

DEPOSIT

October 8, 1998 Overnight

DATE

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OCT 1 2 1998

210 N. Park Ave.

Winter Park, FL

P.O. Drawer 200

32789

Mr. Walter D'Haeseleer

Florida Public Service Commission Division of Records and Reporting

2540 Shumard Oaks Boulevard

Gerald L. Gunter Bldg. Room 270 Tallahassee, FL 32399-0850

Winter Park, FL 904-488-4733

32790-0200

981312-TX

RE: Initial Alternative Local Exchange Carrier Application of FoxTel, Inc.

Tel: 407-740-8575

Fax 407-740-0613

tmi@tminc.com

Dear Mr. D'Haeseleer:

Enclosed for filing are the original and six (6) copies of the above referenced application of FoxTel, Inc. to provide Alternative Local Exchange Carrier Service in Florida. Also enclosed is a check in the amount of \$250 for the filing fee.

Please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

Questions pertaining to this application or tariff should be directed to my attention at (407) 740-8575.

Thank you for your assistance.

Sincerely,

Mark G. Lapamert

Consultant to FoxTel, Inc.

Enclosures

c: Trisa Summers - FoxTel, Inc.

File: FoxTel, Inc. - FL ALEC

tms: FLL9800

PRIDA PUBLIC SERVICE COMMISSION Division of Communications, Certification & Compliance Section 2450 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850 (904) 413-6600

APPLICATION FORM

for

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

INSTRUCTIONS

- This form is used for an original application for a certificate and for approval of sale, assignment, or transfer of an existing alternative local exchange certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee.
- Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
- Use a separate sheet for each answer which will not fit the allotted space.
- Any questions regarding completion, contact above.
- Once completed, submit the original and six (6) copies of this form along with a nonrefundable application fee of \$250 made payable to the Florida Public Service Commission at the above address.

11322 OCT 12 %

FPSC-RECORDS/REPORTING

APPLICATION FORM FOR AUTHORITY TO PROVIDE

ALTERNATIVE LOCAL EXCHANGE SERVIC
WITHIN THE STATE OF FLORIDA

- 1. This is an application for (check one):
 - (X) Original authority (new company)
 - () Approval of transfer (to another certificated company) Example: a certificated company purchases an existing company and desires to retain the original certificate authority.
 - () Approval of assignment of existing certificate (to a noncertificated company) Example: a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.
 - () Approval for transfer of control (to another certificated company) Example: a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.
- 2. Name of applicant:

FoxTel, Inc. FoxTel, Inc. was approved to provide interexchange service on February 7. 1998 in docket # 971268-Tl, order # 5318.

3. National Mailing Address including street name, number, post office box, city, state, zip code and phone number.

Street: 200 South Virginia Street, Suite 550

PO Box

City:

Reno

State:

Nevada 89501

Zip Phone:

(702) 786-6400

B. Florida Mailing Address including street name, number, post office box, city, state, zip code and phone number.

Street: 200 South Virginia Street, Suite 550

PO Box

City:

Reno

State:

Nevada

Zip

89501

Phone:

(702) 786-6400

Page 2 C. Physical Address of alternative local exchange service in Florida including street name, number, post office box, city, state, zip code and phone number. Street: 200 South Virginia Street, Suite 550 PO Box City: Reno State: Nevada Zip 89501 Phone: (702) 786-6400 Structure of organization:) Individual (X) Corporation) Foreign Corporation) Foreign Partnership) Limited Partnership) General Partnership) Joint Venture) Other, Please explain If incorporated, please provide proof from the Florida Secretary of State that the applicant has authority to operate in Florida. Corporate charter number: F97000003906 Taxpayer Identification # 86-0874705 Please see Exhibit I for a copy of the Articles of Incorporation. Name under which the applicant will do business (d/b/a): FoxTel, Inc.

6.

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

> Fictitious name registration number: not applicable

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

Not applicable

4.

5.

9. State whether any of the officers, directors, or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

Not applicable.

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

Application contact:

Name:

Mark G. Lammert

Titie:

Consultant to FoxTel, Inc.

P.O. Box:

P.O. Drawer 200

City:

Winter Park

State:

Florida

Zip:

32790-0200

Phone:

(407) 740-8575

Fax:

(407) 740-0613

Internet Address:

Ongoing Liaison:

Name:

Trisa Summers

Title:

Regulatory Manager

P.O. Box:

Street:

937 Tahoe Boulevard, Suite 120

City:

Incline Village

State:

Nevada

Zip:

89452

(702) 831-9300

Phone:

(702) 831-9339

Fax:

Internet Address:

Please list other states in which the applicant is currently providing or has applied 11. to provide local exchange or alternative local exchange service.

None

12. Has the applicant been denied certification in any other state?

Yes() No(X)

If so, please list the state and reason for denial.

13. Have penalties been imposed against the applicant in any other state:

Yes() No(X)

If so, please list the state and reason for penalty.

14. Please indicate how a customer can file a service complaint with your company.

Customers may call the company at its toll-free customer service number: (888) 3FOXTEL (888-336-9835). In addition, customers may contact the company in writing at 200 South Virginia Street, Suite 550, Reno, Nevada 89501.

 Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida.

The Company was certificated to provide interexchange service effective February 7, 1998 in docket # 971268-TI.

A. Financial capability (Exhibit II)

Regarding the showing of financial capability, the following applies:

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

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

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

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

B. Managerial capability

See Exhibit III

Technical capability

See Exhibit IV

AFFIDAVIT

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

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

Official:

mas a Cent

Date: 10-1-98

signature

William Custer

Title:

President

Address:

200 South Virginia Street, Suite 550

Reno, Nevada 89501

Phone:

(702) 786-6400

FoxTel, Inc.

EXHIBIT I

ARTICLES OF INCORPORATION



Bepartment of State

I certify the attached is a true and correct copy of the application by FOXTEL. INC., a Nevada corporation, authorized to transact business within the State of Florida on July 24, 1997 as shown by the records of this office.

The document number of this corporation is F97000003906.

Given under my hand and the Great Seal of the State of Morida, at Anlahassee, the Appital, this the Twenty-lifth day of July, 1997



CREECES IS AN

Sandra B. Martham Secretary of State FoxTel, Inc., a Nevada Corporation

William A. Custer and Nicholas J. Haswell certify that:

- They are the president and the secretary, respectively of FoxTel, Inc., a Nevada Corporation (the "Corporation").
- The following is a true and correct copy of the Amended and Restated Articles of Incorporation of FoxTel, Inc., a Nevada corporation.

ARTICLE I

Name

The name of the corporation is:

FOXTEL, INC.

ARTICLE II

Duration

The duration of the corporation is perpetual.

ARTICLE III

Purposes

The purposes for which this corporation is organized are:

Section 1. To engage in any lawful business under Nevada law and to that end to own, acquire, improve, develop, sell, lease and convey lands, mineral claims, building, personal property or any right, title, or interest therein;

Section 2. To purchase or otherwise acquire, own, mortgage, sell, manufacture, assign and transfer or otherwise dispose of, invest, trade, deal in with real and personal property. of every kind, class and description.

- Section 3. So issue promissory notes, bonds, debeggres, and other evidences of indebtedness in the furtherance of any of the stated purposes of the corporation.
- Section 4. To enter into or execute contracts of any kind and character, sealed or unsealed, with individuals, firms, associations, corporations (private, public or municipal), political subdivisions of the United States or with the Government of the United States.
- Section 5. To acquire and develop any interest in patents, trademarks and copyrights connected with the business of this corporation.
- Section 6. To borrow money, without limitation, and give a lien on any of its property as security for any borrowing.
- Section 7. To acquire by purchase, exchange or otherwise, all or any part of, or any interest in, the properties, assets, business and good will of any one or more persons, firms, associations, or corporation either within or out of the State of Nevada heretofore or hereafter engage in any business for which a corporation may own or hereafter he organized under the laws of the State of Nevada; pay for the same in cash, property or the corporation's own or other securities; hold, operate, reorganize, liquidate, sell or in any manner dispose of the whole or any part thereof; and in connection therewith, assume or guaranty performance of any liabilities, obligations or contracts of such persons, firms, associations or corporation, and to conduct the whole or any part of any business thus required.
- Section 2. To purchase, receive, take, acquire or otherwise acquire, own and hold, sell, lend, exchange, reissue, transfer or otherwise dispose of, pledge, use, cancel, and otherwise deal in and with the corporation's shares and its other securities from time to time to the extent, in the manner and upon terms determined by the Board of Directors; provided that the corporation shall not use its funds or property for the purchase of its own shares of capital stock when its capital is impaired or when the purchase would cause any impairment of the corporation's capital, except to the extent permitted by law.
- Section 9. To reorganize, as an incorporator, or cause to be organized under the laws of any State of the United States of America, or of any commonwealth, territory, agency or instrumentality of the United States of America, or of any foreign country, a corporation or corporations for the purpose of conducting and promoting any business or purpose for which corporation may be organized, and to dissolve, wind up, liquidate, merge or consolidate any such corporation or corporations, or to cause the same to be dissolved, wind up, liquidated, merged or consolidated.
- Section 10. To do each and every thing necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects herein enumerated, or which shall at any time appear conductive to or expedient for the protection or benefit of the corporation.

under the laws of the State of Nevada or nation wherein this corporation shall be authorized to gage in any lawful business or activ which may be conducted

Article IV

Capitalization

Section 1. The corporation is sufficiend to issue one class of shares, which may be designated "common" shares. The total suthorized number of shares that may be issued is 1,000 shares, no par value. Articles to increase, decrease, or reclassify the corporation's authorized shares of stock. The Board of Directors may from time to time amend or restate these The corporation is sutherized to issue one class of shares, which may

Article V

Resident Asset

The resident agent for this corporation shall be: Nancy Gaches

be: c/o Paracorp, 318 North Carson Street, Suite 208, Carson City, Nevada 89701. The mailing and street address of the resident agent in the state of Nevada, shall

corporation may require. of Nevada, as the Board of Directors may from time to time determine or the business of the The corporation may maintain such other offices, either within or out of the State

Article VI

Directors

by the Bylaws of this corporation, providing that the number of directors shall not be reduced to directors may from time to time be increased or decreased in such manner as shall be provided less than one (1). The governing board of this corporation shall be known as directors, and the number of

The names of the itial Board of Directors shall be thr

Morris J. Jacobs
William A. Custer
Nicholas J. Haswell

at the respective addresses listed below:

937 Tabos Blvd, Suite 120 P.O. Box 7525 Incline Village, NV 89452

804 Nixon Avenue Reno, NV 89509

937 Tahoe Bivd, Suite 120 P.O. Box 7525 Incline Village, NV 89452.

Article VII

Indemnification

threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer, employed permitted by law, any person who was or is a party or is threatened to be made a party to any officer, employee or agent of another corporation partnership, joint venture, trust or other or agent of the corporation, or is or was serving at the request of the corporation as a director, officers and directors incurred in defending a civil or criminal action, suit or proceeding must be opposed to the best interests of the corporation, and, with respect to any criminal action or scrilement actually and reasonably incurred by him in connection with the action, suit or or law. No amendment or repeal of this Section I of Article VII shall apply to or have any effect repay the amount if it is determined by a court of competent jurisdiction that he is not entitled suit or proceeding, upon receipt of an undertaking by or on behalf of the director or officer to paid by the corperation as they are incurred and in advance of the final disposition of the action, proceeding, had no reasonable cause to believe his conduct was unlawful. proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not enterprise, against expenses, including anomeys' fees, Judgments, fines and amounts paid in indemnification to which employees other than directors or officers may be entitled by contract indemnified by the corporation. Nothing contained herein shall affect any rights The corporation may indemnify to the full extent authorized or The expenses of

on any right to indomnification provided hereunder with respect to any new or emissions occurring prior to such assessment or repeal.

Section 2. In furtherance and not in limitation of the powers conferred by

statute:

- the corporation may purchase and maistain insurance on behalf of any person who is or was a director, efficer, employee or agent of the corporation, or is serving at the request of the sorporation as a director, efficer, employee or agent of any corporation, partnership, joint venture, trust, or other equaprise against any liability esserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of law; and
- (ii) the corporation may cream a crest fund, great a security interest and/or use other means (including without limitation, letters of credit, turely bonds or guaranty), as well as enter into constacts providing indemntifications to the full extent suchedized or permitted by law and including as part thereof provisions with respect to any or all of the foregoing to ensure the payment of such amounts as may become necessary to effect indemntification as provided therein, or elsewhere.
- 3. The Amended and Resumed Articles of Inserporation set forth above have been duly approved by the Corporation's board of directors in accordance with Section 78.390 (a) of the Nevada General Corporation Law by resolutions duly adopted at a Special Meeting of the Sound of Directors held August 27, 1997.
- 4. The Amended and Restated Articles of Incorporation have been duly approved by the required vote of shareholders in accordance with Section 78.390(b) of the Nevada Occural Corporation Law. The total number of coustanding shares of the Corporation at the time of shareholder approval was 500. The number of shares voting in favor of the amendment was at least a majority of each class of stock outstanding and entitled to vote thereon.

The undersigned hereby declares and certifies that the matters set forth in the foregoing certificate are true and certest to his knowledge and that this certificate was executed on August 27, 1997 at Incline Village, Nevada.

WILLIAM A.

President

NICHOLAS J. HASWELL,

Suspectry

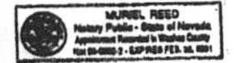
STATE	OF:	NEVADA

)) \$\$ COUNTY OF Washie

On August 27, 1997, before me. _____, notary public, personally appeared William A. Custer, personally knows to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

1 uriel Rea



STATE OF NEVADA	•) 55
comme of what		1 30

On August 2 1997, before me, Swan Zangane, notery public, personally appeared Nicholas J. Haswell, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public Canagra



SUBAN ZANGARA gary Public - State of Neveda patemet Recented in Washin County on Author. EXPRES APR 21 502 FoxTel, Inc.

EXHIBIT II

FINANCIAL CAPABILITY

A Statement of Financial Capability and the financial statements covering the past three years are submitted in support of the Applicant's financial ability to provide the proposed service.

FoxTel, Inc.

Supplemental Financial Information

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

FoxTel, Inc. possesses the financial capability to provide the requested service. The Company's financial statements for 1997 and the seven months ended July 31, 1998 are attached. A review of the financial statements demonstrates that the Company possesses the necessary financial capability. Some of the noteworthy items are:

- Cash & cash equivalent balance of \$7K as of 7/31/98.
- Strong but controlled revenue growth ... 7/31/98 YTD revenues of \$421,941
- Existing available line of cradit of \$150K.

Clearly, FoxTel, Inc. has the financial capability and financial management skills to provide Alternative Local Exchange Service in Florida. The Company was certificated by the Florida Public Service Commission to provide interexchange service effective February 7, 1998 in docket # 971268-TI.

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

Please see response to question #1.

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

Please see response to question #1.

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.

Foxtel Balance Sheet

July 31, 1998

Assets

Current Assets	
Cash in Bank US Bank 8290010589	7,477.67
Total Current Assets	7,477.67
Total Current Assets	7,477.07
Dunnauta Dlant & Equipment	
Property, Plant, & Equipment	12,524.16
Phone System	
Computers, Computer Programs	54,719.53
Office Furniture & Fixtures	6,767.79
Machinery and Equipment	38,925.40
Orginization costs	7,165.00
Switch	80,849.00
Leasehold Improvements	2,400.00
Accumulated Depreciation & Amortizati	(31,067.13)
Deferred Contract Orgination Costs	398,328.01
Amortization Deferred Contract	(50,362.33)
	520,249.43
Total Property, Plant, & Equipment	520,249.43
Other Assets	
Prepaid Insurance	271.21
	3,464.72
Prepaid Expenses	
Prepaid Other	3,268.48
Total Other Assets	7,004.41
	504 BD1 51
Total Assets	534,731.51
Liabilities	
Current Liabilities	
Accounts Payable - Trade	143,004.43
Payroll Taxes	243.44
Accrued Vacation	5,043.04
Total Current Liabilities	148,290.91
	9.53
Long-Term Liabilities	
Note Payable - AMI, Inc	872,221.49
Note Payable - Dana Credit/484163	17,227.58
Note Payable - Graybar	10,451.88
Note Payable - Walter Jacobs	6,970.40
Note Payable - Comstock Leasing	49,095.52
Note Payable - United Capital	(159.64)
Total Long-Term Liabilities	955,807.23
Total bong-lerm brabilities	
Total Liabilities	1,104,098.14
Capital	(328,579.81)
Current Earnings	(320,379.01)

Foxtel Balance Sheet

July 31, 1998

Retained Earnings Total Capital

Total Liabilities and Capital

(240,786.82)

(569, 366.63)

534,731.51

Foxtel Income Statement YTD Actual 7 Period(s) Ending July 31, 1998

Inco	ome from Operations	
	Income - Other	106,155.91
	Income - Switch	315,784.86
	Total Income from Operations	421,940.77
Cost	of Goods Sold	
0.000	Phone Line Costs	337,095.32
	Installation Costs	47,468.81
	Deferred Amortization Costs	47,800.00
	Total Cost of Goods Sold	432,364.13
Gros	ss Profit (Loss)	(10,423.36)
Oper	rating Expenses	222 22
	Advertising Expense	351.25
	Adminstrative Expense	15,198.40
	Amortization Expense	721.36
	Auto Expense	8,510.21
	Bank Service Charges	456.46
	Computer Expense	6,413.25
	Commission Expense	11,040.95
	Contract Labor	995.00
	Depreciation	27,107.98
	Dues and Subscriptions	2,276.53
	Entertainment and Meals	77.30
	Equipment Leave-rental	674.33
	Freight	904.93
	Insurance	9,003.07
	Interest	6,314.21
	Licenses and Fees	2,265.00
	Misc Expense	902.98
	Office Expense	1,304.93
	Outside Services	25,940.60
	Postage	754.00
	Payroll Tax	12,282.36
	Promtion	1,227.69
	Rent	17,456.50
	Seminars	694.00 6,854.74
	Repairs and Maintenance	774.66
	Supplies	771.00
	Tariffs	298.22
	Taxes - Other	24,206.04
	Taxes - Atlantax	5,017.13
	Telephone	1,634.09
	Travel	1,034.03

Foxtel Income Statement YTD Actual 7 Period(s) Ending July 31, 1998

		• •												-	-	-	-	-	-	 ٠.	• •		-	-	-	-	-	-	-	-	-	MO. 1	•

Wages - Nevada Corporate Wages - Nevada	80,876.58 44,850.70
mages morale	
Total Operating Expenses	318,156.45
Operating Income (Loss)	(328,579.81)
Other Income	
Other Expenses	
Net Income (Loss)	(328,579.81)
HEATTERS SECRETARIZED HEATTERS	

Foxtel Balance Sheet

December 31, 1997

Assets

Current Assets		
Cash in Bank US Bank 8290010589	(30,116.91)	
Advance to Employee	100.00	
Total Current Assets		30,016.91)
Total Cultent Assets	,	50,010.51,
Property, Plant, & Equipment		
Phone System	12,524.16	
Computers, Computer Programs	50,967.53	
Office Furniture & Fixtures	5,535.79	
Machinery and Equipment	33,953.40	
Orginization costs	7,165.00	
Switch	77,549.00	
Leasehold Improvements	5,400.00	
Accumulated Depreciation & Amortizati	(3,237.79)	
Deferred Contract Orgination Costs	156,268.66	
Amortization Deferred Contract	(2,562.33)	
Total Property, Plant, & Equipment		43,563.42
Other Assets		
Prepaid Insurance	188.25	
Prepaid Expenses	1,964.72	
Prepaid Other	3,268.48	
Total Other Assets		5,421.45
		777777777
Total Assets		18,967.96

Liabilities		
Current Liabilities		
Accounts Payable - Trade	75,093.24	
Accrued Vacation	5,043.04	
Total Current Liabilities		80,136.28
Total current brabilities		00,230.20
Long-Term Liabilities		
Note Payable - AMI, Inc	444,968.62	
Note Payable - Dana Credit/484163	22,125.18	
Note Payable - Graybar	12,524.70	
Total Long-Term Liabilities		79,618.50
Total Liabilities	5	59,754.78
Capital		
Retained Earnings	(240,786.82)	
Total Capital		40,786.82)
Total Liabilities and Capital	3	18,967.96

Foxtel Balance Sheet

December 31, 1997

Foxtel Income Statement YTD Actual 12 Period(s) Ending December 31, 1997

Income from Operations	
Cost of Goods Sold	
Phone Line Costs	76,594.17
Credit Card - M/C, Visa, Novus	2,484.74
Credit Card - American Express	704.84
Deferred Amortization Costs	2,562.33
Deletied Amoretandron Company	
Total Cost of Goods Sold	82,346.08
	(00 345 00)
Gross Profit (Loss)	(82,346.08)
Operating Expenses	
Advertising Expense	273.44
Adminstrative Expense	27,720.97
Amortization Expense	542.41
Auto Expense	1,980.48
Bad Debt Expense	5,611.13
Bank Service Charges	400.20
Computer Expense	10,114.31
Consulting Fees	300.00
Contract Labor	14,305.98
Depreciation	1,225.38
Dues and Subscriptions	95.40
Entertainment and Meals	254.88
Equipment Leave-rental	225.91
Freight	871.80
Insurance	6,375.51
Interest	10,040.01
Legal	7,865.36
Licenses and Fees	3,575.00
Office Expense	6,750.00
Outside Services	19,852.70
Postage	87.55
Payroll Tax	(4,201.36)
Rent	2,444.13
Repairs and Maintenance	4,160.87
Supplies	6,255.33
Tariffs	350.85
Taxes - Other	175.00
Telephone	9,508.42
Travel	4,351.04
Vacation Accrual	5,043.04
Wages - Nevada Corporate	59,979.50
Wages - Nevada	(48,094.50)
Total Operating Expenses	158,440.74

Page 2

Foxtel Income Statement YTD Actual Period(s) Ending December

12 Period(s) Ending December 31, 1997

Operating Income (Loss)

(240,786.82)

Other Income

Other Expenses

Net Income (Loss)

(240,786.82)

FoxTel, Inc.

EXHIBIT III

MANAGERIAL CAPABILITY



FoxTel, Inc.'s management team includes the following professionals:

Morris Jacobs

- Chief Executive Officer

William Custer

President
Director of Sales and Marketing

Penelope Posa Trisa Summers

- Director of Customer Service and Regulatory Affairs

Leslie Howard

Director of Network Operation and Information Systems

The team consists of members who possess experience in primary business disciplines of managing a successful telecommunications company. The individuals on the team have experience in the provision of quality telecommunications services and successful business management. The profiles of the each member of the management team are noted below.

Morris Jacobs, Chief Executive Officer

Mr. Morris Jacobs brings to FoxTel, Inc. over 27 years of hands on work experience in the telecommunications industry. For 17 years, Mr. Jacobs has been on various executive management teams creating or assisting in the creation of comprehensive business strategy plans. As CEO of FoxTel, Inc., Mr. Jacobs is responsible for the strategic direction of the Company.

Prior to FoxTel, Inc., Mr. Jacobs was the Director of Operations and President of the Interconnect Division for Global Telenet/Telephone, the Vice President of Sales for Executone, the Director of Sales for Teleautograph, Inc. and the Field Sales Senior Engineer for Talos, Inc. While in the United States Air Force, Mr. Jacobs trained at the U.S. Air Force Technical School for Communications and Radio. Mr. Jacobs holds a degree in aeronautical engineering. Mr. Jacobs is also the CEO of AMI Telecommunications.

FoxTel. inc.

Profiles of Key Personnel, Continued

William Custer, President

Mr. William Custer has been the President of FoxTel, Inc. since its inception in August 1997. In that capacity, Mr. Custer is responsible for evaluating new services and markets, promoting the financial health of the Company and ensuring the Company has policies regarding customer service and support.

Prior to joining FoxTel, Inc., Mr. Custer was the MIS Director for AMI Telecommunications, a Field Service Engineer for Mediq Equipment Services, a General Manager and Programmer/Technical Support for Compusoive Corporation and the Sales Manager for R Squared Scan Systems. While in the United States Air Force, Mr. Custer trained at the U.S. Air Force Computer School for electronics, PC hardware repair, computer programming and system design/development.

Penelope Posa, Director of Sales and Marketing

Ms. Penelope Posa has been the Director of Sales and Marketing of FoxTel, Inc. since its inception in August 1997. In the capacity of Director of Sales and Marketing, Ms. Posa is responsible for the strategic direction of the Company, evaluating and implementing market and service strategies, preparing market and product projections, establishing the sales and customer service policies of the Company and ensuring the products and services of the Company are properly supported by the Network and Technical staff. Prior to joining FoxTel, Inc., Ms. Posa has obtained sales and marketing experience in various capacities at Hyatt Hotels Corporation and at AMI Telecommunications.

FoxTel. Inc.
Profiles of Key Personnel, Continued

Trisa Summers, Director of Customer Service and Regulatory Affairs

Ms. Trisa Summers has been the Director of Customer Service and Regulatory Affairs of FoxTel, Inc. since its inception in August 1997. Prior to joining FoxTel, Inc., Ms. Summers worked in several customer service and technical support capacities for various companies. Ms. Summers' duties include comprehensive customer support, market studies, new product/service development and regulatory affairs.

Leslie Howard, Director of Network Operations and Information Systems

Mr. Leslie Howard has been the Director of Network Operations and Information Systems of FoxTel, Inc. since its inception in August 1997. In that capacity, Mr. Howard is responsible for all network connectivity issues, correspondence with FoxTel's underlying carrier, technical support for customers, database management functions and management information systems. Prior to joining FoxTel, Inc., Mr. Howard worked in various MIS capacities at Nolet Spirits and Nordstrom Information Services and worked in various technical support capacities at Egghead Software.

FoxTel, Inc.

EXHIBIT IV

TECHNICAL CAPABILITY

TECHNICAL CAPABILITY

FoxTel, Inc. has been in the business of providing long distance telecommunications services since 1997. The company has a proven track record for providing high quality services and responsive customer service. The company's technical capabilities as a reseller of local exchange service are evidenced by its strong track record of providing quality interexchange service in Fiorida.

The company intends to provide local exchange service in throughout Florida as a reseller of the dominant incumbent local exchange company's facilities (BellSouth, GTE, Sprint-United Telephone and Sprint-Centel). As a reseller, FoxTel, Inc. will rely on its facilities-based underlying carriers for the operation and maintenance of the local exchange network. The company will use only reputable underlying carriers to ensure that high quality service is provided to customers. FoxTel's resale experience in the interexchange services market will enable it to competently manage the technical aspects of its resold local exchange services. In its expansion into the local exchange market, to the benefit of its customers, the company will take advantage of many of its existing operations including billing arrangements, customer service and network management.

The profiles of key personnel provided in Exhibit II of this application provide further evidence of the company's technical capability to provide local services.



DEPOSIT

October 8, 1998 Overnight

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OCT 1 2 1998

210 N. Park Ave.

Winter Park, FL

32789

P.O. Drawer 200

Mr. Walter D'Haeseleer

Florida Public Service Commission Division of Records and Reporting

2540 Shumard Oaks Boulevard

Gerald L. Gunter Bldg. Room 270 Tallahassee, FL 32399-0850

Winter Park, FL 904-488-4733

32790-0200

981312-TX

Tel: 407-740-8575

Fax: 407-740-0613

Dear Mr. D'Haeseleer:

tmi@tminc.com

Enclosed for filing are the original and six (6) copies of the above referenced application of FoxTel, Inc. to provide Alternative Local Exchange Carrier Service in Florida, Also enclosed is a check in the amount of \$250 for the filing fee.

RE: Initial Alternative Local Exchange Carrier Application of FoxTel, Inc.

Please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

Questions pertaining to this application or tariff should be directed to my attention at (407) 740-8575.

Thank you for your assistance.

Lapimert

TECHNOLOGIES MANAGEMENT, INC.

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

21103

10/8/98

PAY TO THE ORDER OF

Florida Public Service Commission

**250.00

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

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