

Communitel

"Telecommunications is Our Business"

ORIGINAL

980745-TI

June 11, 1998

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

Dear F.P.S.C. Staff Members:

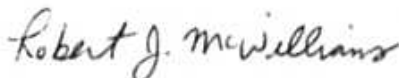
We are pleased to submit for Commission approval, Communitel's application form for Authority to Provide Interexchange Telecommunications Service within the State of Florida.

- one (1) original is included.
- six (6) copies are included.

Should you need any additional information regarding our company do not hesitate to contact me at 800/938-4146.

Thank you.

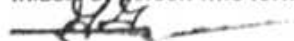
Sincerely,



Robert J. McWilliams
President

Check received with filing and forwarded to Fiscal for deposit. Fiscal will forward a copy of check to F&T with proof of deposit.

Initials of person who forwarded check:



RECEIVED
F.P.S.C. DIVISION OF ADMINISTRATION
JUN 15 AM 10:55
MAIL ROOM

DOCUMENT NUMBER - DATE

**** 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 Blvd., Gerald Gunter Building
Tallahassee, Florida 32399-0850
(850) 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., Gerald Gunter Building
Tallahassee, Florida 32399-0850
(850) 413-6251

Robert J. McWilliams
President

communitel

11890 S.W. 8 Street, Suite 212
Miami, Florida 33164
Phone: (305) 220-6966
Fax: (305) 220-6922
1-800-938-4146

"Telecommunications is Our Business"

DOCUMENT NUMBER - DATE

06271 JUN 15 88

FILED RECORDS/REPORTING

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.

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 (check one):

Original Authority (New company).

Approval of Transfer (To another certificated company).

Approval of Assignment of existing certificate (To an uncertificated company).

Approval for transfer of control (To another certificated company).

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

Communitel, Incorporated

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

N/A

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

11890 S.W. 8th Street, Suite 212
Miami, Florida 33186

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

11890 S.W. 8th Street, Suite 212
Miami, Florida 33184

7. Structure of organization; check which applies.

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

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

- (a) Provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

N/A

- (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.

N/A

(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.

N/A

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: P95000022720

P95000032720

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

ROBERT J. MCWILLIAMS
COMMUNTEL, INC.
11890 S.W. 8TH STREET, SUITE 212
MIAMI, FLORIDA 33184

- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable. N/A (Communitel does not employ a fictitious name.)

Fictitious name registration number: N/A

- (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.

(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.

No.

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

(a) The application;

Albert J. Argenti, Director of Regulatory Affairs
Communitel, Inc.
11890 S.W. 8th Street, Suite 212
Miami, Florida 33186

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

Same as (a) above.

(c) Tariff;

Same as (a) above.

(d) Complaints/Inquiries from customers;

Ms. Barbara Ponn, Manager, Customer Service
Communitel, Inc.
11890 S.W. 8th Street, Suite 212
Miami, Florida 33186

11. List the states in which the applicant:

(a) Has operated as an interexchange carrier.

None.

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

None.

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

None.

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

No.

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

No.

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

No.

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

- Facilities. Operators.
 Billing and Collection. Sales.
 Maintenance.
 Other: _____

13. Do you have a marketing program?

Yes.

14. Will your marketing program:

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

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

Communitel will offer its direct and indirect sales force a commission based on the customer's pre-taxable monthly account statement. This amount will be determined as a fixed percentage of the customer's monthly statement.

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 checked="" type="checkbox"/> Hotels & motels. | <input type="checkbox"/> Hotel & motel guests. |
| <input checked="" type="checkbox"/> Universities. | <input type="checkbox"/> Univ. dormitory residents. |
| <input type="checkbox"/> Other: (specify) _____. | |

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?

Communitel's name and logo will appear on the monthly bill for services rendered, and a toll-free number for customer inquiries will be provided and displayed prominently.

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

Intercontinental Communications, Group, Inc.
1801 S. Federal Highway, Suite 305
Delray Beach, FL 33482

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 A —

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. *See Attachment B*

2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.

See Attachment B

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

See Attachment B

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 D*

C. Technical capability. *Not applicable. The company will not own or operate any network transmission or switching facilities.*

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).

Please see attached tariff (*Attachment E*).

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).

0+ or 0- for operator-assisted services. Directory assistance is provided by dialing 1+ area code + 505-1212.

22. Other:

Prepaid phone card services.

**** 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:

Robert J. McWilliam
Signature

6/8/98
Date

PRESIDENT
Title

305-220-6966
Telephone No.

**** 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):



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:

Robert J. McWilliams
Signature

6/8/98
Date

ROBERT J. McWILLIAMS

PRESIDENT

305/220-6966

Title

Telephone No.

**** APPENDIX C ****

INTRASTATE NETWORK

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

1) N/A - 2)
Comunitel is registering as a
rebillter.
3) 4)

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

1) N/A 2)
3) 4)

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

	<u>POP-to-POP</u>	<u>TYPE</u>	<u>OWNERSHIP</u>
1)	N/A		
2)			

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).

Every exchange in Florida, including Pensacola, Panama City, Tallahassee, Jacksonville, Gainesville, Ocala, Daytona Beach, Tampa, Clearwater, St. Petersburg, Lakeland, Orlando, Winter Park, Titusville, Cocoa, Melbourne, Sarasota, Ft. Myers, Naples, W. Palm Beach, Ft. Lauderdale, Hollywood, N. Dade + Miami

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). End-user dialed Ot local and all O-calls shall initially be routed to serving LEC. When ~~operator~~ services are provided by Communitel, access to emergency service, busy line verification and emergency interrupt service will be provided at the same level as provided by LEC. End-user dialing patterns will not change for O- and Ot calls.
6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has () or has not (✓) 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 services begin?

N/A

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

N/A

UTILITY OFFICIAL:

Robert J. McWilliams
Signature

6/8/98
Date

PRESIDENT
Title

305/220-6966
Telephone No.

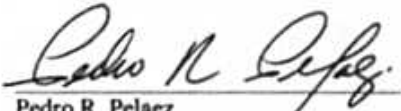
ATTACHMENT A

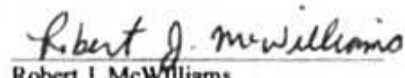
ATTACHMENT A – FINANCIAL CAPABILITY

The accompanying balance sheets of Communitel, Inc. for the previous three (3) years ending December 31, 1997, and the related statement of income and retained earnings have been compiled by:

Suarez, Ceballos & Ortiz, Certified Public Accountants
354 Sevilla Avenue
Coral Gables, Florida 33134

in accordance with standards established by the American Institute of Certified Public Accountants. We as the senior management team of Communitel, Inc. affirm that these financial statements contained in Attachment A herein are true and correct on this day of June 8, 1998.


Pedro R. Pelaez
Chairman and Chief Executive Officer


Robert J. McWilliams
President and Chief Financial Officer

COMMUNITEL, INC.
 STATEMENT OF INCOME
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1995

--- Year to Date ---
Actual Percent

INCOME	\$ 7,567.00	100.0
SALES	<u>7,567.00</u>	<u>100.0</u>
* TOTAL INCOME		
COST OF SALES	4,918.55	65.0
PHONE CARDS	2,200.05	29.1
DCAD FEES	<u>7,118.60</u>	<u>94.1</u>
* TOTAL COST OF SALES		
* GROSS PROFIT	448.40	5.9
GENERAL & ADMINISTRATIVE	200.66	2.7
BANK CHARGES	25.00	0.3
DEPRECIATION	813.75	10.8
INSURANCE	500.00	6.6
TELEPHONE	<u>1,539.41</u>	<u>20.3</u>
* TOTAL GENERAL & ADMINISTRATION		
* RESULTS OF OPERATION	(1,091.01)	(14.4)
* NET INCOME OR LOSS	<u>\$ (1,091.01)</u>	<u>(14.4)</u>

READ ACCOUNTANTS' COMPILATION REPORT

COMMUNITEL, INC.
BALANCE SHEET
DECEMBER 31, 1995

ASSETS

CURRENT ASSETS			
CASH	\$	11,487.59	\$ 11,487.59*
TOTAL CURRENT ASSETS			
PROPERTY AND EQUIPMENT			
FURN, FIXT & EQUIP		3,000.00	
ACCUMULATED DEPRECIATION		(25.00)	
NET FIXED ASSETS			2,975.00*
TOTAL ASSETS			\$ 14,462.59*

LIABILITIES AND EQUITY

CURRENT LIABILITIES			
ACCOUNTS PAYABLE	\$	6,053.60	\$ 6,053.60*
TOTAL CURRENT LIABILITIES			
LONG TERM LIABILITIES			
SHAREHOLDERS LOANS		8,650.00	8,650.00*
TOTAL LONG TERM LIABILITIES			
EQUITY			
CAPITAL STOCK		850.00	
NET INCOME OR LOSS		(1,091.01)	(241.01)*
TOTAL EQUITY			
TOTAL LIABILITIES AND EQUITY			\$ 14,462.59*

READ ACCOUNTANTS' COMPILATION REPORT

COMMUNITEL, INC.
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1996

	----- Current -----		--- Year to Date ---	
	Actual	Percent	Actual	Percent
	=====		=====	
INCOME				
SALES	\$ 154,735.10	99.4	\$1,313,068.75	99.6
MISCELLANEOUS INCOME	965.68	0.6	5,932.01	0.4
RETURNS & ALLOWANCES			(60.00)	(0.0)
	-----	-----	-----	-----
* TOTAL INCOME	155,700.78	100.0	1,318,940.76	100.0
COST OF SALES				
BEGINNING INVENTORY	274,846.70	176.5		
PHONE CARDS	39,455.95	25.3	1,008,904.30	76.5
DCAD	6,915.00	4.4	80,177.30	6.1
ENDING INVENTORY	(246,633.50)	(158.4)	(246,633.50)	(18.7)
	-----	-----	-----	-----
* TOTAL COST OF SALES	74,584.15	47.9	842,448.10	63.9
	-----	-----	-----	-----
* GROSS PROFIT	81,116.63	52.1	476,492.66	36.1
GENERAL & ADMINISTRATIVE				
ADVERTISING			14,442.11	1.1
AUTOMOBILE	2,676.58	1.7	14,467.73	1.1
BAD DEBTS	187.50	0.1	2,830.72	0.2
BANK CHARGES	20.08	0.0	2,120.00	0.2
COMMISSIONS	5,530.44	3.6	26,706.89	2.0
CHARITABLE CONTRIBUTIONS			670.00	0.1
CONSULTING SERVICES	4,178.00	2.7	22,466.00	1.7
DATA PROCESSING SERVICE	76.11	0.0	592.37	0.0
DEPRECIATION	807.00	0.5	7,954.00	0.6
DUES & PUBLICATIONS	29.00	0.0	1,650.78	0.1
EMPLOYEE BENEFITS	779.30	0.5	3,243.81	0.2
ENTERTAINMENT & MEALS	53.23	0.0	2,317.88	0.2
FREIGHT OUT	51.00	0.0	955.87	0.1
INSURANCE	(168.59)	(0.1)	9,473.18	0.7
INTEREST	397.47	0.3	1,382.61	0.1
LEGAL & ACCOUNTING	643.86	0.4	5,301.36	0.4
MEETINGS & SEMINARS	2,078.04	1.3	6,946.28	0.5
OFFICE SUPPLIES	350.88	0.2	8,282.48	0.6
PARKING & TOLLS	156.65	0.1	1,010.20	0.1
POSTAGE	100.00	0.1	394.60	0.0
PRINTING	482.01	0.3	30,354.56	2.3
RENT - EQUIPMENT	3,594.38	2.3	53,866.90	4.1
RENT - PREMISES	1,500.00	1.0	15,370.95	1.2
REPAIRS & MAINTENANCE	225.00	0.1	785.14	0.1
SALARIES - OFFICERS	12,766.16	8.2	80,727.71	6.1
SALARIES - OTHER	12,046.28	7.7	96,792.29	7.3
SHOWS & EXPOSITIONS			1,450.00	0.1
SUB CONTRACT WORK			5,956.00	0.5
TAXES AND LICENSES			2,309.36	0.2

COMMUNITEL, INC.
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1996

	----- Current -----	Actual Percent	--- Year to Date ---	Actual Percent
	=====	=====	=====	=====
TAX / FICA	1,468.92	0.9	12,824.99	1.0
TAX / UNEMPLOYMENT	295.01	0.2	2,579.33	0.2
TELEPHONE	2,748.17	1.8	20,045.63	1.5
TRAVEL	701.48	0.5	701.48	0.1
	-----	-----	-----	-----
* TOTAL GENERAL & ADMINISTRATIVE	53,773.96	34.5	456,973.21	34.6
	-----	-----	-----	-----
* RESULTS OF OPERATION	27,342.67	17.6	19,519.45	1.5
	-----	-----	-----	-----
OTHER INCOME				
INTEREST	(475.78)	(0.3)	(713.96)	(0.1)
	-----	-----	-----	-----
* TOTAL OTHER INCOME	(475.78)	(0.3)	(713.96)	(0.1)
	-----	-----	-----	-----
OTHER EXPENSES				
POLITICAL CONTRIBUTIONS			5,700.00	0.4
	-----	-----	-----	-----
* TOTAL OTHER EXPENSES	0.00		5,700.00	0.4
	-----	-----	-----	-----
* NET INCOME OR LOSS	\$ 27,818.45	17.9	\$ 14,533.41	1.1
	=====	=====	=====	=====

COMMUNITEL, INC.
BALANCE SHEET
DECEMBER 31, 1996

ASSETS

CURRENT ASSETS			
CASH	\$	55,394.59	
ACCOUNTS RECEIVABLE		12,476.17	
LOANS RECEIVABLE		29,666.28	
INVENTORY		246,633.50	
TOTAL CURRENT ASSETS	\$		344,170.54*
PROPERTY AND EQUIPMENT			
FURN, FIXT & EQUIP		56,590.81	
LEASEHOLD IMPROVEMENTS		5,308.06	
ACCUMULATED DEPRECIATION		(7,979.00)	
NET FIXED ASSETS			53,919.87*
TOTAL ASSETS	\$		398,090.41*

LIABILITIES AND EQUITY

CURRENT LIABILITIES			
ACCOUNTS PAYABLE	\$	336,648.01	
NOTES PAYABLE		47,000.00	
TOTAL CURRENT LIABILITIES	\$		383,648.01*
EQUITY			
CAPITAL STOCK		1,000.00	
RETAINED EARNINGS		(1,091.01)	
NET INCOME OR LOSS		14,533.41	
TOTAL EQUITY			14,442.40*
TOTAL LIABILITIES AND EQUITY	\$		398,090.41*

COMMUNITEL, INC.
 BALANCE SHEET
 SUBSIDIARY SCHEDULE
 DECEMBER 31, 1996

	Current -----	Balance -----
CASH		
ENB - OPERATING	\$ (6,430.67)	\$ (5,882.02)
ENB - ESCROW ACCOUNT	(21,518.25)	54,472.02
ENB - PAYROLL ACCOUNT	4,596.56	6,504.59
PETTY CASH		300.00
TOTAL	\$ (23,352.36)*	\$ 55,394.59*
LOANS RECEIVABLE		
PEDRO PELAEZ	\$ 5,996.22	\$ 29,516.28
MIGUEL GARCIA	(100.00)	150.00
TOTAL	\$ 5,896.22*	\$ 29,666.28*
NOTES PAYABLE		
EASTERN NATIONAL BANK		\$ 47,000.00
TOTAL	\$ 0.00*	\$ 47,000.00*

COMMUNITEL, INC.
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1997

	----- Current -----		--- Year to Date ---	
	Actual	Percent	Actual	Percent
	=====		=====	
INCOME				
SALES	\$ 305,592.90	99.1	\$2,526,725.01	98.8
MISCELLANEOUS INCOME	2,638.58	0.9	30,783.41	1.2
RETURNS & ALLOWANCES			(797.59)	(0.0)
* TOTAL INCOME	308,231.48	100.0	2,556,710.83	100.0
COST OF SALES				
BEGINNING INVENTORY	121,818.75	39.5	246,633.49	9.6
PHONE CARDS	216,254.90	70.2	1,451,211.00	56.8
PCS AIRTIME			18,113.70	0.7
DCAD	19,932.75	6.5	184,006.50	7.2
ENDING INVENTORY	(125,970.00)	(40.9)	(125,969.99)	(4.9)
* TOTAL COST OF SALES	232,036.40	75.3	1,773,994.70	69.4
* GROSS PROFIT	76,195.08	24.7	782,716.13	30.6
GENERAL & ADMINISTRATIVE				
ADVERTISING	12,296.41	4.0	36,371.95	1.4
ALARM SERVICE			201.30	0.0
AUTOMOBILE	1,105.34	0.4	15,814.79	0.6
BAD DEBTS	12,320.10	4.0	13,924.57	0.5
BANK CHARGES	31.09	0.0	233.69	0.0
COMMISSIONS	8,022.28	2.6	64,641.14	2.5
CHARITABLE CONTRIBUTIONS	400.00	0.1	4,605.00	0.2
CONSULTING SERVICES	8,203.48	2.7	45,676.42	1.8
DATA PROCESSING SERVICE	115.16	0.0	2,118.81	0.1
DEPRECIATION	5,816.00	1.9	15,716.00	0.6
DUES & PUBLICATIONS	170.77	0.1	4,977.26	0.2
EMPLOYEE BENEFITS	1,466.27	0.5	8,189.04	0.3
ENTERTAINMENT & MEALS	1,715.02	0.6	7,864.68	0.3
FREIGHT OUT	240.75	0.1	1,574.82	0.1
INSURANCE	376.00	0.1	8,451.15	0.3
INTEREST	438.96	0.1	5,243.81	0.2
LEGAL & ACCOUNTING	300.00	0.1	7,303.95	0.3
MEETINGS & SEMINARS	415.93	0.1	11,025.35	0.4
OFFICE SUPPLIES	1,462.35	0.5	15,472.37	0.6
PARKING & TOLLS	132.00	0.0	1,166.49	0.0
POSTAGE	215.00	0.1	1,134.38	0.0
PRINTING	1,882.51	0.6	11,457.34	0.4
PROFESSIONAL FEES			4,000.00	0.2
RENT - EQUIPMENT	3,594.38	1.2	43,077.57	1.7
RENT - PREMISES	1,833.19	0.6	19,756.40	0.8
REPAIRS & MAINTENANCE	154.24	0.1	3,768.74	0.1
SALARIES - OFFICERS	51,000.00	16.5	252,584.10	9.9
SALARIES - OTHER	13,870.32	4.5	117,141.71	4.6

READ ACCOUNTANTS' COMPILATION REPORT

COMMUNITEL, INC.
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1997

	----- Current ----- Actual Percent		--- Year to Date --- Actual Percent	
	=====		=====	
SUB CONTRACT WORK			4,022.73	0.2
TAXES AND LICENSES			2,521.24	0.1
TAX / FICA	1,438.08	0.5	20,221.90	0.8
TAX / UNEMPLOYMENT	8.96	0.0	2,479.98	0.1
TELEPHONE	3,215.12	1.0	22,944.09	0.9
TRAVEL			1,700.10	0.1
* TOTAL GENERAL & ADMINISTRATIVE	132,239.71	42.9	777,382.87	30.4
* RESULTS OF OPERATION	(56,044.63)	(18.2)	5,333.26	0.2
OTHER INCOME				
INTEREST	(445.87)	(0.1)	(2,295.54)	(0.1)
* TOTAL OTHER INCOME	(445.87)	(0.1)	(2,295.54)	(0.1)
OTHER EXPENSES				
LOSS FROM PRIMECO			2,341.36	0.1
POLITICAL CONTRIBUTIONS	500.00	0.2	5,000.00	0.2
* TOTAL OTHER EXPENSES	500.00	0.2	7,341.36	0.3
* NET INCOME OR LOSS	\$ (56,098.76)	(18.2)	\$ 287.44	0.0
	=====	=====	=====	=====

COMMUNITEL, INC.
BALANCE SHEET
DECEMBER 31, 1997

ASSETS

CURRENT ASSETS

CASH	\$	171,924.25	
ACCOUNTS RECEIVABLE		30,090.75	
LOANS RECEIVABLE		2,843.69	
INVENTORY		125,970.00	
TOTAL CURRENT ASSETS	\$		330,828.69*

PROPERTY AND EQUIPMENT

FURN, FIXT & EQUIP		76,238.57	
LEASEHOLD IMPROVEMENTS		7,308.06	
ACCUMULATED DEPRECIATION		(23,695.00)	
NET FIXED ASSETS			59,851.63*

TOTAL ASSETS	\$		390,680.32*
--------------	----	--	-------------

LIABILITIES AND EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	\$	315,950.48	
ACCRUED EXPENSES		25,000.00	
NOTES PAYABLE		35,000.00	
TOTAL CURRENT LIABILITIES	\$		375,950.48*

EQUITY

CAPITAL STOCK		1,000.00	
RETAINED EARNINGS		13,442.40	
NET INCOME OR LOSS		287.44	
TOTAL EQUITY			14,729.84*

TOTAL LIABILITIES AND EQUITY	\$		390,680.32*
------------------------------	----	--	-------------

ATTACHMENT B

ATTACHMENT B – WRITTEN EXPLANATION OF FINANCIAL CAPABILITY

1. Communitel, Inc. (hereinafter referred to as "Communitel" or "the Company") has sufficient financial capability to provide the requested service in the geographic area proposed to be served. Communitel will not be financially burdened by the cost of establishing its own transmission and switching facilities to provide long distance services in the proposed geographic areas it intends to serve. The Company has reached a strategic network agreement with Intercontinental Communications Group, Inc. ("ICG"), an interexchange carrier certified by the Florida Public Service Commission ("FPSC") headquartered in Delray Beach, Florida, as its underlying facilitator of network transmission and billing services. Communitel has already satisfied any and all financial requirements with ICG to establish network presence in the proposed geographic areas to be served, and stands ready to immediately provide interexchange services upon being granted certification by the FPSC.
2. Communitel also has sufficient financial capability to maintain its ability to provide interexchange services within the state of Florida. As a leading provider of prepaid phone card services in south Florida, the financial statements shown in Attachment A attest to the Company's ability to already maintain a growing business concern that operates in a marketplace characterized by fierce competition. The Company's financial agreement with ICG enables Communitel to operate as an interexchange carrier without any out-of-pocket expense. A significant portion of company expenses will be the payment of commissions to independent sales contractors. The financial obligations of this expense can easily be met by Communitel, as it will disburse commission payments based only upon collected revenue (cash that the Company already has in hand). In addition, Communitel has an open letter of credit with Eastern National Bank in the amount of \$300,000 to support any unforeseen financial hurdles and the expansion of the business (please refer to the bank's endorsement letter re: Communitel in Attachment C).
3. The Company, under the terms and conditions of its agreement with ICG, does not have any lease or ownership obligations to operate as an interexchange carrier within the state of Florida.

ATTACHMENT C

Eastern National Bank

March 28, 1996



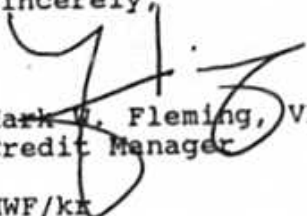
TO WHOM IT MAY CONCERN:

This is to inform you that Communitel, Inc. has maintained a banking relationship with Eastern National Bank since July, 1995. Presently, the company maintains an average depository balance in the medium five figure range. The account has been handled satisfactorily.

In addition Mr. Pedro Pelaez, the Chairman of the Board of Communitel, has also been a customer of the bank since July, 1990. The bank has extended numerous credit facilities that have always been handled in an excellent manner. Mr. Pelaez is a valued customer of our institution.

If you should have any questions, please contact me at (305)460-1835.

Sincerely,


Mark W. Fleming, VP
Credit Manager

MWF/kk

ATTACHMENT D

COMMUNITEL

EXECUTIVE TEAM SUMMARY

The management team at Miami-based **Communitel, Inc.** has more than 50 years of combined experience in providing international telecommunications marketing, distribution and consulting services for many of the largest telephone companies in the United States. Communitel's primary focus is marketing niche telecommunications services to the diverse business and consumer markets of South Florida. Communitel is the leading provider of prepaid telephone card service in the greater Miami metropolitan area and its retail clients include the Miami International Airport, Amoco, Albertson's, Sendano's Supermarkets, Sedano's Pharmacies, Navarro Pharmacies, Fedco, IGA Food and United Airlines. Communitel is also certified to provide local and long distance telephone services throughout the state of Florida and is also engaged in automated teller machine (ATM) retail banking and telecommunications consulting services.

Communitel's executive management team is comprised of:

Pedro R. Pelaez
Chairman & Founder

Mr. Pedro R. Pelaez has served as Communitel's chairman since he founded the company in 1995. Mr. Pelaez has 26 years of successful executive management and entrepreneurial experience, primarily in the construction and real estate development industries. In addition to Communitel, Mr. Pelaez currently owns and serves on the board of directors for Quick Packing, Inc., a firm that provides baggage wrapping and security services; and P.R.P. Construction Co., Inc., a real estate development firm whose projects include the construction of Miami's Federal Law Enforcement Building and a cargo facility at the Miami International Airport. Mr. Pelaez also founded Universal Aviation Services, Inc. in 1991, an aviation operations support and passenger services management company, which he recently sold to Evergreen Services of Portland, Oregon.

Mr. Pelaez has resided in South Florida for 31 years. He emigrated to the United States from Cuba alone at age 13 under the "Peter Pan" program, an effort jointly sponsored by the U.S. Government and the Catholic Church. He lived in foster homes until six years later, when his parents arrived in the United States. "Through hard work, dedication and perseverance, I've made the most of my life in this great country," Mr. Pelaez said. "I'm living the 'American dream'."

Robert J. McWilliams
President & Chief Executive Officer

Mr. Robert J. McWilliams has served as Communitel's president and CEO since the company's inception in 1995. He is responsible for formulating and managing the company's strategic plan as well as overseeing the company's marketing, sales distribution and consulting services. Mr. McWilliams is a 17-year veteran of the telecommunications industry and was most recently with Frontier Communications International, the nation's fifth largest long distance company. There, McWilliams was responsible for retail and promotional applications of the Call Time phone card, including obtaining licensing rights for over 10 entertainment properties including Beverly Hills 90210, Melrose Place, The Simpsons and the X Files. Mr. McWilliams has also held executive marketing positions with Phone One, Inc., U.S. Fiberline Communications, WorldCom and MCI.

Mr. McWilliams has lived in South Florida for more than 13 years. He is a native of Washington D.C. and holds a B.S. in Economics from James Madison University in Harrisonburg, Virginia. He presently serves as fund-raising telecommunications advisor to Anthony Kennedy Shriver's "Best Buddies International" organization, and is a member of the board of directors of the International Telecard Association.

Michael I. Goncher
Vice President, Long Distance Services

Mr. Michael I. Goncher joined Communitel as vice president in 1998 from Superior Telecommunications Consultants, where he served as president. Mr. Goncher oversees the sales activities of Communitel's alternative distribution channels for traditional outbound and inbound long distance services. Mr. Goncher has 13 years of experience in the telecommunications industry including sales management positions with TMC of Southeast Florida and Phone One, Inc. For five consecutive years at TMC, Mr. Goncher was recognized as the company's "Salesperson of the Year" and is the only winner of the Presidential Award.

Mr. Goncher has lived in South Florida for more than 13 years and is a native of New York. Mr. Goncher holds a bachelor's degree in Business Administration from Bernard M. Baruch College (City University of New York) in New York, NY.

Albert J. Argenti
Director of Marketing

Mr. Albert J. Argenti joined Communitel in February of 1998 from WinStar Communications, Inc. (Falls Church, VA) where he served as senior marketing manager for long distance services. Mr. Argenti is responsible for formulating, managing and executing corporate sales and marketing strategies for Communitel including product marketing, pricing, promotions, advertising, public relations and regulatory functions. Mr. Argenti has 16 years of marketing experience in the telecommunications industry and has held management positions with Frontier Communications (Rochester, NY), Lake States Communications (Madison, WI), Voicemail International (Santa Clara, CA) and Worldcom (Boca Raton, FL).

A native of New Jersey, Mr. Argenti has returned to South Florida where he previously resided for 15 years. Mr. Argenti is a veteran of the U.S. Navy where he served with the Naval Security Group as a Cryptologic Technician. Mr. Argenti has published industry articles including *"Voicemail: Are IXCs the Next Postmen?"* (Telephone Engineer and Management magazine, 2/90) and *"A Glossary to Voice Processing Applications"* (Audiotext magazine, 4/89).

Moises Senti
Operations Manager

Mr. Moises Senti joined Communitel in April 1996 and supervises the daily operations of Communitel, including accounts payable and receivable, cash flow control, collections, bank account reconciliation, payroll and inventory control. Prior to joining Communitel, Mr. Senti was the finance manager for B&B Group, Inc., a wholesale cellular telephone distributor.

Mr. Senti has resided in South Florida for 25 years and is a native of New York. He is a graduate of Florida International University where he obtained his bachelor's degree in Business Administration.

ATTACHMENT E

TITLE SHEETFLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Communitel, Inc., with principal offices at 11890 Southwest 8th Street, Suite 212, Miami, Florida 33184. This tariff applies for 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 20, 1998

Effective:

Issued By:

Robert J. McWilliams, President
11890 S.W. 8 Street, Suite 212
Miami, Florida 33184

CHECK SHEET

The sheets listed below, which are inclusive 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 of the bottom of this page.

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

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Table of Contents.....3
Alphabetical Index.....4
Symbols Sheet.....6
Tariff Format Sheets.....7
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Section 2 – Rules and Regulations.....12
Section 3 – Description of Service.....17
Section 4 – Rates.....22

Issued: May 20, 1998

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Calculation of Distance.....	18
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 Robert J. McWilliams, President
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Issued: May 20, 1998

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Miami, Florida 33184

SYMBOLS SHEET

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

D - Delete or Discontinue

I - Change Resulting In An Increase To A Customer's Bill

M - Moved From Another Tariff Location

N - New

R - Change Resulting In A Reduction To A Customer's Bill

T - Change In Text Or Regulation But No Change In Rate Or Charge

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Effective:

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Miami, Florida 33184

TARIFF FORMAT SHEETS

- A. **Sheet Numbering** – Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. **Sheet Revision Numbers** – Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc., the FPSC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.
- C. **Paragraph Numbering Sequence** – There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

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 all 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 this page 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: May 20, 1998

Effective:

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Robert J. McWilliams, President
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Miami, Florida 33184

SECTION 1 – TECHNICAL TERMS AND ABBREVIATIONS**1.1 Definitions:**

Aggregator – Any person or entity that, in the ordinary course of its operations, makes telephones available to the public or to end users of its premises for telephone calls using a provider of operator services.

Application for Service – A standard order form which includes all pertinent billing, technical and other descriptive information which will enable the carrier to provide the communication service as required.

Authorization Code – A numerical code, one or more of which are assigned to a customer to enable Reseller to identify use of service on his account and to bill the customer accordingly for such service. Multiple authorization codes may be assigned to a customer to identify individual users or groups of users on his account.

Authorized User – A person, firm, corporation or other entity authorized by the customer to send or receive communications.

Automatic Dialing Service – A device provided by the carrier which, when attached to customer's telephone equipment, dials the carrier's facilities, emits an authorization code, and forwards the number which the customer is calling to the carrier's facilities.

Available Usage Balance – The amount of usage remaining on a prepaid account at any particular point in time. Each prepaid account has an Initial Account Balance which is stated in either U.S. dollars, call units or minutes remaining, depending upon the type of service provided. The Available Balance is depleted as services provided by the Company are utilized by the Customer.

Calling Card Call – A call billed to a card number issued by a Local Exchange Company (LEC).

Cancellation of Order – A customer-initiated request to discontinue processing a service order, in part or in whole, prior to its completion. Cancellation charges will be assessed for each circuit-end or dedicated access line cancelled from an order prior to completion by Carrier under the following circumstances: (1) if the LEC has confirmed in writing to Carrier that the circuit-end or dedicated access line will be installed; or (2) if Carrier has already submitted facility orders to an interconnecting telephone company.

Carrier/Company – Communitel, Inc., unless otherwise specified or clearly indicated by the context.

Issued: May 20, 1998

Effective:

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Miami, Florida 33184

1.1 Definitions (continued):

Completed Calls – Completed calls are answered calls on the distant end. Appropriate one minute credits will be issued for incompleting calls billed to a customer when brought to the Company's attention by the customer. One minute credits are not applied to calls terminating in an answering device.

Credit Card Call – A call billed to a major credit or charge card such as Visa, MasterCard or American Express.

Custom Account Codes: Allows the customer to create tables of unique project and/or account numbers for their private use.

Customer – The person, firm, corporation or other entity which orders or uses service and is responsible for the payment of charges and compliance with tariff regulations.

Customer Provided Equipment – Terminal equipment provided by a customer.

Day Rate Period – 8:00 a.m. to 4:59 p.m., Monday through Friday.

Directory Assistance – Directory Assistance Service consists of supplying or attempting to supply listed telephone numbers to callers reaching the Carrier's Directory Assistance Bureau. Directory Assistance personnel cannot complete calls to requested telephone numbers.

Disconnection – The disconnection of a circuit, dedicated access line or port connection being used for existing service.

Evening Rate Period – 5:00 p.m. to 10:59 p.m., Sunday through Friday.

Excessive Call Attempt – A customer attempt to make a call over the Carrier's network using an invalid authorization code during a measured 15 minute period within which ten or more incomplete call attempts are made by the customer from the same customer line, and where those attempts do not complete because the customer has not used a valid authorization code.

Expedite Service – A service order initiated at the request of the customer that is processed in a time period shorter than Carrier's standard service interval.

Initial Usage Balance – The amount of usage on a prepaid account upon issuance and before any depleting call activity.

Local Distribution Area (LDA) – Metropolitan locations served by Carrier which have been defined by the telephone company providing local service in its local exchange tariff as "local calling area."

Issued: May 20, 1998

Effective:

Issued By:

Robert J. McWilliams, President
11890 S.W. 8 Street, Suite 212
Miami, Florida 33184

1.1 Definitions (continued):

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

Measured Use Service – The provision of long distance measured time communications telephone service to customers who access the Carrier's services at its switching and call processing equipment by means of access facilities obtained from another carrier or otherwise provided at its own expense (the customer is responsible for arranging for the access facility).

Night/Weekend Rate Period – 11:00 p.m. to 7:59 a.m., Sunday through Friday; all day Saturday; and 8:00 a.m. to 4:59 p.m. Sunday.

Normal Business Hours – Normal business hours are 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays.

Pay Telephone – A telephone instrument equipped with a device that allows a charge to be made for each call. Operator-assisted long distance service is offered by the Carrier through providers of customer-owned pay telephones.

Person-to-Person Call – A service whereby the person originating the call specifies to the Company operator a particular person to be reached, or a particular stations, room number, department, or office to be reached through a PBX attendant.

Prepaid Account – An account which consists of prepaid usage balance depleted on a real-time basis during each prepaid service call.

Prepaid Card – A card issued by the Company which provides the Customer with a Personal Identification Number (PIN) and instructions for accessing the Carrier's network.

Prepaid Service Call – A service accessed via 800/888 access or other access number whereby the Customer or an Authorized User dials all of the digits required to route a call. Network usage for each call is deducted from the available usage balance on a Company-issued prepaid account.

Physical Change – The modification of an existing circuit, dedicated access line, or port at the request of the customer requiring some physical change or retermination.

Point-of-Presence (POP) – A Carrier-designated location where a facility is maintained for the purpose of providing access to its service.

Premises – The space designated by a customer as its place or places of business for termination of service (whether for its own communications needs or for its resale customers). In the case of a non-profit sharing group, this term includes a space at each sharer's place or places of business as well as space at the customer's place(s) of business.

Issued: May 20, 1998

Effective:

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Robert J. McWilliams, President
11890 S.W. 8 Street, Suite 212
Miami, Florida 33184

1.1 Definitions (continued):

Renewal – A method of replenishing a Prepaid Account's Available Usage Balance with additional minutes of usage as authorized and paid for by the Customer.

Service Group – A group of dedicated lines from a customer's premises to Carrier's terminal location. Usage per service group determined by average usage per line in a service group times the average number of lines in a service group in a month.

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

Subscriber – The person, firm, partnership, corporation or other entity who owns, leases or manages the pay telephone, PBX or other switch vehicle from which an end user places a call utilizing the service of the Company.

Subscriber Surcharge – A surcharge which is applied to the end user's bill when a call is placed from a Subscriber's location.

Terminal Equipment – All telephone instruments, large and small key PBX systems and other devices and apparatus, and associated wiring, which are intended to be connected electronically, acoustically or inductively to the telecommunications system of the telephone utility.

Third-Party Billed Call – A billing arrangement by which the charges for a call may be billed to a number that is different from the calling number and called number.

United States – The 48 contiguous United States and District of Columbia.

Validated Account Codes – Account Codes that have restricted access.

Issued: May 20, 1998

Effective:

Issued By:

Robert J. McWilliams, President
11890 S.W. 8 Street, Suite 212
Miami, Florida 33184

SECTION 2 – RULES AND REGULATIONS**2.1 Undertaking of the Company**

The Company's services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this tariff.

The Company installs, operates and maintains the communications services provided herein in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Company's network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

The selling of IXC telecommunications service to uncertified IXC resellers is prohibited.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of facilities and provisions of this tariff.
- 2.2.2 The Company reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control; or when the customer is using service in violation of the law or the provisions of this tariff.
- 2.2.3 All facilities provided under this tariff are directly controlled by the Company and the customer may not transfer or assign the use of service or facilities, except with the expressed written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.4 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.
- 2.2.5 Customers reselling or rebilling services must have a Certificate of Public Convenience and Necessity as an interexchange carrier for the Florida Public Service Commission.

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2.3 Liabilities of the Company

- 2.3.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.
- 2.3.2 The Company shall be indemnified and held harmless by the customer against:
- A. Claims for libel, slander, or infringement of copyright arising out of the material, data, information or other content transmitted over the Company's facilities.
 - B. All other claims arising out of any act or omission of the customer in connection with any service or facility provided by the Company.
- 2.3.3 With respect to the routing of calls by Carrier to public safety answering points or municipal Emergency service providers, Carrier's liability, if any, will be limited to the lesser of:
- A. the actual monetary damages incurred and proved by the Customer as the direct result of Carrier's action, or failure to act, in routing the call, or:
 - B. the sum of \$1,000.00.
- 2.3.4 The Company shall not be liable for any claim, loss or refund as a result of loss or theft of Prepaid services or Personal Account codes issued for use with the Company's services. Nor will the Company be liable for any claim, loss or refund on any unused balance remaining on a Prepaid service provided to a customer.
- 2.3.5 The Company shall not be held liable for any claim, loss or refund on any unused portion of the usage balance remaining in a Prepaid service account provided to a Customer before or after the expiration date assigned to each Prepaid account or service.

2.4 Interruption of Service

- 2.4.1. A credit allowance for interruptions of service which are not due to Carrier's testing or adjusting, to the negligence of the customer, or to the failure of the channels, equipment and/or communications systems provided by the customer, are subject to the general liability provisions set forth herein. It shall be the obligation of the customer to notify Carrier of any interruption in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by or within the customer's control and is not in wiring or equipment connected to Carrier's facilities. No refund or credit will be made for the time that the Company stands ready to repair the service and the subscriber does not provide access to the Company for such restoration work.
- 2.4.2. No credit shall be allowed for an interruption of a continuous duration of less than twenty-four hours after the subscriber notifies the company.

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2.4 Interruption of Service (continued)

- 2.4.3. The customer shall be credited for an interruption of more than twenty-four hours as follows:

Credit Formula:

$$\text{Credit} = A/B \times C$$

"A" - outage time in hours

"B" - total days in month

"C" - total monthly charge for affected facility

2.5 Disconnection of Service by Carrier

The Carrier, upon five (5) working days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- 2.5.1 Non-payment of any sum due to Carrier for regulated service for more than 15 days beyond the due date of the bill for such service.
- 2.5.2 A violation of any regulation governing the service under this tariff.
- 2.5.3 A violation of any law, rule or regulation of any government authority having jurisdiction over such service.
- 2.5.4 The Company has given the customer notice and has allowed a reasonable time to comply with any rule, or remedy, and deficiency as stated in Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company.

2.6 Restoration of Service

The use and restoration of service in emergencies shall be in accordance with the Rules and Regulations set forth by the Commission.

2.7 Deposits

The Company does not require a deposit from the customer.

2.8 Advance Payments

For customers whom the Company feels 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, if necessary, a new advance payment will be collected for the next month.

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2.9 Taxes

All state and local taxes (i.e. gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates. For prepaid services, taxes and fees shall be included in the rates and charges stated in the Company's rate schedule for these services.

2.10 Billing of Calls

All charges due by the subscriber are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

2.11 Payment and Charges for Services

Charges for service are applied on a recurring and non-recurring basis. Service is provided and billed on a monthly basis. Service continues to be provided until disconnection is requested by the customer.

- A. Payment of Charges: Payment is due upon receipt of the invoice and shall be considered past due or delinquent after 15 days beyond the due date that appears on the customer's bill. Interest at the greater of 1.5% per month or the highest rate allowed by law will accrue on any unpaid amount commencing on the sixteenth day after rendition of the bill.
1. The customer is responsible for payment of all charges for service furnished to the customer. The initial billing may consist of one month estimated usage billed in advance. Thereafter, charges based on actual usage during a month will be billed monthly in arrears. Payments for service provided with Company-issued Prepaid Accounts must be received by the Company or its authorized agent prior to the activation of the customer's Prepaid Account. The customer shall be responsible for all calls placed via the Prepaid Account as the result of the customer's intentional or negligent disclosure of their Personal Identification Code (PIN).
 2. Service may be denied or discontinued for non-payment charges. Disconnection will not occur before fifteen (15) days from the due date and Carrier will give five (5) days written notice before any disconnection occurs. Restoration of service will be subject to all applicable installation charges.

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2.12 Returned Check Charge

The Company reserves the right to assess a returned check charge of up to \$15.00 or 5% of the amount of the check, whichever is greater, whenever a check or draft presented for payment of service is not accepted by the institution on which it is written. This charge applies each time a check is returned to the Company by a bank for insufficient funds. In addition, the Company reserves the right to place the Available Usage Balance for the Customer's Prepaid Account on hold until the check or draft clears or is paid.

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SECTION 3 – DESCRIPTION OF SERVICE

3.1 Timing of Calls

3.1.1 When Billing Charges Begin and End for Phone Calls

The customer's long distance usage charge is based on the actual usage of the Company's network. Usage begins when the called party picks up the receiver, (i.e. when two-way communications, often referred to as "conversation time" is possible.). When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. When software answer supervision is employed, up to sixty seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

The minimum call duration for billing purposed is dependent on the type of service subscribed to (see Section 3.4).

3.1.3 Per-Call Billing Charges

Billing will be rounded up or down to the nearest penny for each call. (e.g. calls calculated at 5/10ths of one cent and above will be rounded up to the next highest cent. Calls calculated at 4/10ths of one cent and less will be rounded down to the nearest cent.

3.1.4 Uncompleted Calls

There will be no charge for uncompleted calls.

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3.2 Calculation of Distance

Usage charges for all mileage-sensitive products are based on the airline distance between rate centers associated with the originating and terminating points as well.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V&H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA:

The square
root of:
$$\frac{(V1 - V2^2) + (H1 - H2^2)}{10}$$

3.3 Minimum Call Completion Rate

A customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 90% during peak use periods for all FGD services ("1+" dialing).

3.4 Service Offerings

3.4.1 Business Direct

Business Direct is available to business and residential customers for outbound calling via switched or dedicated access facilities provided by the local exchange carrier. The minimum call duration for billing purposes is six (6) seconds. Additional usage is measured in six (6) second increments. Rates are postalized and not mileage or time-of-day sensitive. There are no minimum monthly usage commitments. The per-minute rate will be determined by the term commitment (in months) that the customer subscribes to.

3.4.2 Residential Direct

Residential Direct is available to residential customers for outbound calling via switched access facilities provided by the local exchange. The minimum call duration for billing purposes is thirty (30) seconds. Additional usage is measured in six (6) second increments. Rates are postalized and not mileage or time-of-day sensitive. There are no minimum monthly usage or term commitments.

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3.4 Service Offerings (continued)

3.4.3 800 Direct

800 Direct is available to business and residential customers for inbound calling via switched or dedicated access facilities provided by the local exchange carrier. Calls are originated via an 800/888/877/866 numbers from any intrastate location and are terminated to a customer-provided switched or dedicated access lines. Call charges are billed to the Subscriber rather than the originating caller. The minimum call duration for billing purposes is thirty (30) seconds. Additional usage is measured in six (6) second increments. A monthly service charge applies per 800 number. Rates are postalized and not mileage or time-of-day sensitive. There are no minimum monthly usage commitments. The per-minute rate will be determined by the term commitment (in months) that the customer subscribes to.

3.4.4 Direct Calling Card Service

Direct Calling Card Service is a calling card service offered to residential and business customers who subscribe to it's Business Direct, Residential Direct or 800 Direct calling plans. Customers using the Carrier's calling card service access the service by dialing a toll-free number followed by a personal identification number (PIN) and the number being called. This service permits subscribers utilizing the Carrier's calling card to place calls at a postalized rate per minute. Calls are billed in one (1) minute increments after the initial minimum period of one (1) minute. There are no nonrecurring or monthly recurring charges. A surcharge will apply for calls made from public payphones.

3.4.5 Operator-Assisted Service

The Company's operator services are provided to residential and business customers who presubscribe to this service for intrastate calling. Operator services include the completion of collect, station-to-station, person-to-person, third party billing and credit card calls with the assistance of a Carrier operator. Each completed operator-assisted call consists of two charge elements (except where otherwise noted herein): (i) a fixed operator charge, which will be dependent on the type of billing selected (e.g. calling card, collect or other) and/or the completion restriction selected (e.g. station-to-station or person-to-person); and (ii) a measured usage charge dependent upon the duration, distance and/or time of day of the call.

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3.4.5 Operator-Assisted Service (continued)

3.4.5.A Operator-Dialed Surcharge

This surcharge applies to Operator Station and Person-to-Person rated calls when the customer has the capability of dialing all the digits necessary to complete a call, but elects to dial only the appropriate operator code and requests the operator to dial the called station. The surcharge does not apply to:

- 1) Calls where a customer cannot otherwise dial the call due to defective equipment or trouble on the Communitel, Inc. network; and
- 2) Calls in which a Company operator places a call for a calling party who is identified as being handicapped and unable to dial the call because of his/her handicap.

The Operator-Dialed Surcharge applies in addition to any other applicable operator service charges.

3.4.6 Prepaid Calling Card Service

Prepaid Calling Card Service is a calling card service offered consumers where presubscription to the Carrier's network is not necessary. Prepaid Calling Card Services are available in dollar denominations that range between \$5.00 and \$50.00. Customers using the Carrier's prepaid calling card service access the service by dialing a toll free number followed by a personal identification number (PIN) and the number being called. Prepaid card accounts maintain a balance which is depleted on a real-time basis as calls are placed. Customers are notified of their remaining card balance at the beginning of each call. Calls are originated from standard residential, business or pay telephone access lines and are terminated to any intrastate location. Calls are decremented from the cardholder's available balance (at the rate per minute specified in Section 4.6) in one (1) minute increments. A per-call service charge also applies.

A. Exclusions

1. Calls to 500, 700, 800/888/877/866 and 900 numbers.
2. Directory Assistance calls.
3. All Operator Services calls.
4. Calls requiring the quotation of time and charges.
5. Telecommunications services requiring Air-to-Air/Air-to-Ground and Ship-to-Ship/Ship-to-Shore circuits.

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3.4.6 Prepaid Calling Card Service (continued)

B. Service Availability & Regulations

1. Prepaid Calling Card Service is available to card holders twenty-four (24) hours per day, seven (7) days per week. Cards are offered to customers on a first come, first-served basis
2. All calls must be charged against a prepaid phone card that has a sufficient available balance.
3. A customer's call will be interrupted with a warning announcement when the balance remaining equals one minute of calling time based on the terminating location of the call.
4. Calls in progress will be terminated by the Company if the balance on the prepaid phone card is insufficient to continue the call.
5. Payment for the Prepaid Phone Card and any available balance is non-refundable.

3.4.7 Directory Assistance

Directory Assistance is available to Communitel customers twenty-four (24) hours per day, seven (7) days per week. A directory assistance charge applies to each call. Up to two number requests may be made on each call.

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SECTION 4 - RATES4.1 Business Direct Service

Rate per minute:

SWITCHED ACCESS SERVICE

<u>Term Commitment Length</u>	<u>Rate per Minute</u>
12 Months	\$.099
18 Months	\$.094
24 Months	\$.089
30 Months	\$.084
36 Months	\$.079

DEDICATED ACCESS SERVICE

<u>Term Commitment Length</u>	<u>Rate per Minute</u>
12 Months	\$.069
24 Months	\$.064
36 Months	\$.060

Dedicated Access service also includes a T-1 Access Charge of \$130.00 in addition to the cost of the T-1 which customer may have billed directly to them by the providing local exchange carrier; or billed by Communitel at the prevailing rate which will be passed-through to the dedicated customer.

Calls are billed in six second increments with a six second per-call minimum.

4.2 Residential Direct Service

Rate per minute: \$.094

Calls are billed in six second increments with a thirty second per-call minimum.

4.3 800 Direct Service

Rate per minute:

SWITCHED ACCESS SERVICE

<u>Term Commitment Length</u>	<u>Rate per Minute</u>
12 Months	\$.099
24 Months	\$.094
36 Months	\$.089

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4.3 800 Direct Service (continued)

DEDICATED ACCESS SERVICE

<u>Term Commitment Length</u>	<u>Rate per Minute</u>
12 Months	\$.069
24 Months	\$.064
36 Months	\$.060

Dedicated Access service also includes a T-1 Access Charge of \$130.00 (per T-1) in addition to the cost of the T-1 which the customer may have billed directly to them by the providing local exchange carrier; or billed by Communitel at the prevailing rate which will be passed-through to the dedicated customer.

Calls are billed in six second increments with a thirty second per-call minimum.

4.4 Direct Calling Card Service

Rate per minute: \$.16
Service is billed in full minute increments.

4.5 Operator-Assisted Service

4.5.1 Usage Rates

The following rate schedule is applied to all intrastate operator-assisted calls and are billed in one minute increments.

<u>Mileage</u>	<u>DAY</u>		<u>EVENING/HOLIDAY</u>		<u>NIGHT/WEEKEND</u>	
	<u>First Minute</u>	<u>Add'l Minute</u>	<u>First Minute</u>	<u>Add'l Minute</u>	<u>First Minute</u>	<u>Add'l Minute</u>
1-10	\$2.000	\$2.000	\$1.500	\$1.500	\$1.200	\$1.200
11-22	\$2.200	\$2.200	\$1.700	\$1.700	\$1.300	\$1.300
23-55	\$2.500	\$2.500	\$1.900	\$1.900	\$1.400	\$1.400
56-124	\$2.700	\$2.700	\$1.900	\$1.900	\$1.500	\$1.500
125-292	\$2.800	\$2.800	\$1.900	\$1.900	\$1.600	\$1.600
293-430	\$2.800	\$2.800	\$2.000	\$2.000	\$1.600	\$1.600
431 +	\$2.800	\$2.800	\$2.100	\$2.100	\$1.600	\$1.600

4.5.2 Usage Rates

The following per-call service charges are in addition to the rate schedule set forth in Section 4.5.1:

Collect Station-to-Station	\$1.00	Customer-Dialed Calling Card	\$1.00
Collect Person-to-Person	\$3.25	Operator-Dialed Calling Card	\$1.00
Person-to-Person	\$2.50	Operator-Dialed Surcharge	\$.75
Station-to-Station	\$1.00		

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4.5 Operator-Assisted Service (continued)

4.5.3 Privately-Owned Payphone Surcharge

For operator-assisted calls made from Privately-Owned (non-LEC) payphones, a \$.25 set-use fee will be applied in addition to those rates stated in 4.5.1 and 4.5.2 above.

4.6 Prepaid Calling Card Service

Maximum Rate Per Minute: \$.19
Surcharge per Call: \$.50

4.7 Directory Assistance

Rate per Call: \$.65

4.8 Determining Applicable Rate in Effect

For the initial minute, the rate applicable at the start of chargeable time at the calling station applies. For additional minutes, the rate applicable is that rate which is in effect at the calling station when the additional minute(s) begin. That is, if chargeable time begins during the Day Period, the Day Rate applies to the initial minute and to any additional minutes that the call continues during the rate period. If the call continues into a different rate period, the appropriate rates from that period apply to any additional minutes occurring in that rate period. If an additional minute is split between two rate periods, the rate period applicable at the start of the minute applies to the entire minute.

4.9 Special Rates for the Handicapped

4.9.1 Directory Assistance

There shall be no charge for up to fifty calls per billing cycle from lines or trunks serving individuals with disabilities. The Company shall charge the prevailing tariff rates for every call in excess of 50 calls within a billing cycle.

4.9.2 Hearing and Speech Impaired Persons

Intrastate toll message rates for TDD users shall be evening rates for daytime calls and night/weekend rates for evening and night/weekend calls.

4.9.3 Telecommunications Relay Service

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay service calls by 50 percent off the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted 60 percent off of the otherwise applicable rate for a voice nonrelay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call surcharges such as a credit card surcharge.

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4.10 Special Promotions**4.10.1 General Promotions**

The Company may, from time to time, 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.

4.10.2 Competitive Response Promotion

The Company will, at its discretion, match certain standard or promotional offerings of another interexchange carrier(s) or reseller(s) in order to acquire new Customers or maintain existing Customers. The Customer must demonstrate to the Company's satisfaction that 1) an alternative service offering is valid and currently available from a competing interexchange carrier or reseller, and 2) the Customer intends to either subscribe to or remain with the competing interexchange carrier or reseller. The Company reserves the right to verify that the alternative offering is an approved tariff on file with the Commission.

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"Telecommunications Is Our Business"

COMMUNITEL CORPORATE PROFILE

Miami-based **Communitel Inc.** was formed as a multi-service international communications company to provide cost-effective solutions to the problems created by the maze of technological innovation and government deregulation of the telecommunications industry.

The advancement of computer, satellite and fiber optic technology has caused explosions in the number of services available. This combined with deregulations has changed the rules between large and small long distance carriers. No longer is bigger, better.

Privately funded, the company was founded in 1995 when the owners- a powerful consortium of international business, telecommunications and marketing experts decided to participate in the new global opportunities created by the deregulations of the telecommunications industry. From its inception, **Communitel Inc.** has focused on offering the best service possible to its customers.

In 1997, **Communitel Inc.** received 214-certification approval from the Federal Communications Commission (FCC) to provide International long distance services. **Communitel Inc.**, with its history of innovation, leadership and performance will continue to expand geographically and extend its expertise into the competitive areas of the international telecommunications market place.

Communitel Inc. provides prepaid phone card services in conjunctions with Smarttalk, a publicly traded company which today is the largest prepaid calling manufacturer and distributor through retail channels.

Communitel Inc. is now ranked as the #1 Supplier of prepaid phone cards to the Miami International Airport.

Teaming up with Smartalk, a fiercely competitive long distance provider, coupled with Communitel's expertise in retail marketing to the diverse Hispanic Community has allowed the company to quickly become the #1 Seller of prepaid phone cards throughout the Greater Miami Metropolitan area.

Communitel's highest competitive "**Tele- Tiempo**" prepaid phone cards can be purchased from over 2,000 locations in Miami. The **Tele-Tiempo** phone card was developed to be extremely user-friendly and reliable.

Callers can make prepaid phone cards to virtually anywhere in the world, anytime- a big plus for traveler, tourist and students (with-in the USA). **Tele-Tiempo** phone cards provide callers with guaranteed rates and security. The **Tele- Tiempo** prepaid phone card features both competitive domestic and international rates.

communitel

"Telecommunications is Our Business"



"Telecommunications Is Our Business"

CORPORATE FACT SHEET

Year Founded: 1995

Core Business: Communitel Inc., a Miami-based telecommunications marketing, sales distribution and consulting company which created and markets the **Tele-Tiempo** pre-paid phone card in partnership with **Smartalk**.

Tele-Tiempo can be purchased at over 2,000 retail locations in Miami-Dade, Broward and Palm Beach Counties.

Short History: **Communitel Inc.**, was founded in 1995 when the owners - a powerful consortium of international business, telecommunications and marketing experts decided to participate in the new global opportunities created by the deregulation of the telecommunications industry. From its inception, Communitel Inc. has focused on offering the best service possible to its customers.

Headquarters: Miami, Fl.

**Communitel
Distribution
Profile:**

Communitel's pre-paid phone cards can be found, among others, at the following locations: Miami International Airport - vending machines, Amoco, Fedco Pharmacies, Sedanos Supermarkets & Pharmacies, Navaro's Discount Pharmacies and Albertsons Supermarkets.

**Senior
Executives:**

Pedro R. Pelaez - Chairman of the Board, Director
Robert J. McWilliams - President, Director
Moises Senti - Vice President, Financial Reporting
Michael I. Goncher - Vice President, Long Distance Services
Albert J. Argenti - Vice President, Marketing
Barabara O. Pons - Vice President, Operations and International Sales
Karia B. Arteaga - Director, Sales Support and Distribution



"Telecommunications Is Our Business"

ROBERT J. MCWILLIAMS

President

Robert J. McWilliams, president of **Communitel Inc.**, a Miami-based international marketing distribution and consulting company has over 17 years of voice and data telecommunications marketing experience in all functional areas of start up and mature long distance companies. He is a **Board Member of the International Telecard Association (ITA) for Consumer Protection and Education.**

As marketing consultant to **Frontier Communication International**, the nation's fifth largest long distance company in the United States with \$3.0 billion in annual revenues, McWilliams was responsible for creating the hottest prepaid entertainment phone cards in the industry for both retail and promotional sales activities. Duties included product development, design and production and establishment of advertising & promotional plans for retail market and premium sales distribution channels. McWilliams procured for Frontier the retail and promotional prepaid phone card licensing rights for over 10 entertainment properties including Beverly Hills 90210, Melrose Place, The Simpsons and the X-Files.

As vice president of sales & marketing for **Phone One, Inc.**, McWilliams established a new company philosophy of "Quality, Service & Savings" directly resulting in achievement of record long distance revenues and net income exceeding any in its ten year history.

As director of marketing for **U.S. Fiberline Communication**, a nationally recognized leader in Hospitality Telecommunications, McWilliams provided comprehensive telephone profit-center management consulting services for more than 850 hotel properties nationwide resulting in increased earnings and greater guest satisfaction.

As vice president of marketing for **Advanced Telecommunications Corporation (ATC)**, later renamed **WorldCom**, the fourth largest long distance carrier in the U.S. with annual revenues exceeding \$3.6 billion, McWilliams was responsible for directing all marketing activities including product development, strategic planning, pricing, promotions, sales training, advertising and public relations. He was also responsible for developing the detailed revenue plan that served as the foundation for projected financial performances including all potential mergers and acquisitions.

As director of marketing for **Microtel**, a Florida-based \$120 million long distance company that served more than 65,000 customers, McWilliams originated and implemented marketing strategies to increase revenues by 40% annually, as director of long distance services at Microtel, he directed the areas of customer service, security & fraud and telemarketing.

At **MCI acquired Satellite Business Systems (SBS)**, McWilliams served as an economic analyst in the product strategy and controls department, and later as a business analyst in the planning & analysis department, he was responsible for providing marketing analysis and support including geographic, industry, and account segmentation.

McWilliams serves as fund-raising telecommunications advisor to **Anthony Kennedy Shriver's - Best Buddies International organization**, a Miami-based charity that helps integrate the mentally disabled into society by providing opportunities for socialization and employment.

McWilliams has lived in South Florida for over 12 years. He is native of Washington DC and holds a B.S. in Economics, 1981 from James Madison University, Harrisonburg, Virginia.



Benefiting



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CHILDREN'S
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Receive deeply discounted rates to anywhere in the world.

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communitel

Joe Garcia
Commissioner

State of Florida



Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(904) 413-6042
FAX (904) 487-1716

Public Service Commission

July 3, 1996

Mr. Robert J. McWilliams
President
Communitel
6801 NW 77 Avenue, #302
Miami, FL 33166

Dear Mr. McWilliams:

It was a great pleasure meeting you. You will be receiving a letter from the Commission in the near future regarding the phone card issue, requesting suggestions for better serving the public. Our conversations were invaluable in helping to inform myself and the Commission about the importance of consumer protection in this arena.

If I can ever be of any assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joe Garcia".

Joe Garcia
Commissioner

JG/ks

frontier

Frontier Communications
International Inc.

10018 Woodlake Drive
Dallas, TX 75243
214 907 1977
214 907 0323 fax

June 5, 1996

Pedro R. Pelaez, CEO
Communitel
6801 NW 77 Avenue, Suite 302
Miami, FL 33166

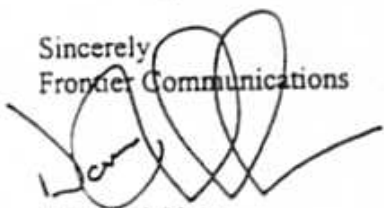
Dear Pedro,

Congratulations on the outstanding opportunities your company has generated for us in the Florida market. The volume generated by Communitel at the Miami Airport is growing at a tremendous pace.

Also, the retail distribution and new sales you are generating with your Tele-Tiempo products have shown the importance of marketing the right products for the consumer.

Frontier is very excited about our continuing partnership in the Florida market. Pedro, thank you for your continued interest in our products. I am looking forward to outstanding sales results from Communitel in 1996.

Sincerely
Frontier Communications

A handwritten signature in black ink, appearing to read 'David Webber', written over the typed name and title.

David Webber
Regional Sales Manager

CC: Fred Hermann



Florida House of Representatives

LUIS C. MORSE
REPUBLICAN LEADER PRO TEMPORE
REPRESENTATIVE, DISTRICT 113

November 12, 1996

Robert J. McWilliams
President, Communitel
6801 N.W. 77th Avenue, #302
Miami, Florida 33166

Dear Mr. McWilliams:

Following our recent meeting regarding the problems with "renegade" phone card companies, I contacted the House Committee on Utilities and Telecommunications requesting their assistance. They sent me the enclosed response on which I would appreciate your opinion.

Sincerely,

Luis C. Morse
Republican Leader pro tempore
Representative, 113th District

LCM/dab

enclosure

COMMITTEES

Agriculture & Consumer Services

Appropriations/Fraud, Overpayment & Error Rate Elimination, Vice Chair

Business & Professional Regulation • Ethics & Elections

Joint Legis. Information Technology Resource Committee

Suite 302
417 S.W. 25th Avenue
Miami, FL 33135
305-241-3775

322 The Canal
Tallahassee, FL 32302-1001
904-241-4000

NEWS

COMMUNITEL, INC.

For immediate release: May 1, 1998

For more information contact: Robert J. McWilliams
President / Communitel
1-800-938-4146

**AMOCO MARKETERS IN SOUTH FLORIDA SIGN
AGREEMENT WITH COMMUNITEL
*Percentage of sales goes to Children's' Miracle Network***

Miami - (May 1, 1998) - The Amoco Marketers of South Florida and Miami-based Communitel, manufacturers and distributors of the prepaid phone card *Tele-Tiempo*, have signed an agreement to offer the *Tele-Tiempo* card at approximately 200 Amoco stations in Miami-Dade, Broward and Palm Beach counties.

A percentage of the sales from the prepaid phone cards - which are now available at Amoco stations will benefit the Children's Miracle Network and Miami Children's Hospital.

David Passmore is Chairman of the South Florida Amoco Marketers for the Children's Miracle Network. "We're very excited because this is one way we can all help Miami Children's Hospital. The money raised locally stays in the South Florida community to help the over 170,000 children treated annually at Miami Children's", he said.

- more -

AMOCO MARKETERS....

Page Two

Said Communitel president, Robert McWilliams, "This partnership is an innovative and constructive way to raise money for the Children's Miracle Network. It's a wonderful way for us to give back to the community."

The South Florida Amoco Marketers have contributed over \$1 million to the Children's Miracle Network – more than any other Amoco group in the U.S. and more than any other local corporate sponsor.

Said Maria Moldes, Annual Fund Coordinator, "This arrangement between Amoco Marketers, Communitel and the Children's Miracle Network is very special because the donated monies will help a lot of children. These two companies exemplify the meaning of being a good corporate citizen."

Communitel is an international telecommunications, marketing distribution and consulting company which manufactures *Tele-Tiempo*, a prepaid phone card available at more than 2,000 retail locations in South Florida.

The Children's Miracle Network was founded by celebrities Marie Osmond and John Schneider, best known for his role in the former hit TV show, *Dukes of Hazzard*.

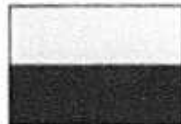
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CALL Anywhere in the
USA
Puerto Rico &
US Virgin Islands



Save Time & Money
with

Tele-Tiempo
Phone Cards



	\$10.00 = 105 min	USA	\$20.00 = 216 min
COUNTRY	RATE PER MIN.	\$10 CARD	\$20 CARD
USA	\$0.09	105 MIN	216 MIN
ARGENTINA	\$0.62 *	12 MIN	29 MIN
BAHAMAS	\$0.30	30 MIN	63 MIN
BRAZIL	\$0.45 *	17 MIN	40 MIN
CANADA	\$0.05	180 MIN	380 MIN
CHILE	\$0.41	21 MIN	48 MIN
CHINA	\$0.79 *	10 MIN	22 MIN
COLOMBIA	\$0.33 *	24 MIN	54 MIN
CUBA	\$0.40 *	20 MIN	45 MIN
DOMINICAN REPUBLIC	\$0.55 *	32 MIN	72 MIN
ECUADOR	\$0.50 *	16 MIN	38 MIN
EL SALVADOR	\$0.50 *	16 MIN	38 MIN
FRANCE	\$0.20	48 MIN	96 MIN
GERMANY	\$0.18	56 MIN	118 MIN
GREECE	\$0.33 *	24 MIN	54 MIN
GUATEMALA	\$0.35 *	22 MIN	51 MIN
HAITI	\$0.58 *	14 MIN	32 MIN
HONDURAS	\$0.59 *	13 MIN	30 MIN
HONG KONG	\$0.30	30 MIN	63 MIN
INDIA	\$0.88 *	9 MIN	20 MIN
INDONESIA	\$0.69 *	11 MIN	26 MIN
JAMAICA	\$0.49 *	16 MIN	38 MIN
JAPAN	\$0.25 *	32 MIN	72 MIN
MEXICO	\$0.25 *	32 MIN	72 MIN
NICARAGUA	\$0.60 *	13 MIN	30 MIN
PERU	\$0.79 *	11 MIN	24 MIN
PHILIPPINES	\$0.61 *	13 MIN	29 MIN
PUERTO RICO	\$0.09	105 MIN	216 MIN
SPAIN	\$0.41	21 MIN	48 MIN
TAIWAN	\$0.45 *	17 MIN	40 MIN
UNITED KINGDOM	\$0.05	180 MIN	380 MIN
US VIRGIN ISLANDS	\$0.09	105 MIN	216 MIN
VENEZUELA	\$0.39	23 MIN	48 MIN
VIETNAM	\$0.65	13 MIN	28 MIN

Each domestic call is subject to a \$3.00 connection fee. International connection fee of \$3.00 or \$2.00* applies per call. For more information or additional information call 1-800-828-4148. Rates and connection fees subject to change without notice. Non-refundable. Pre-paid service provided by:

SMARTALK TELESERVICES, INC.

communitel

"Telecommunications Is Our Business"

Communitel

"Telecommunications is Our Business"

June 11, 1998

DEPOSIT

DATE

D793 -

JUN 15 1998

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

Dear F.P.S.C. Staff Members:

We are pleased to submit for Commission approval, Communitel's application form for Authority to Provide Interexchange Telecommunications Service within the State of Florida.

- one (1) original is included.
- six (6) copies are included.

Should you need any additional information regarding our company do not hesitate to contact me at 800/938-4146.

Thank you.

Sincerely,

3654

COMMUNITEL, INC.
6801 NW 77TH AVE., SUITE 302
MIAMI, FL 33166

EASTERN NATIONAL BANK
MIAMI, FLORIDA 33131

PAY TO THE
ORDER OF

FLORIDA PUBLIC SERVICE COMMISSION

\$250.00

TWO HUNDRED FIFTY AND xx/100

DOLLARS

MEMO APPLICATION /IXC

Robert J. McWilliam
[Signature]

communitel

"Telecommunications is Our Business"

June 11, 1998

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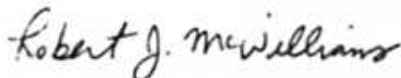
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Thank you.

Sincerely,



Robert J. McWilliams
President

Check received with filing and
initials of person who forwarded for deposit.
Please retain original copy of check
to file with application, etc.

Initials of person who forwarded check:

98 JUN 15 AM 10:55
MAIL ROOM