



TELECARD REGULATORY SERVICES
JERRY W. HENDRICKS

May 22, 1998

DEPOSIT DATE
D781 **MAY 27 1998**

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, FL 32399-0850

980691-TX

RE: Application of A C S TEL COM, INC for Public Convenience and Necessity

Dear Division of Administration:

Enclosed, please find an original and 6 copies of the application and tariff of A C S TEL COM, INC to Resell Telecommunications Services throughout the state of along with a check in the sum of 250.00.

I am also enclosing an additional copy of this letter to be stamped as filed and returned to this office.

If there are any questions or comments concerning this application, please don't hesitate to contact me.

Sincerely,

Jerry W. Hendricks
Consultant

enclosures

RECEIVED
STATE OF FLORIDA
PUBLIC SERVICE COMMISSION
98 MAY 27 AM 7:59
MAIL ROOM

Suite 23
11655 SW Allen Blvd.
Beaverton, Oregon 97005-4849

DOCUMENT NUMBER-DATE

05760 MAY 27

Telephone: (503) 641-5169
FAX: (503) 643-1572

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

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

FORM PSC/CMU 31 (11/95)

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

-2-

DOCUMENT NUMBER-DATE

05760 MAY 27 88

FPSO-RECORDS/REPORTING

(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 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: F97000006223

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

526 E. Park Avenue, Tallahassee, FL 32301

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

Fictitious name registration number: _____

- (c) 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.

(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 company, give reason why not.

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

- (a) **The application;**
Jerry W. Hendricks, Regulatory Consultant
11655 SW Allen Blvd., #23, Beaverton, OR 97005
- (b) **Official Point of Contact for the ongoing operations of the company;**
Chander Khurana, President
100 Merrick Road, Suite 116W, Rockville Centre, NY 11570
- (c) **Tariff;**
Jerry W. Hendricks, Regulatory Consultant
11655 SW Allen Blvd., #23, Beaverton, OR 97005
- (d) **Complaints/Inquiries from customers;**
Chander Khurana, President
100 Merrick Road, Suite 116W, Rockville Centre, NY 11570

11. List the states in which the applicant:

- (a) Has operated as an interexchange carrier.
- (b) Has applications pending to be certificated as an interexchange carrier. Utah, West Virginia, Georgia, Alabama, California, Nevada, New Mexico, Oklahoma, Washington, Idaho, Nebraska, Pennsylvania, Rhode Island, South Carolina, Ohio
- (c) Is certificated to operate as an interexchange carrier.
- (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 company or other telecommunications entity, and the circumstances involved.
None

FORM PSC/CMU 31 (11/95)

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

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

- Facilities. Operattors.
 Billing and Collection. Salles.
 Maintenance.
 Other: _____

13. Do you have a marketing program?

14. Will your marketing program:

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

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

16. Who will receive the bills for your servvice (Check all that apply)?

- Residential customers. Business customers.
 PATS providers. PATS station end-users.
 Hotels & motels. Hotel & moteel guests.
 Universities. Univ. dormittory residents.
 Other: (specify)_____.

17. Please provide the following (if appliccable):

- (a) Will the name of your company appear on the bill for your services, and if not who will the billed party contact to askk questions about the bill (provide name annd phone number) and how is this informaation provided?
- (b) Name and address of the firm wwho will bill for your service.

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.

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.

\ C. Technical capability.

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).

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 mbs., 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 to 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).

22. Other:

**** APPLICANT ACKNOWLEDGEMENT 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.
6. **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:

Chander Khurana
Signature

Date

Chander Khurana

President

Title

(516) 255-9700

Telephone No.

FORM PSC/CMU 31 (11/95)

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

**** APPENDIX B ****

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

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

- () 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:

Chander Khurana
Signature

Date

Chander Khurana

President
Title

(516) 255-9700
Telephone No.

ACS INTERNATIONAL LTD.

FINANCIAL STATEMENTS

CANALE & TELLEKAMP
CERTIFIED PUBLIC ACCOUNTANTS
140 SOUTH OCEAN AVENUE
FREEPORT NEW YORK 11820

Canale & Tellekamp
CERTIFIED PUBLIC ACCOUNTANTS
140 SOUTH OCEAN AVENUE
FREEPORT, NEW YORK 11520

PHONE 888-1200

THOMAS J. CANALE, C.P.A.
JONATHAN E. TELLEKAMP, C.P.A.

October 28, 1997

ACS Telcom, Inc.
100 W. Merrick Road
Rockville Centre, New York 11570

Gentlemen:

The accompanying balance sheet of ACS Telcom, Inc. as of September 30, 1997 and the related statement of income for the period then ended, have been compiled by us.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows, required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Very truly yours,



CANALE & TELLEKAMP
Certified Public Accountants

ACS TELCOM, INC.
BALANCE SHEET
September 30, 1997

ASSETS

Current Assets:		
Cash - checking	\$213,757	
Cash - M/M	50,771	
Accounts receivable	<u>91,378</u>	
Total Current Assets		8355,906
Fixed Assets:		
Equipment		43,730
Other Assets:		
Rental deposit		<u>1,720</u>
TOTAL ASSETS		<u>8401,356</u>

LIABILITIES & STOCKHOLDERS' EQUITY

Current Liabilities:		
Unexpired telephone cards		\$ 41,400
Other Liabilities:		
Stockholders' loan		82,450
Stockholders' Equity:		
Capital stock	\$ 10,000	
Retained Earnings	<u>167,506</u>	
Total Stockholders' Equity		<u>277,506</u>
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY		<u>8401,356</u>

Prepared Subject to Accompanying Letter.

ACS TELCOM, INC.
INCOME STATEMENT
For the Nine Months Ended September 30, 1997

Sales		\$2,352,254
Expenses:		
Purchases	\$2,023,198	
Office expenses	6,629	
Insurance	3,218	
Rent	12,010	
Telephone	5,171	
Bank charges	6,424	
Advertising	27,652	
Permits and fees	446	
Total Expensed		<u>2,084,748</u>
Current Net Income		<u>\$ 267,506</u>

Prepared Subject to Accompanying Letter.



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

FILE

November 25, 1997

REBECCA SCRIBNER
TELECARD REGULATORY SERVICES
11655 SW ALLEN BLVD #23
BEAVERTON, OR 97005

Qualification documents for A C S TEL COM INC were filed on November 24, 1997 and assigned document number F97000006223. 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.

The certification you requested is enclosed.

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.

Michael Mays
Document Specialist
Division of Corporations

Letter Number: 997A00056240

The A C S TEL COM executives bring to the organization extensive technical and managerial experience, which A C S TEL COM will draw on in its day-to-day operations. The combined telecommunications experience of A C S TEL COM INC.'s, management team will enable A C S TEL COM to provide reliable, quality service to its customers. For technical expertise in the operation and management of the actual telecommunications services, ACS will rely upon Universal Communications Network, Inc., a California corporation.

Chander Khurana

Mr. Khurana entered the telecommunications industry in the areas of management, sales and marketing for the current company. Prior to entry into the telecommunications field, he served a private corporation, ACS International, as owner, coordinating business-planning efforts for five strategic business units to ensure consistency of assumptions and standardization of financial computing. Managed company and produced new sales and oversees business. Prior to ACS, he managed a corporation engaged in the sales of electronics and health equipment. He also has experience as a manager for Niba Corp. managing various divisions engaged in electronics, toys and telephone sales.

Sanjay Khurana

Sanjay Khurana was a co-owner with his brother in ACS TEL COM INC, as well as ACS International, and ACS. During the operation of these businesses, Sanjay Khurana proved a solid manager, and the producer of substantial revenues. Prior to ACS, he formed and operated a corporation, RCN, Corp. where he was accountable for optimizing service, technologies and cost within the guidelines of incentive regulation. In

addition, he was responsible for achieving safety, quality, budget conformance and efficiency.

Canale & Tellekamp

Canale & Tellekamp are Certified Public Accountants located in Freeport, New York. They have been retained by ACS to provide accounting services, and to provide timely and accurate accounting information.

A C S TEL COM INC
100 Merrick Road, Suite 116W
Rockville Centre, NY 11570

Florida P.S.C. Tariff No. 1
Original Florida Sheet 1

A C S TEL COM INC

100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

STATE OF FLORIDA

TITLE SHEET

LONG DISTANCE TELECOMMUNICATIONS SERVICES

This tariff applies to the Long Distance Telecommunications services furnished by A C S TEL COM INC between one or more points in 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:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

CHECK SHEET

The sheets of this tariff 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 tariff and are currently in effect as of the date on the bottom of this page.

SHEET	REVISION	SHEET	REVISION
<u>Sheet</u>	<u>Revision</u>	<u>Sheet</u>	<u>Revision</u>
1	Original	19	Original
2	Original	20	Original
3	Original	21	Original
4	Original	22	Original
5	Original	23	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		

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

TABLE OF CONTENTS

Title Sheet	1
Check Sheet.....	2
Table of Contents	3
Symbols.....	5
Tariff Format.....	6
Section 1. Technical Terms and Abbreviations	7
Access Line	7
Account Number.....	7
A C S TEL COM INC and A C S.....	7
A C S Phone Card	7
Common Carrier	7
Credit Card Calls	7
FPSC.....	7
Local Access and Transport Area (LATA).....	7
Measured Charge.....	7
Prepaid Card Calls	8
Postpaid Card Service.....	8
Subscriber	8
Telecommunications.....	8
Section 2. Rules and Regulations	9
2.1 Terms of Tariff	9
2.2 Use of Services	10
2.3 Liability of Telecard Services International.....	11
2.4 Responsibilities of Subscriber	13
2.5 Cancellation or Interruption of Services.....	14
2.6 Billing Arrangements	15
2.7 Validation of Credit	15
2.8 Contested Charges	16
2.9 Taxes.....	17
2.10 Deposits	17
2.11 Directory Assistance.....	17
Section 3. Description of Service.....	18

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

3.1 General Description of Services	18
3.2 Prepaid Phone Card Service	18
3.3 Postpaid Card Service.....	18
3.4 Calculation of Usage Rates	18
3.5 Minimum Call Completion Rate	19
3.6 Service Offerings.....	19
A C S Prepaid Phone Card Service	19
A C S Postpaid Card Service	20
Section 4 Rates and Charges	21
4.1 Phone Card Rates	21
4.2 Charges Computation	21
4.3 Rate Schedules	22
4.3.1 Postpaid Card Service.....	22
4.3.2 Prepaid Card Service	23

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Effective:

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A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

A C S TEL COM INC
100 Merrick Road, Suite 116W
Rockville Centre, NY 11570

Florida P.S.C. Tariff No. 1
Original Florida Sheet 5

SYMBOLS

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

- C - Changed condition or regulation
- D - Delete or Discontinue
- I - Change Resulting In An Increase in Rates
- K - Material has been moved to another tariff location
- M - Material has been moved from another tariff location
- N - New rate, regulation or condition
- O - No change
- R - Change Resulting In A Reduction in Rates
- T - Change In Text or Regulation But No Change In Rate or Charge

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

TARIFF FORMAT

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

B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Florida Public Service Commission ("FPSC"). For example, the 2nd revised Sheet 10 cancels the 1st revised Sheet 10. Because of various suspension periods, deferrals and other delays which may occur before the FPSC as it follows the normal tariff approval process, the most current sheet number on file with the Commission is not always the tariff pages in effect.

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

2.
2.1.
2.1.1.A.
2.1.1.A.1.

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

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

SECTION 1. TECHNICAL TERMS AND ABBREVIATIONS

Access Line- An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a subscriber's location to A C S's location or switching center.

Account Number - A numerical code, one or more of which may be assigned to a subscriber, to enable A C S to identify the service user so it may rate and process the call.

A C S TEL COM INC. - The term "ACS TEL COM INC or A C S" shall mean A C S TEL COM INC

A C S Phone Card - A credit or debit calling card issued by Carrier which allows Subscribers and/or Users to make telephone calls and charge the calls to a credit or debit account. Calls charged to an A C S-issued credit card will appear on the Subscriber's regular monthly bill. Calls charged to an A C S-issued debit travel card will be charged against the debit account.

Common Carrier - A company or entity providing telecommunications services to the public.

Credit Card Calls - Calls for which charges are billed not to the originating telephone number, but to a credit card, such as VISA, MasterCard, or American Express.

FPSC - Used throughout this tariff to mean the Florida Utilities and Transportation Commission.

Local Access and Transport Area (LATA) - The term "Local Access Transport Area" denotes a geographical area within which a local exchange company provides communications services.

Measured Charge - A charge assessed on a per minute basis in calculating the charges due for a completed call.

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

SECTION 1. TECHNICAL TERMS AND ABBREVIATIONS (Cont'd)

Prepaid Card Calls - A prepaid, or debit calling card issued by A C S which allows Subscribers and/or Users to make telephonic calls and charge the calls to or against the debit account of that card. Charges for calls on this card are billed not to the originating telephone number but are deducted from the remaining prepaid value of the debit card. Company debit, or prepaid card calls do not result in a bill being sent to the subscriber.

Postpaid Card Service - A travel card service to which users may subscribe. Payment for charges to such card are made either through Local Exchange Carrier billing, or through charges to a valid credit card. A customer who elects to use this service will pay the tariffed rates for calls charged to the card. Charges for such calls appear on the Subscriber's LEC billing or on the Subscriber's credit card monthly billing statement.

Subscriber/User - The person or legal entity which enters into arrangements for A C S's telecommunications services and is responsible for payment of A C S's services and/or the party utilizing the services of A C S and responsible for the payment of charges.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the service, the transmission of data, facsimile, signaling, metering, or other similar communications.

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

SECTION 2. RULES AND REGULATIONS

2.1 Terms of Tariff

- 2.1.1 This tariff contains the regulations and rates applicable to intrastate resale telecommunications services provided by A C S for telecommunications between points within the State of Florida. A C S's services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff.
- 2.1.2 The services of A C S are not part of a joint undertaking with any other entity providing telecommunications channels, facilities or services, but do involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers who may be subject to the jurisdiction of this commission.
- 2.1.3 The rates and regulations contained in this tariff apply only to the services furnished by A C S and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carrier for use in accessing the services of A C S.
- 2.1.4 The services of A C S are furnished to purchasers of A C S Phone cards. The purchase of a card makes available to the purchasing subscriber A C S's nationwide services, including the intrastate services offered under the terms and conditions of this tariff.

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

SECTION 2. RULES AND REGULATIONS (Cont'd)

2.2 Use of Services

- 2.2.1 A C S's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services.
- 2.2.2 The use of A C S's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another, or in such a way as to unreasonably interfere with use by others, is prohibited.
- 2.2.3 The use of A C S's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, false calling or credit cards or false A C S Phone Cards or false numbers of such cards, is prohibited.
- 2.2.4 A C S's services are available for use twenty-four hours per day, seven days per week.
- 2.2.5 A C S does not transmit messages pursuant to this tariff, but its services may be used for that purpose.
- 2.2.6 A C S's services may be denied for nonpayment of charges or for other violations of this tariff.

Issued:

Effective:

Issued By: Chandler Khuraana, President
A C S TEL COM INC.
100 Merrick Rd., Suite 116W
Rockville Centre, NY 11570

SECTION 2. RULES AND REGULATIONS (Cont'd)

2.3 Liability of A C S

- 2.3.1 A C S shall not be liable for loss or damage sustained by reason of any failure in or breakdown of facilities associated with A C S's services or for any interruption or delay of services, whatever shall be the cause of such failure, breakdown, or interruption, and whether negligent or otherwise, and however long it shall last. In no event shall A C S's liability for any service exceed the charges applicable under this tariff to such service.
- 2.3.2 A C S shall be indemnified and saved harmless by any subscriber, user or by any other entity against claims for libel, slander or the infringement of copyright arising from the material transmitted over its services; and against all other claims arising out of any act or omission of a subscriber or of any other entity in connection with the services provided by A C S
- 2.3.3 A C S is not liable for any act or omission of any entity furnishing facilities or services connected with or provided in conjunction with the services of A C S.
- 2.3.4 A C S shall not be liable for any personal injury, or death of any person or persons, nor for any loss or damage sustained by reason of acts, mistakes, omissions, errors or defects in providing its services, whatever shall be the cause, and whether negligent or otherwise.

Issued:

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SECTION 2. RULES AND REGULATIONS (Cont'd)

- 2.3.5 A C S shall not be liable for and shall be indemnified and saved harmless by any subscriber, user or other entity from any and all loss, claims, demands, suits, or other action or any liability whatever, whether suffered, made, instituted, or asserted by any subscriber, user or any other entity or any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any subscriber, user or any other entity of any other property whether owned or controlled by the subscriber, user or others, caused or claimed to have been caused, directly or indirectly, by any act or omission of the subscriber, user or others or by any installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of services, facilities or equipment provided by A C S which is not the direct result of A C S's negligence. No agents or employees of any other entity shall be deemed to be the agents or employees of A C S
- 2.3.6 A C S shall not be liable for any failure of performance due to causes beyond its control, including, without being limited to, acts of God, fires, floods or other catastrophes, national emergencies, insurrections, riots or wars, strikes, lockouts, work stoppage or other labor difficulties, acts or omissions of other carriers, and any law, order, regulation or other action of any governing authority or agency thereof.

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SECTION 2. RULES AND REGULATIONS (Cont'd)

2.4 Responsibilities of the Subscriber

- 2.4.1 The subscriber is responsible for payment for use of A C S Phone Cards and for complying with tariff regulations. The subscriber is also responsible for the payment of charges for calls which the subscriber elects to continue following notification that the prepaid amount on the A C S calling card then in use has been fully used.
- 2.4.2 The subscriber must pay A C S for replacement or repair of damage to the equipment or facilities of A C S caused by negligence or willful act of the subscriber or others, by improper use of the services, or by use of equipment provided by the subscriber or others.
- 2.4.3 The subscriber is responsible for compliance with the applicable regulations set forth in this tariff.
- 2.4.4 The subscriber is responsible for establishing its identity as often as necessary during the course of a call.
- 2.4.5 The subscriber is responsible for identifying the station, party, or person with whom communication is desired and/or made at the called number.

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SECTION 2. RULES AND REGULATIONS (Cont'd)

2.5 Cancellation or Interruption of Services

2.5.1 Without incurring liability, A C S may immediately discontinue services to a subscriber or may withhold the provision of ordered or contracted services:

- (A) For nonpayment of any sum due A C S for the use of A C S Phone Cards, or for nonpayment of any sum due A C S following full use of the prepaid amount on an A C S calling card.
- (B) For violation of any of the provisions of this tariff,
- (C) For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over A C S's services, or
- (D) By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting A C S from furnishing its services.

2.5.2 Without incurring liability, A C S may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of A C S's equipment and facilities and may continue such interruption until any items of non-compliance or improper equipment operation so identified are rectified.

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SECTION 2. RULES AND REGULATIONS (Cont'd)

- 2.5.3 Service may be discontinued by A C S, without notice to the subscriber, by blocking traffic to certain countries, cities, or exchanges, or by blocking calls using certain customer authorization code, when A C S deems it necessary to take such action to prevent unlawful use of its service. A C S will restore service as soon as it can be provided without undue risk, and will, upon request by the customer affected, assign a new account number to replace the one that has been deactivated.
- 2.6 **Billing Arrangements**
- 2.6.1 **A C S Card Calls:** Charges for calls of this type will be prepaid upon purchase by the subscriber of a A C S Phone Card. A C S customer service agents will have itemized call detail information on-line in order to answer customers' questions. Upon verification that the caller is an A C S customer, written itemization of charges can be obtained from customer service.
- 2.6.2 **Credit Card Call:** Itemization of charges posted to credit cards will be included on the subscriber's regular monthly statement from the card-issuing company.
- 2.7 **Validation of Credit** A C S reserves the right to validate the credit worthiness of users through available verification procedures. Where a requested billing method cannot be validated, the user may be required to provide an acceptable alternate billing method or A C S may refuse to place the call.

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SECTION 2. RULES AND REGULATIONS (Cont'd)

- 2.8 **Contested Charges:** All bills are presumed accurate, and shall be absolutely binding on the Subscriber unless objection is received by A C S within thirty (30) days after such bills are rendered. In the case of a billing dispute between the Subscriber and A C S for service furnished to the Subscriber, A C S's Customer Service may be reached at 1-800-326-6064, 24 hours per day, or the subscriber may contact A C S at the following address:

A C S TEL COM INC
100 Merrick Rd., Suite 116W
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If such dispute cannot be settled to the satisfaction of the subscriber, the Subscriber may take the following course of action within thirty (30) days of the billing date:

- 2.8.1 First, the Subscriber may request, and Carrier will provide, an in-depth review of the disputed amount. The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnect.

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SECTION 2. RULES AND REGULATIONS (Cont'd)

2.8.2 If a user is not satisfied with A C S's resolution of a disputed charge, the user may contact the Florida PSC at the following address:

Florida Public Service Commission
101 Gains St.
Tallahassee, FL 32399-0850

904-413-6600 X 349

2.9 Taxes: All federal, state and local taxes (e.g., excise tax, gross receipts tax, sales tax, municipal utilities tax) are calculated at the time of each call and included in the amount deducted for each call. Taxes are not in postpaid service, but are included in the prepaid card service.

2.10 Deposits: A C S does not require a deposit from the Subscriber.

2.11 Directory Assistance: A C S does not provide Directory Assistance.

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SECTION 3. DESCRIPTION OF SERVICE

- 3.1 General Description of Services: A C S provides interexchange telecommunications services, including switched access long distance communications service. Calls are rated based on the duration of the call.
- 3.2 Prepaid Phone Card Service: Prepaid Phone Card Service is a product that is neither time of day nor distance sensitive while calling within the United States, that provides prepaid calling card service (see "Service Offerings" below).
- 3.3 Postpaid Card Service. A travel card service in which users may subscribe. Payment for charges to such card are made at the time of billing, after the service has been rendered. A customer who elects to use this service will pay the tariffed rates for calls charged to the card. Charges for such calls appear on the Subscriber's regular monthly bill.
- 3.4 Calculation of Usage Rates: Billing for calls placed over the A C S network is based on the distance and duration of the call. Billing is in one minute increments. Calls are rounded up to the next minute. Timing of each call begins as specified below, and ends when either the calling party or the called party hangs up.
- 3.4.1 Timing begins when the called station is answered, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. A C S will not bill for uncompleted calls.

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SECTION 3. DESCRIPTION OF SERVICE(Cont'd)

3.5 Minimum Call Completion Rate A customer can expect a call completion rate of not less than 99% during peak use periods for all FG D services ("1+" dialing). Under normal circumstances, the call completion rate should be no less than 99%.

3.6 Service Offerings

3.6.1 A C S Prepaid Phone Card Service. This service permits use of a prepaid A C S Phone Card for placing long distance calls. Users may purchase A C S cards at a variety of retail outlets or through other distribution channels.

3.6.1.A A C S Phone Cards are available at a face value ranging from \$5.00, \$10.00, \$25.00, \$50.00 to \$100.00. A call is placed by dialing an 800 number to obtain access to A C S's network. The caller is prompted by an automated voice response system to enter his/her account number, and then to enter the terminating telephone number.

3.6.1.B A C S's processor tracks the call duration and destination for rating purposes on a real time basis. The total price of each call, including applicable taxes, is deducted from the prepaid amount on the caller's A C S card. Should the balance on the card approach zero, the caller is so advised, and, if desired, the caller may enter a valid account number on a separate A C S card or may enter a valid commercial credit card number to continue

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SECTION 3. DESCRIPTION OF SERVICE(Cont'd)

the call. Callers may also add value to a A C S card by arranging to charge a credit card on a regular basis.

3.6.1.C Special features are available for use with the A C S card. These features include speed calling capability for two digit dialing of up to ten numbers. In addition, multiple calls can be made without re-dialing an access number or account number.

3.6.1.D A C S offers universal origination from anywhere in the United States, and termination both domestically and internationally. Availability of termination may be limited by A C S's operating authority limits, or by service availability for international direct dialing.

3.6.2 A C S Postpaid Card Service. A travel card service to which users may subscribe. Charges to such card are either paid through LEC billing, or through charges to a valid credit card, which would be paid under the terms of the billing statement rendered by the credit card company. A customer who elects to use this service will pay the tariffed rates for calls charged to the card. Charges for such calls appear on the Subscriber's regular monthly bill.

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SECTION 4. RATES AND CHARGES

4.1 A C S Phone Card Rates

4.1.1 A C S will enter agreements with retailers or other distributors of the A C S card to discount the price of cards purchased by a particular retailer or other distributor in order to induce the distributor to offer the cards to end users. These distribution arrangements will not affect the rates charged to end users of the cards.

4.1.2 A C S may enter special arrangements with certain customers who purchase cards in volume directly from A C S. The discount will consist of reductions of price for the denomination of card or cards being purchased.

4.2 Charges Computation

4.2.1 Calls processed by A C S are rated and charged in increments of one minute.

4.2.2 Chargeable time begins when the called party answers and a connection has been established. Chargeable time ends when either party "hangs up" thereby releasing the network connection. Calls are measured and billed in one minute increments; fractional minutes of use are rounded up to the next full minute. Calls beginning in one rate period and ending in another will be billed at the rate applicable to at the beginning of the call. Consumers using A C S services will not be charged for unanswered or uncompleted calls.

4.2.3 All prepaid calling cards expire six (6) months after the date of first use, without further use, or after the date of last use.

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Florida P.S.C. Tariff No. 1
Original Florida Sheet 22

SECTION 4. RATES AND CHARGES (Cont'd)

4.3 Rate Schedules

4.3.1: Postpaid Card Service: Postpaid travel card service is available to Subscribers of A C S's long distance services. Customers will reach A C S's network via a toll free number. A customer who elects to use this service will pay the tariffed rates for calls charged to the card. Charges for such calls will be billed monthly on the Subscriber's Visa, MasterCard, American Express or Discover credit card. Card calls are billed in one minute initial and additional increments.

Per Minute Rate:	\$0.50
Per Call Surcharge:	\$0.39
Annual access fee:	\$12.00

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SECTION 4. RATES AND CHARGES (Cont'd)

4.3.2 Prepaid Card Service: Prepaid card service is a prepaid long distance calling card service under which Users purchase cards in predetermined amounts for long distance usage. As Users access the service their usage and required taxes are automatically deducted from the remaining card balance. Prepaid card calls are billed in one minute initial and additional increments.

For calls placed anywhere in the United States, the following rates apply:

Per Minute Rates:

	<u>Face</u>	<u>Rate</u>
Card cost	\$100.00 or more	\$0.18
Card cost	Less than \$100	\$0.50

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TELECARD REGULATORY SERVICES
JERRY W. HENDRICKS

May 22, 1998

DEPOSIT DATE
D781 **MAY 27 1998**

980691-

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, FL 32399-0850

RE: Application of A C S TEL COM, INC for Public Convenience and Necessity

Dear Division of Administration:

Enclosed, please find an original and 6 copies of the application and tariff of A C S TEL COM, INC to Resell Telecommunications Services throughout the state of along with a check in the sum of 250.00.

I am also enclosing an additional copy of this letter to be stamped as filed and returned to this office.

If there are any questions or comments concerning this application, please don't hesitate to contact me.

Sincerely,

Jerry W. Hendricks
Consultant

enclosures

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION
98 MAY 27 AM 7:59
MAIL ROOM

TELECARD REGULATORY SERVICES		1092
COST ACCOUNT		
11655 SW ALLEN BLVD. 23		
BEAVERTON, OR 97005		DATE <u>5-22-98</u>
PAY TO THE ORDER OF	<u>Florida PSC</u>	\$ <u>250.00</u>
<u>Two Hundred Fifty and no/100</u>		DOLLARS
U.S. BANK 1-800-US BANKS		
UNITED STATES NATIONAL BANK OF OREGON		
MEMO		

MEMO (503) 643-5169 - DATE
EX: (503) 643-1572
05760 MAY 27 98
FPSC-RECORDS/REPORTING