel Communications, Inc.
d/b/a Z-Tel Communications of Delaware, Inc.
777 South Harbour Island Boulevard
Suite 990
Tampa, Florida 33602

Telephone: (813) 273-6261
Facsimile: (813) 273-6861

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

Same as above

7. Structure of organization:

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

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

Not applicable.

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

9. If incorporated, please give:

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

Corporate charter number: F98000002080

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

CT Corporation System
c/o CT Corporation System
1200 South Pine Island Road
Plantation, Florida 33324

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

Fictitious name registration number: Not Applicable

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

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

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

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

D. Gregory Smith, CEO of Z-Tel Communications, Inc. is a stockholder of Premiere Technologies, Inc., the holding company for Premiere Communications - a Florida certificated.

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

- (a) The application:

Monique Byrnes
Consultant to Z-Tel Communications, Inc.
d/b/a Z-Tel Communications of Delaware, Inc.
Technologies Management, Inc.
P.O. Drawer 200
Winter Park, FL 32790-0200
Telephone: (407) 740-8575
Facsimile: (407) 740-0613

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

Robert A. Curtis
Z-Tel Communications, Inc.
d/b/a Z-Tel Communications of Delaware, Inc.
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602
Telephone: (813) 273-6261
Facsimile: (813) 273-6861

(c) Tariff:

Monique Byrnes
Consultant to Z-Tel Communications, Inc.
d/b/a Z-Tel Communications of Delaware, Inc.
Technologies Management, Inc.
P.O. Drawer 200
Winter Park, FL 32790-0200
(407) 740-8575

(d) Complaints/Inquiries from customers:

Z-Tel Communications, Inc.
d/b/a Z-Tel Communications of Delaware, Inc.
Attn: Customer Service
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602
Telephone: (813) 273-6261
Facsimile: (813) 273-6861
Toll Free: (800) 759-9987

11. List the states in which the applicant:

(a) Has operated as an interexchange carrier.

None. Z-Tel is currently undertaking a nationwide certification program.

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

None.

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

None. Z-Tel is currently undertaking a nationwide certification program.

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

None

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

None

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

None

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

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

13. Do you have a marketing program?

The company is currently in the process of developing its marketing program.

14. Will your marketing program:

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

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

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

- | | |
|---|--|
| <input checked="" type="checkbox"/> Residential customers | <input checked="" type="checkbox"/> Business customers |
| <input type="checkbox"/> PATS providers | <input type="checkbox"/> PATS station end-users |
| <input type="checkbox"/> Hotels & motels | <input type="checkbox"/> Hotel & motel guests |
| <input type="checkbox"/> Universities | <input type="checkbox"/> Univ. dormitory residents |
| <input checked="" type="checkbox"/> Other: (specify) <u>Anyone who uses the Company's service</u> | |

17. Please provide the following (if applicable):

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

Yes, Z-Tel will appear on the bill received by the Customer. Customers may contact Z-Tel's customer service department for inquiries or complaints. Z-Tel's toll-free customer service number is 800-759-9987.

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

Z-Tel will issue statements to its customers directly.

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

A. Financial capability.

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements for the most recent 3 years, including:

1. the balance sheet
2. income statement
3. statement of retained earnings

See Attachment III.

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability.

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.
3. Please provide documentation that the applicant has sufficient financial capability to meet its lease or ownership obligations.

NOTE: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should affirm that the financial statements are true and correct.

B. Managerial capability.

See Attachment IV.

C. Technical capability.

Z-Tel personnel has experience in managing telecommunications companies and in providing switch-based long distance service. The company will rely on its underlying carrier for issues related to transmission.

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

See Attachment II.

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

MTS with distance sensitive per minute rates

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

MTS with route specific rates per minute

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

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

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

MTS for pay telephone service providers.

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

800 Service (Toll free)

WATS type service (Bulk or volume discount)

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

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

Travel service

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

900 service

Operator Services

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

Services included are:

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

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

Customers will dial a access telephone number into the Z-Tel switch. This will provide them access to the Z-Tel long distance network and to a host of enhanced services offered by the company.

22. Other:

**** APPLICANT ACKNOWLEDGMENT STATEMENT ****

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

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

UTILITY OFFICIAL: _____

Signature

_____ Date

_____ D. Gregory Smith

_____ Chief Executive Officer

_____ (813) 273-6261

FORM PSC/CMU 31 (11/95)

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

APPENDICES:

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

ATTACHMENTS:

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

**** APPENDIX A ****

CERTIFICATE OF TRANSFER STATEMENT

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

Not Applicable.

UTILITY OFFICIAL:

Signature

Date

Title

Telephone

**** APPENDIX B ****

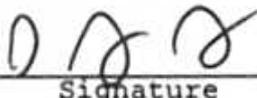
CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

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

- (X) The applicant will not collect deposits nor will it collect payments for service more than one month in advance.

- () The applicant will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

UTILITY OFFICIAL:



Signature

5.4.98

Date

D. Gregory Smith

Chief Executive Officer

(313) 273-6261

**** APPENDIX C ****

INTRASTATE NETWORK

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

1) None. 2)

3) 4)

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

1) Atlanta, Georgia manufacturer: Excel scheduled for 8/1/98 Owned	2) Tampa, Florida manufacturer: Excel scheduled for 10/98 Owned
---	--

3) 4)

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

<u>POP-to-POP</u>	<u>TYPE</u>	<u>OWNERSHIP</u>
-------------------	-------------	------------------

1) None

2)

3)

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

Statewide.

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

Not applicable.

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

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

Not applicable.

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

Not applicable.

UTILITY OFFICIAL:



Signature

Date

D. Gregory Smith

Chief Executive Officer

(813) 254-8224

FORM PSC/CMU 31 (11/95)

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

**** APPENDIX D ****

FLORIDA TELEPHONE EXCHANGES

AND

EAS ROUTES

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

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

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

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

FORM PSC/CMU 31 (11/95)

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

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

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

Z-Tel Communications, Inc., d/b/a Z-Tel Communications of
Delaware, Inc. will offer service throughout the State
of Florida.

ATTACHMENT I

AUTHORITY TO OPERATE IN FLORIDA



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

April 13, 1998

CT CORPORATION SYSTEM

Qualification documents for Z-TEL COMMUNICATIONS, INC. doing business in Florida as Z-TEL COMMUNICATIONS OF DELAWARE, INC. were filed on April 7, 1998 and assigned document number F98000002080. 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 (850) 487-6091, the Foreign Qualification/Tax Lien Section.

Jennifer Sindt
Document Examiner
Division of Corporations

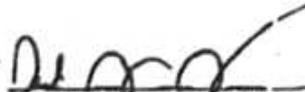
Letter Number: 798A00019604

RESOLUTION OF BOARD OF DIRECTORS

I, David Gregory Smith, do hereby certify that the following resolution of the Board of Directors of Z-Tel Communications, Inc., a corporation duly organized and existing under the laws of the State of Delaware, was duly adopted on April 1, 1998:

RESOLVED, that Z-Tel Communications, Inc., organized and existing in the State of Delaware, hereby adopts the name Z-Tel Communications of Delaware, Inc. for use in Florida.

Dated effective this 8th day of April, 1998.



David Gregory Smith, President

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 APR - 7 PM 12: 23

APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF FLORIDA:

1. Z-Tel Communications, Inc.
(Name of corporation: must include the word "INCORPORATED", "COMPANY", "CORPORATION", or words or abbreviations of like import in language as will clearly indicate that it is a corporation instead of a natural person or partnership if not so contained in the name at present)

2. Delaware 3. applied for
(State or country under the law of which it is incorporated) FEI number, if applicable)

4. January 15, 1998 5. Perpetual
(Date of incorporation) (Duration: Year corp. will cease to exist or "perpetual")

6. Upon qualification
(Date first transacted business in Florida. (See sections 607.1501, 607.1502, and 617.156, F.S.))

7. 777 S. Harbour Island Blvd., Suite 990, Tampa, Florida 33602
(Current mailing address)

8. to provide telecommunication services
(Purpose(s) of corporation authorized in home state or country to be carried out in the state of Florida)

9. Name and street address of Florida registered agent:

 Name: C T Corporation System
 Office Address: c/o C T Corporation System, 1200 South Pine Island Road
Plantation, Florida, 33324
(Zip Code)

FILED
 SECRETARY OF STATE
 DIVISION OF CORPORATIONS
 98 APR - 7 PM 12:23

10. Registered agent acceptance:
 Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application. I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligation of my position as registered agent.

C T Corporation System

 (Registered agent's signature) (Officer)
PETER F. SOUZA
 ASSISTANT SECRETARY

 (Type Name and Title of Officer)

11. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

12. Names and addresses of officers and/or directors:

A. DIRECTORS

Chairman: D. Gregory Smith
Address: 777 S. Harbour Island Blvd., Suite 990
Tampa, Florida 33602

Vice Chairman: _____
Address: _____

Director: _____
Address: _____

Director: _____
Address: _____

B. OFFICERS

President: see attached list of officers
Address: _____

Vice President: _____
Address: _____

Secretary: _____
Address: _____

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 APR -7 PM 12:23

Treasurer: _____

Address: _____

NOTE: If necessary, you may attach an addendum to the application listing additional officers and/or directors.

13.  _____

(Signature of Chairman, Vice Chairman, or any officer listed in number 12 of the application)

14. D. Gregory Smith, President _____

(Typed or printed name and capacity of person signing application)

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 APR - 7 PM 12:23

Appendix to Florida
Application by Fgn. Corp. for Authorization to Transact Business in Florida

Officers of
Z-Tel Communications, Inc.

1. D. Gregory Smith, P/S/T
777 S. Harbour Island Blvd., Suite 990
Tampa, Florida 33602

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 APR - 7 PM 12: 23

ATTACHMENT II

PROPOSED TARIFF

TITLE PAGE

FLORIDA TELECOMMUNICATIONS TARIFF

OF

Z-Tel Communications, Inc.
d/b/a Z-Tel Communications of Delaware, Inc.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of resold telecommunication services provided by Z-Tel Communications of Delaware, Inc. ("Z-Tel") with principal offices located at 777 South Harbour Island Boulevard, Suite 990, Tampa, Florida 33602. This tariff applies to services furnished within the State of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

ISSUED: May 18, 1998

EFFECTIVE:

ISSUED BY: D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

CHECK SHEET

This tariff contains sheets, as listed below, each of which is effective as of the date shown on each sheet. Original and revised sheets as named below comprise all changes from the original tariff.

SHEET	REVISION	SHEET	REVISION
1	Original *	21	Original *
2	Original *	22	Original *
3	Original *	23	Original *
4	Original *	24	Original *
5	Original *	25	Original *
6	Original *	26	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 *		

* Indicates new or revised sheet with this filing

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SYMBOLS

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

D - Delete or discontinue

I - Change resulting in an increase to a Customer's bill

M - Moved from and to another tariff location

N - New

R - Change resulting in a reduction to a Customer's bill

T - Change in text or regulation but no change in rate or charge

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

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TARIFF FORMAT

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

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

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

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

D. Check Sheets - When a tariff filing is made with the FPSC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new 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 the check sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the FPSC.

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SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS

1.1 Abbreviations

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

FCC	-	Federal Communications Commission
FPSC	-	Florida Public Service Commission
IXC	-	Interexchange Carrier
LEC	-	Local Exchange Carrier
Z-Tel	-	Z-Tel Communications, Inc.

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

1.2 Definitions

Access Line - An arrangement which connects the Subscriber's or Customer's location to the Carrier's designated point of presence or network switching center.

Account - The Customer who has agreed, verbally or by signature, to honor the terms of service established by the Company. An account may have more than one access code billed to the same Customer address.

Commission - The Florida Public Service Commission.

Company or Carrier - Z-Tel Communications of Delaware, Inc. unless otherwise clearly indicated by the context.

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

Equal Access - The ability of the Company to serve Customers on a presubscribed basis rather than through the use of dial access codes.

Initial and Additional Period - The Initial Period denotes the interval of time allowed at the rate specified for a connection between given service points. The Additional Period denotes the interval of time used for measuring and charging for time in excess of the Initial Period.

LATA - Local Access and Transport Area.

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

1.2 Definitions, (Cont'd)

LEC - Local Exchange Company

NECA - National Exchange Carriers Association.

Premises - The physical space designated by the Customer for the termination of the Company's service.

Switched Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on local exchange company Feature Group circuits. The cost of switched Feature Group access is billed to the interexchange carrier.

V & H Coordinates - Geographic points which define the originating and terminating points of a call in mathematical terms so that the airline mileage of the call may be determined. Call mileage is used for the purposed of rating calls.

Z-Tel - Z-Tel Communications of Delaware, Inc. unless otherwise clearly indicated by the context.

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SECTION 2.0 - RULES AND REGULATIONS

2.1 Undertaking of Z-Tel

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

2.2 Applicability of Tariff

This tariff is applicable to telecommunications services provided by Z-Tel Communications, Inc. within the state of Florida.

2.3 Limitations of Service

2.3.1 Service will be furnished subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this tariff.

2.3.2 Z-Tel reserves the right to discontinue furnishing service when necessitated by conditions beyond its control, or when the Customer is using the service in violation of the provisions of this tariff, or in violation of law.

2.3.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

2.3.4 Z-Tel reserves the right to discontinue the offering of service if a change in regulation materially and negatively impacts the financial viability of the service in the best business judgment of the Company.

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

2.4 Liability

- 2.4.1** The liability of the Company for any claim or loss, expense or damage (including indirect, special, or consequential damage) for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff shall not exceed an amount equivalent to the proportionate charges to the Customer for the period of service or the facility provided during which such interruption, delay, error, omission, or defect occurs.
- 2.4.2** The Company shall not be liable for any claim or loss, expense, or damage (including indirect, special, or consequential damage), for any interruption, delay, error, omission, or other defect in any service facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by any act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3** The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer and Subscriber against any claim or loss, expense, or damage, (i) for defamation, invasion of privacy, infringement of copyright or patent, unauthorized use of any trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property, or entity arising from the material data, information, or content revealed to, transmitted, processed, handled, or used by Company under this tariff, or (ii) for connecting, combining, or adapting Company's facilities with Customer's or Subscriber's apparatus or systems, or (iii) for any act or omission of the Customer or Subscriber, or (iv) for any personal injury or death of any person, or for any loss of or damage to Subscriber's or Customer's premises or any other property, whether owned by Customer, Subscriber or others, caused directly or indirectly by the installation, maintenance, location, condition, operation, failure or removal of equipment or wiring provided by the Company if not directly caused by negligence of the Company.

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

2.5 Payment and Credit Regulations

2.6.1 Payment Arrangements

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. The Customer agrees to pay to the Company or its authorized agent any cost(s) incurred as a result of any delegation of authority resulting in the use of his or her communications equipment and/or network services which result in the placement of calls via the Company. The Customer agrees to pay the Company or its authorized agent any and all cost(s) incurred as a result of the use of the service arrangement, including calls which the Customer did not individually authorize.

All charges due by the Customer are payable to the Company or any agency duly authorized to receive such payments. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the Florida PSC. Any objections to billed charges must be promptly reported to the Company or its billing agent. Adjustments to Customers' bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

Charges for installations, service connections, moves, and rearrangements, where applicable, are payable upon demand by the Company or its authorized agent. The billing thereafter will include recurring charges and actual usage as defined in this tariff.

2.5.2 Deposits

The Company does not collect deposits from its Customers.

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

2.5 Payment and Credit Regulations, (Cont'd)

2.6.3 Advance Payments

For Customers whom the Company determines an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and a new advance payment may be collected for the next month.

2.5.4 Taxes

Company reserves the right to bill any and all applicable taxes in addition to normal long distance usage charges, including, but not limited to: Federal Excise Tax, State Sales Tax, Municipal Taxes, and Gross Receipts Tax. Unless otherwise specified in this tariff, such taxes will be itemized separately on Customer invoices.

2.5.5 Returned Checks

The Company reserves the right to assess a return check charge of up to \$25.00 for checks returned for insufficient funds if the face value does not exceed \$50.00, \$30.00 if the face value does exceed \$50.00 but does not exceed \$300.00, \$40.00 if the face value exceeds \$300.00 or 5% of the value of the check, whichever is greater.

2.5.6 Late Payment Charge

A late fee of 1.5% per month will be charged on any past due balance.

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

2.6 Refunds or Credits for Service Outages or Deficiencies

2.6.1 Interruption of Service

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

Credit allowances for interruptions of service caused by service outages or deficiencies are limited to the initial minimum period call charges for re-establishing the interrupted call.

2.6.2 Inspection, Testing and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for such tests and adjustments as may be deemed necessary for maintenance in a condition satisfactory to the Company. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.7 Cancellation by Customer

Customers may cancel service verbally or in writing at any time. The Company shall hold the Customer responsible for payment of all charges, including fixed fees, surcharges, etc., which accrue up to the cancellation date. Charges may be avoided by dialing another carrier's access code. In the event the Customer executes a term commitment agreement with the Company, the Customer must cancel service and terminate the agreement in accordance with the agreement terms.

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

2.8 Refusal or Discontinuance by Company

Z-Tel may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given fifteen (15) days notice to comply with any rule or remedy any deficiency:

- 2.8.1 For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- 2.8.2 For use of telephone service for any purpose other than that described in the application.
- 2.8.3 For neglect or refusal to provide reasonable access to Z-Tel or its agents for the purpose of inspection and maintenance of equipment owned by Z-Tel or its agents.
- 2.8.4 For noncompliance with or violation of Commission regulation or Z-Tel's rules and regulations on file with the Commission, provided five (5) working days' written notice is given before termination.
- 2.8.5 For nonpayment of bills, provided that suspension or termination of service shall not be made without five (5) days written notice to the Customer, except in extreme cases. Such notice will be provided in a mailing separate from the Customer's regular monthly bill for service.
- 2.8.6 Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect Z-Tel's equipment or service to others.

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

2.8 Refusal or Discontinuance by Company (Cont'd)

- 2.8.7 Without notice in the event of tampering with the equipment or services owned by Z-Tel or its agents.
- 2.8.8 Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, Cyberlight may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- 2.8.9 Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits Company from furnishing such services.

2.9 Use of Service

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

2.10 Applicable Law

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

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

2.11 Tests, Pilots, Promotional Campaigns and Contests

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

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

2.12 Other Rules

The Company may temporarily suspend service without notice to the Customer, by blocking traffic to certain cities or NXX exchanges, or by blocking calls using certain Personal Identification Numbers when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as service can be provided without undue risk.

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SECTION 3.0 - DESCRIPTION OF SERVICE

3.1 General

Z-Tel provides direct dial ("1+") services for communications originating and terminating within the State of Florida under terms of this tariff.

Customers reselling or rebilling telecommunications services must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Florida Public Service Commission.

3.2 Quality and Grade of Service Offered

Minimum Call Completion Rate - Customers can expect a call completion rate of not less than 90% during peak use periods. The call completion rate is calculated as the number of calls completed (including calls completed to a busy line or to a line which remains unanswered by the called party) divided by the number of calls attempted.

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

3.3 Timing of Calls

- 3.3.1 Timing for all calls begins when the called party answers the call (i.e. when two way communications are established.) Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.
- 3.3.2 Chargeable time for all calls ends when either one of the parties disconnects from the call.
- 3.3.3 Minimum call duration and additional billing increments are specified in the description for each service.
- 3.3.4 There is no billing applied for incomplete calls.

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

3.4 Calculation of Distance

Usage charges for mileage sensitive services vary based on the type of service subscribed to by the Customer. For services utilizing switched access, mileage measurements for rate schedules are based on the distance in airline miles between rate centers associated with the originating and terminating stations. For services utilizing dedicated access, mileage measurements for rate schedules are based on the distance in airline miles between the Cominex network access point associated with the station utilizing Dedicated Access Origination/Termination and the rate center associated with the called/calling station.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the serving wire centers as defined by BellCore (Bell Communications Research), in the following manner:

- Step 1: Obtain the "V" and "H" coordinates for the serving wire center or network access point serving the Customer's location and the called/calling station.
- Step 2: Obtain the difference between the "V" coordinates. Obtain the difference between the "H" coordinates.
- Step 3: Square the differences obtained in Step 2.
- Step 4: Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5: Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6: Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating locations of the call.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

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

3.5 Outbound Service

Outbound Service is available to business and residential Customers for outbound calling. Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required.

3.6 Directory Assistance

Directory Assistance is available to Customers of Z-Tel. A Directory Assistance charge applies to each call to the Directory Assistance Bureau. Up to two requests may be made on each call to Directory Assistance. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

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SECTION 4.0 - RATES

4.1 General

Each Customer is charged individually for each call placed through the Company. Charges may vary by service offering, class of call, time of day, day of week and/or call duration.

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SECTION 4.0 - RATES, (Cont'd)

4.2 Exemptions and Special Rates

4.2.1 Discounts for Hearing Impaired Customers

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

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

4.2.2 Emergency Call Exemptions

The following calls are exempted from all charges: Emergency calls to recognizable authorized civil agencies including police, fire, ambulance, bomb squad and poison control. Z-Tel will only handle these calls if the caller dials all of the digits to route and bill the call. Credit will be given for any billed charges pursuant to this exemption on a subsequent bill after verified notification by the billed Customer within thirty (30) days of billing.

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SECTION 4.0 - RATES, (Cont'd)

4.2 Exemptions and Special Rates, (Cont'd)

4.2.3 Operator Assistance for Handicapped Persons

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

4.2.4 Directory Assistance for Handicapped Persons

Pursuant to FPSC rules and regulations, the Company will not charge for the first 50 phone calls made to directory assistance by handicapped Customers.

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SECTION 4.0 - RATES, (Cont'd)

4.3 Outbound Service

Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds.

Per Minute Rate: \$ 0.10

4.4 Directory Assistance

Up to two requests may be made on each call to Directory Assistance.

Per Call Rate: \$ 0.95

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SECTION 5.0 - PROMOTIONS

5.1 Demonstration Calls

From time to time Z-Tel will demonstrate its services by providing free test calls of up to fifteen minutes duration over its network.

5.2 Promotions - General

From time to time, the Carrier may provide promotional offerings to introduce a current or potential Subscriber to a service not being used by the subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or non-recurring charges.

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ATTACHMENT III

FINANCIAL STATEMENTS

Z-Tel Communications, Inc.

Statement of Financial Capability

Z-Tel Communications, Inc. has sufficient financial capability to provide the requested telecommunication services in [State], the financial capability to maintain these services, and the financial capability to meet its lease and ownership obligations. Attached is the balance sheet of Z-Tel Communications, Inc. as of March 31, 1998.

Z-Tel Communications, Inc. has been in the development phase since its inception in January 1998 and therefore does not have an income statement.

Some of Z-Tel Communications, Inc.'s highlights are:

- * Current asset ratio of 5.79. %
- * Cash & cash equivalents of \$1,347,757 along with a \$50,000 deposit classified as Other Assets.
- * Approximately 78% of the Company's assets are very liquid.
- * Property, plant & equipment balance of \$383,193 which consists of the Company's investment in infrastructure to commence operations.
- * Positive equity balance of \$1,547,985.

The balance sheet displays in excess of \$1.3 million in cash & cash equivalents as of March 31, 1998. The Company does not have any long term debt as the Company is 100% financed through equity ... a capital infusion by the shareholders. The Company has access to additional sources of cash via lines of credits and additional capital infusions by the shareholders.

The Company has established a team of professionals with telecommunications experience to support its venture into the telecommunications market. The Company will outsource business functions to obtain expertise and provide a financial and technical competitive advantage in the industry.

Summary

As noted in the analysis documented above, the Company is prepared for its venture into the telecommunications business. The Company is positioned to add significant revenue growth with low fixed costs. The Company has sufficient financial capability to provide the requested telecommunication services, sufficient financial capability to meet all lease and ownership obligations, and sufficient financial capability to maintain a large Customer base.

**Z-Tel Communications, Inc.
Balance Sheet
March 31, 1998**

ASSETS**Current Assets**

Cash - Operating Account	\$	169,124
Cash - Money Market		1,178,633
Total Current Assets		1,347,757

Property and Equipment

Furniture		31,438
Computer Equipment - General		102,353
Software		85,398
Switching Equipment		164,005
Accumulated Depreciation		
Total Property and Equipment		383,193

Other Assets

Deposits		50,000
Total Other Assets		50,000
Total Assets	\$	1,780,951

LIABILITIES AND CAPITAL**Current Liabilities**

Accounts Payable	\$	232,966
Interest Payable		
Total Current Liabilities		232,966

Long-Term Liabilities

Total Long-Term Liabilities		0
------------------------------------	--	----------

Total Liabilities		232,966
--------------------------	--	----------------

Capital

Common Stock		1,850,000
Net Income		(302,015)
Total Capital		1,547,985
Total Liabilities & Capital	\$	1,780,951

Unaudited - For Management Purpose Only

ATTACHMENT IV

MANAGERIAL AND TECHNICAL CAPABILITIES

Z-Tel Communications of Delaware, Inc.

MANAGERIAL AND TECHNICAL CAPABILITIES

D. Gregory Smith

Mr. Smith is a founder of the Company and has served as a Director and Chief Executive Officer since its inception in January 1998. From 1991 to 1997 he served as Director, Executive Vice President and Vice President of Premiere Technologies, Inc., a publicly held telecommunications company. From 1989 to 1991, Mr. Smith provided managerial and financial consulting services to clients that included Elcotel, Inc., a manufacturer of pay telephones, call processor and other telecommunications equipment.. Since 1991 he has been President and Director of Olympus Telecommunications Corporation, an owner and operator of pay telephones and since 1990 he has been President and a director of Public Communications Managers, Inc., a pay telephone management company. Additionally, Mr. Smith has served as Vice-President of corporate banking for Chase Bank of Florida, a subsidiary of Chase Manhattan Bank and President and CEO of Intergroup Video Systems, Inc., an advanced video electronics manufacturer.

Jeffrey A. Bowden

Mr. Bowden, a founder of the Company, serves as Senior Vice President/Chief Financial Officer of the Company. He was a Vice President of Bell Atlantic Corporation from 1996 to 1998 and Vice President of Nynex Corporation from 1994 to 1996. From 1988 to 1994, Mr. Bowden was Vice President and a Director of The Boston Consulting Group.

Z-Tel Communications of Delaware, Inc.
MANAGERIAL AND TECHNICAL CAPABILITIES, Cont'd.

James Kitchen

Mr. Kitchen is a co-founder of the Company and serves as the Company's Senior Vice President/Engineering. Prior to joining Z-Tel, he was, from 1992 to 1997, a Senior Design Engineer with Premiere Technologies, Inc., a provider of long distance telecommunications services. From 1990 to 1992, he was Senior Staff Engineer for Melita International Corporation where he managed the Voice Processor Group. Additionally, Mr. Kitchen was a Senior Software Engineer for Voice Computer Technologies, where he designed, coded, maintained and documented application software, including a proprietary telephone transaction oriented interpreter.

Russell T. Alba

A co-founder of the Company, Mr. Alba serves as Senior Vice President/Business Development and Chief Legal Officer. He was a partner in the law firm of Foley & Lardner from 1994 to 1998 and an associate in the law firm of Annis, Mitchell, Cockey, Edwards & Roehn from 1992 to 1994.



DEPOSIT DATE
D777 - MAY 18 1998

May 15, 1998

210 N. Park Ave.
Winter Park, FL
32789

OVERNIGHT

P.O. Drawer 200
Winter Park, FL
32790-0200

Mr. Walter D'Haeseleer, Director Communications
Florida Public Service Commission
Division of Communication
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Room 270
Tallahassee, FL 32399-0850

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

RE: Initial Application and Tariff of Z-Tel Communications Inc., d/b/a Z-Tel Communications of Delaware, Inc., for Authority to Provide Interexchange Telecommunications Services within the State of Florida.

Dear Mr. D'Haeseleer:

Enclosed for filing are the original and six (6) copies of the above-referenced application of Z-Tel Communications of Delaware, Inc. Also enclosed is a \$250 check to cover the filing fee.

Please acknowledge receipt of this filing by returning, filed stamped, the extra copy of this letter in the self-addressed stamped envelope.

I may be reached at (407) 740-8575 with any questions, comments or correspondence regarding this application. Thank you for your assistance.

Sincerely,

TECHNOLOGIES MANAGEMENT, INC.
P.O. BOX 200
210 N. PARK AVE.
WINTER PARK, FL 32789-0200
(407) 740-8575

BARNETT BANK, N.A.
WINTER PARK, FL 32789

19727

5/15/98

PAY TO THE ORDER OF Florida Public Service Commission

\$ 250.00

Two Hundred Fifty and 00/100.....

Florida Public Service Commission
Records & Reporting
2540 Shumard Oaks Blvd.
Tallahassee, FL 32302-1500

DOLLARS
Security Features
Included
Details on back

TECHNOLOGIES MANAGEMENT, INC.

MEMO Florida Public Service Commission