

August 12, 1999

Florida Public Service Commission  
Division of Records and Reporting  
2540 Shumard Oak Blvd  
Tallahassee, Florida 32399-0850

DEPOSIT                      DATE  
D188                      AUG 16 1999

RE: ALEC Service Application

991110-TX

Dear Sir or Madam:

Enclosed please find the original and six (6) copies of Intelligence Network Online's application for "Authority To Provide Alternative Local Exchange Service Within The State Of Florida". Attached to our application are seven type written pages which represent responses to question 18 A-C, on pages 6 and 7 of the form. As part of our application, we are also providing our financials for the years 1996-1998, along with the compilation letters of preparing CPA Martin J. Greenberg. Lastly, enclosed is our check in the amount of Two Hundred Fifty dollars (\$250.00) in full payment of the non-refundable application fee.

If there is any additional information which the Commission requires in order to process our application, then please contact us and we will provide it immediately.

Thank you very much for your assistance.

Very truly yours,



George R. Pilat,  
President/CEO

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SERVICE COMMISSION  
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**\*\* FLORIDA PUBLIC SERVICE COMMISSION \*\***

**DIVISION OF TELECOMMUNICATIONS**  
**BUREAU OF CERTIFICATION AND SERVICE EVALUATION**

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

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Instructions

- ◆ This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Appendix A).
- ◆ Print or type all responses 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.
- ◆ 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 Records and Reporting***  
**2540 Shumard Oak Blvd.**  
**Tallahassee, Florida 32399-0850**  
**(850) 413-6770**

- ◆ If you have questions about completing the form, contact:

**Florida Public Service Commission**  
**Division of Telecommunications**  
**Bureau of Certification and Service Evaluation**  
**2540 Shumard Oak Blvd.**  
**Tallahassee, Florida 32399-0850**  
**(850) 413-6600**

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## APPLICATION

1. This is an application for  (check one):

**Original certificate** (new company).

**Approval of transfer of existing certificate:** Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority.

**Approval of assignment of existing certificate:** Example, a certificated company purchases an existing company and desires to retain the certificate of authority of that company.

**Approval of transfer of control:** Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

Intelligence Network Online, Inc.

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

Intelligence Network Online

4. Official mailing address (including street name & number, post office box, city, state, zip code):

1224 Rogers Street

Clearwater, Florida 33756

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

1224 Rogers Street

Clearwater, Florida 33756

6. Structure of organization:

- ( ) Individual      (x) Corporation  
( ) Foreign Corporation   ( ) Foreign Partnership  
( ) General Partnership   ( ) Limited Partnership  
( ) Other \_\_\_\_\_

7. **If individual**, provide:

Name: \_\_\_\_\_ Not Applicable

Title: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

Internet E-Mail Address: \_\_\_\_\_

Internet Website Address: \_\_\_\_\_

8. **If incorporated in Florida**, provide proof of authority to operate in Florida:

- (a) **The Florida Secretary of State corporate registration number:**

\_\_\_\_\_ P94000013441

9. **If foreign corporation**, provide proof of authority to operate in Florida:

- (a) **The Florida Secretary of State corporate registration number:**

\_\_\_\_\_ Not Applicable

10. **If using fictitious name-d/b/a**, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:

- (a) **The Florida Secretary of State fictitious name registration number:**

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11. **If a limited liability partnership**, provide proof of registration to operate in Florida:

(a) The Florida Secretary of State registration number:

Not Applicable

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12. **If a partnership**, provide name, title and address of all partners and a copy of the partnership agreement.

Name: Not Applicable

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Title:

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Address:

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City/State/Zip:

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Telephone No.: Fax No.:

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Internet E-Mail Address:

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Internet Website Address:

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13. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

(a) The Florida registration number:

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14. Provide **F.E.I. Number**(if applicable): 59 - 3232615

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15. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

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

None; Not Applicable

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(b) an 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.

None

16. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

**Name:** Gene Diveglia

**Title:** Vice President, Information Services

**Address:** 1224 Rogers Street

**City/State/Zip:** Clearwater, Florida 33756

**Telephone No.:** 727/442-0114 **Fax No.:** 727/448-0949

**Internet E-Mail Address:** gene@intnet.net

**Internet Website Address:** http://www.intnet.net

(b) Official point of contact for the ongoing operations of the company:

**Name:** George Pilat

**Title:** President / CEO

**Address:** 1224 Rogers Street

**City/State/Zip:** Clearwater, Florida 33756

**Telephone No.:** 727/442=0114 **Fax No.:** 727/448-0949

**Internet E-Mail Address:** george@intnet.net

**Internet Website Address:** http://www.intnet.net

**(c) Complaints/Inquiries from customers:**

**Name:** Gene Diveglia

**Title:** Vice President, Information Systems

**Address:** 1224 Rogers Street

**City/State/Zip:** Clearwater, Florida 33756

**Telephone No.:** 727/442-0114 **Fax No.:** 727/448-0949

**Internet E-Mail Address:** gene@intnet.net

**Internet Website Address:** http://www.intnet.net

**17. List the states in which the applicant:**

**(a) has operated as an alternative local exchange company.**

None

**(b) has applications pending to be certificated as an alternative local exchange company.**

None

**(c) is certificated to operate as an alternative local exchange company.**

None

**(d) has been denied authority to operate as an alternative local exchange company and the circumstances involved.**

None

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

None

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

None

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18. Submit the following:

A. Financial capability.

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

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

**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.*



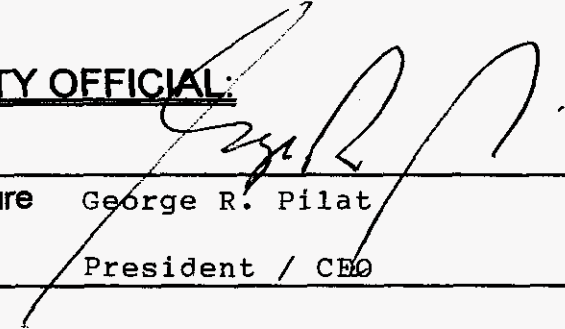
Further, the following (which includes supporting documentation) should be provided:

1. **written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
  2. **written explanation** that the applicant has sufficient financial capability to maintain the requested service.
  3. **written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.
- B. **Managerial capability:** give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.
- C. **Technical capability:** give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

**\*\* APPLICANT ACKNOWLEDGMENT STATEMENT \*\***

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of 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:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

**UTILITY OFFICIAL:**

		<u>12 AUG 99</u>
Signature	George R. Pilat	Date
Title	President / CEO	727/442-0114
Address:	1224 Rogers Street	727/448-0949
	Clearwater, Florida 33756	Fax No.

**ATTACHMENTS:**

- A - CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT
- B - INTRASTATE NETWORK
- C - AFFIDAVIT

**CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT**

I, (Name) \_\_\_\_\_,

(Title) \_\_\_\_\_ of (Name of Company)

\_\_\_\_\_ and current holder of Florida Public Service Commission Certificate Number # \_\_\_\_\_, have reviewed this application and join in the petitioner's request for a:

- ( ) sale
- ( ) transfer
- ( ) assignment

of the above-mentioned certificate.

**UTILITY OFFICIAL:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone No.

\_\_\_\_\_  
Address:

\_\_\_\_\_  
Fax No.

**" INTRASTATE NETWORK (if available)**

Chapter 25-24.825 (5), Florida Administrative Code, requires the company to make available to staff the alternative local exchange service areas only upon request.

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

1) _____	2) _____
_____	_____
3) _____	4) _____
_____	_____

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

1) _____	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.**

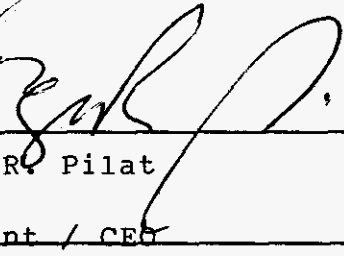
<u>POP-to-POP</u>	<u>OWNERSHIP</u>
1) _____	_____
2) _____	_____
3) _____	_____
4) _____	_____

**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 company 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."

UTILITY OFFICIAL:

Signature	 George R. Pilat	Date	12 AUG 99
Title	President / CEO	Telephone No.	727/442-0114
Address:	1224 Rogers Street	Fax No.	727/448-0949
	Clearwater, Florida 33756		

**Intelligence Network Online, Inc.'s  
SUPPLEMENT TO APPLICATION FORM  
for  
AUTHORITY TO PROVIDE  
ALTERNATIVE LOCAL EXCHANGE SERVICE  
WITHIN THE STATE OF FLORIDA**

The following is a supplement to Intelligence Network Online, Inc.'s application entitled "Authority To Provide Alternative Local Exchange Service Within the State of Florida". This supplement should be read in conjunction with the form, which form is incorporated herein by reference. Specifically, the following is in response to questions 18 A, B, and C contained on pages 6 and 7 of Form PSC/CMU 8 (11/95).

**18.A. Financial Capability**

Attached hereto are the unaudited financial statements of Intelligence Network Online, Inc. for the fiscal years of 1996, 1997, and 1998. The provided financials consist of the Balance Sheets, Income Statements, and the Statements of Retained Earnings. The Statement of Retained Earnings is a line item contained on the Balance Sheet.

These unaudited financials were prepared by the Company's outside accountant, Martin J. Greenberg, CPA. Along with the financial statements, the Company provides Mr. Greenberg's accompanying compilation letters, dated June 14, 1999, for Intelligence Network Online's financials. These financials have been reviewed for accuracy by George R. Pilat, President/CEO, and Suzanna L. Pilat, Treasurer/CFO, of Intelligence Network Online, Inc. Both George R. Pilat and Suzanna L. Pilat have attested to the truth and correctness of the submitted financial statements of the Company.

Should the Commission have any questions regarding these financial statements, please contact Suzanna L. Pilat at 727/442-0114, ext. 221 (telephone), 727/448-0949 (facsimile), or suzi@intnet.net (e-mail).

**Introduction and Company Overview**

Applicant provides the following information regarding its history of operations. The information provided herein will assist the Commission in evaluating the Company's application as it creates an overview of Intelligence Network Online.

Intelligence Network Online (the "Company") was founded in August, 1993. The founders are the current management; there has been no management turnover. The Company was incorporated in Florida on February 17, 1994 and has remained active and in good standing since its incorporation. The Company was founded to

**Page 2**  
**Supplement of Intelligence Network Online**

provide high speed Internet access in the Tampa Bay area. The Company initiated service April 1, 1994 and has continually provided service since then. Over the last five years, the Company has steadily grown its customer base while continually upgrading its technical capacity to remain a leader in high speed data transmission and Internet access.

1. The Company currently has 2,000 customers representing 10,000 end users. The Company's customers include TECO, ValPak, and Tech Force.
2. The Company currently offers data transmission through DS-3 Frame Relay Network, DS1 (while currently negotiating for a DS3 multiple connection to the Internet backbone), ADSL, ISDN, dial-up 56K (V.90), PVNs, Web hosting, and other related Internet and data transmission services.

**18.,A., 3., 1. - Written explanation that Intelligence Network Online has sufficient financial capability to provide the requested service.**

The Company will initially be providing service in the six county Tampa Bay area serviced by GTE, this area's ILEC. The Company, with the assistance of its third party consultants, estimates that it will cost Eighteen Million Dollars (\$18,000,000) to deploy in this six county area and to continue providing service until a point of positive cash flow is reached. These monies will be raised through a combination of debt and equity financing. The Company's contracts for equipment, connectivity, and co-location will not be finalized until the requisite financing is obtained. The determination of the total monies required to provide service in this six county area is based on 1) the ongoing planning of the Company's management team since 1997, in particular the recent cost estimates obtained from equipment vendors and providers of connectivity and co-location space, 2) the Company's five years experience of providing services identical to those which it will initially offer as an authorized ALEC, 3) the experience and research of George A. Silver, a consultant to the Company who previously worked in the telecommunications industry for over 25 years, which experience is more fully described in subpart 18. B. below, 4) the research and information developed by the Company's consultant, Abbington Company, which experience is described more fully in subpart 18., B. below, and 5) the Company's careful review of the experiences of other ALEC's who have recently entered the market both in Florida and in other geographic areas.

**Supplement of Intelligence Network Online**

**18., A., 3. 2. - Written explanation that Intelligence Network Online has sufficient financial capability to maintain the requested service.**

Please see the information provided directly above. From the Company's five years experience providing similar services, the Company is very familiar with the costs and expenses of maintaining such service, as well as being aware of the profit margins which are reasonably attainable. The Company and its consultants have put together a conservative business model and, therefore, are reasonably assured that the monies it will raise are sufficient to cover both deployment and ongoing operating expenses until a positive cash flow is attained. The Company's business model has been compared 1) to the business models of existing and operational ALECs, and 2) to both historic and future analysis of this segment of the telecommunications industry prepared by third party research and investment banking entities.

**18., A., 3., 3. - Written explanation that Intelligence Network Online has sufficient financial capability to meet its lease or ownership obligations.**

Please see the information provided in the two sections directly above. The Company has continuously operated for over five years and has never failed to meet its lease or ownership obligations, nor any other financial obligations. The management which has achieved this high level of financial responsibility will continue to be employed by the Company. Additionally, the Company has already retained consultants with experience in financial management of large public and private companies. The Company's business plan calls for the future retention of a CFO with both financial management and telecommunications industry experience.

The Company fully expects, based on its own past experience and the past experience of other ALECs/CLECs, to obtain favorable equipment leases and credit facilities which will directly address a major portion of its planned capital expenditures. The Company has already been contacted by a major equipment manufacturer with an expressed interest in working with Intelligence Network Online. The Company currently has up-to-date equipment with substantial unused capacity. The Company has obtained its equipment from leading telecommunications vendors and has established relationships with, among others, Sun Microsystems, Cisco Systems, Xylan, Sprint North Supply, Lucent Technologies and Digital Link.



**18., B. - Managerial Capability - Resumes that indicate sufficient managerial experience.**

The following provides information regarding the Company's key management personnel and the consultants currently assisting the Company in implementing its ALEC based business plan. In addition to the individuals described below, the Company recognizes that to expand its services in the Tampa Bay area as an ALEC, and thereafter to offer its services throughout Florida, will require the retention of substantial numbers of additional employees, including key management personnel. To this end, The Company has already begun to talk to persons with telecommunications industry experience who might fill key management positions.

**George R. Pilat**

Mr. Pilat is a founder of the Company and has been its President and CEO since its inception. In this capacity, Mr. Pilat has been responsible for defining the Company's vision and for constructing its operational structure. As noted above, the Company, under Mr. Pilat's direction, has been successful since its inception over 5 years ago. Before founding Intelligence Network Online, Mr. Pilat started and ran three other successful business ventures. Mr. Pilat studied Civil and Mechanical Engineering.

Mr. Pilat negotiated the Company's ongoing contracts with its backbone providers - GTE, AT&T, UUnet, Sprint, and Cable & Wireless. Mr. Pilat, along with Mr. Diveglia, negotiated the leases and/or purchase contracts for all of the Company's equipment.

Mr. Pilat has extensive experience with Unix, Sun Solaris, systems administration, and routers. Along with Mr. Diveglia, Mr. Pilat was responsible for conceiving, designing, and maintaining the Company's existing delivery system which includes the following equipment: Sun Solaris 2.7 operating environment on four Sun SPARC Center 2000E servers which internally runs on 12 Sun Microsystems SPARC stations; 7513 Cisco router which is an advanced core router which allows the Company to fully utilize its multi-homed redundant Internet backbone connections simultaneously; a Xylan OmniSwitch which allows complete LAN switching coupled with powerful ATM switching, thereby integrates the Company's very powerful, comprehensive, flexible virtual LAN architecture; and other equipment for linking the Company's CSU/DSUs and Access Multiplexers.

**Suzanna L. Pilat**

Ms. Pilat is a founder of the Company and has served as its Secretary/Treasurer since its inception. Ms. Pilat has been responsible for the Company's marketing and public relations functions, in addition to being primarily responsible for the Company's financial management.

Ms. Pilat has been on the Board of Directors of the Florida Internet Service Providers Association (FISPA) since its inception in May, 1996. FISPA was the first Internet service association in the country, and was the model for the national service providers association. As a Board member, Ms. Pilat has been active in defining and implementing quality standards and practices for ISPs and Internet related businesses.

Ms. Pilat is the Company's Webmaster and is proficient at designing Web sites for commercial clients. Ms. Pilat has been involved with Java development and applications; she also has experience with Unix, Sun Solaris, Adobe, Windows/DOS PPP applications and HTML/Web applications.

**Gene L. Diveglia**

Mr. Diveglia is the Company's Vice President and Chief Information Officer. Mr. Diveglia majored in Engineering Physics at Lehigh University, where he was also a technician and consultant to the Physics Department. Prior to joining the Company in 1993, Mr. Diveglia owned and operated a computer systems integration business. In this business, Mr. Diveglia worked extensively with Sun equipment and used Unix and C. Mr. Diveglia has been an Internet specialist since 1987.

Mr. Diveglia has technical experience and proficiency in both hardware and software applications, with strong experience in the following areas: Java design and implementation, Unix, Sun Solaris, C, C++, Object Oriented Technology, telecommunications technology, point to point TDM networks, TDM network diagnosis and repair, routed networks, enterprise routing protocols (BGP, OSPF, EIGRP, RIP), SONET frame-relay networks, ATM, fiber-optic systems and technology, database design and implementation, hardware troubleshooting and repair at the chip level, and software system design, prototyping and implementation.

**George A. Silver**

Mr. Silver is working with the Company as a consultant. Mr. Silver worked as an engineer in the telecommunications industry for

**Page 6**  
**Supplement of Intelligence Network**

over 25 years. Until recently, Mr. Silver worked for GTE where he tested and evaluated products. In this capacity, Mr. Silver was instrumental in integrating new products in the telecommunications industry. Specifically, Mr. Silver designed and performed field trials for transmission, switching, CPE, and data equipment including voice, radio, video, ATM, Frame Relay, personal and minicomputer operation and support systems; interfaced with standardization managers, vendor laboratories, and manufacturing groups to resolve design and functionality problems with new and existing equipment; and performed system product compatibility evaluations, cost comparisons, and tested functionality of new products.

**Abbington & Company**

Through Abbington & Company, Locke Besse, John McAvoy, and George Palmer are providing Intelligence Network Online consulting services relating to capital formation, financing activities, marketing, corporate structure, and strategic transactions including mergers and acquisitions. Collectively, these individuals have experience as corporate and SEC attorneys, in commercial and investment banking, in sales and marketing, in corporate financing, in raising and structuring debt and equity financing, and in structuring both mergers and acquisitions. These individuals have previously acted as consultants for telecommunications companies and for companies in the Internet segment of the telecommunications industry. Each of the above three individuals have defined personnel requirements, retained, trained and managed large numbers of individuals in successful business operations.

**18., B. - Technical Capability - provide information which indicates that the Company has sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.**

The Company has substantial technical expertise. Such expertise in is part demonstrated by the information provided directly above with regard George Pilat, Suzanna Pilat, Gene Diveglia, and George Silver; and to an even greater degree demonstrated by the fact that the Company has successfully designed, constructed and maintained a delivery system which services 2,000 customers and 10,000 end users. The company also provides the following additional information.

Because of the company's recognized technical expertise, it has been chosen to conduct BETA tests for both software and hardware vendors, including the following: Software - Sunsoft (Solaris, OpenStep, and NEO), Javasoft (Java), and Cisco; and

**Page 7**  
**Supplement of Intelligence Network Online**

Hardware - Assured Access, Livingston, Nortel, Ascend, Cascade, Cisco, and Lucent Technologies.

Intelligence Network Online's technical experience is also demonstrated by the fact that Mr. Diveglia, on four occasions, was invited to participate as a speaker/panelist at industry seminars sponsored by Sun Microsystems, including a seminar entitled "Delivering Network Services in a Webtone World".

Although the Company fully expects to be able to retain, train and manage sufficient technical personnel to install and maintain its network, it is planning for the contingency that such is not the case. Intelligence Network Online is fully aware that other ALECs have used Lucent Technologies, or other third party vendors, to install and/or maintain their networks. The Company is currently familiarizing itself with the terms and conditions of such installation and maintenance contracts, including their costs and implementation time frames.

I, **GEORGE R. PILAT**, declare and say that I am the President and CEO of Intelligence Network Online, Inc., that I have reviewed the financials being submitted with the application form for Authority To Provide Alternative Local Exchange Service Within The State Of Florida, and that these financials are true and correct.

Dated: 12 AUG 99

  
George R. Pilat

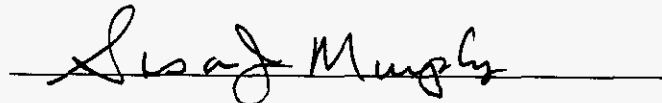
State OF FLORIDA

COUNTY OF PINELLAS

~~July~~ <sup>AUGUST</sup> The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of July, 1999, by **George R. Pilat**, who presented to me a valid Florida driver's license bearing his name and photograph.



Susan J. Murphy  
MY COMMISSION # CC688441 EXPIRES  
October 25, 2001  
BONDED THRU TROY FAIN INSURANCE, INC



Printed Name: SUSAN J. MURPHY  
NOTARY PUBLIC, STATE OF FLORIDA

I, **SUZANNA L. PILAT**, declare and say that I am the Treasurer of Intelligence Network Online, Inc., that I have reviewed the financials being submitted with the application form for Authority To Provide Alternative Local Exchange Service Within The State Of Florida, and that these financials are true and correct.

Dated: 12 Aug 99

  
Suzanna L. Pilat

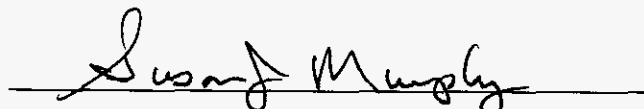
STATE OF FLORIDA

COUNTY OF PINELLAS

~~July~~ <sup>AUGUST</sup> The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of July, 1999, by **Suzanna L. Pilat**, who presented to me a valid Florida driver's license bearing her name and photograph.



Susan J. Murphy  
MY COMMISSION # CC688441 EXPIRES  
October 25, 2001  
BONDED THRU TROY FAIN INSURANCE, INC



Printed Name: SUSAN J. MURPHY  
NOTARY PUBLIC, STATE OF FLORIDA

**INTELLIGENCE NETWORK ONLINE, INC.  
BALANCE SHEET AS AT DECEMBER 31,**

	<u>1996</u>	<u>1997</u>	<u>1998</u>
<b>ASSETS</b>			
CURRENT ASSETS;			
CASH IN BANKS	\$115,556	\$28,350	\$28,045
LOAN RECEIVABLE		<u>3,440</u>	<u>3,440</u>
TOTAL CURRENT ASSETS	<u>115,556</u>	31,790	31,485
COMPUTERS, FURNITURE & EQUIPMENT	53,988	53,988	74,017
LESS ACCUMULATED DEPRECIATION	<u>45,394</u>	<u>48,832</u>	<u>69,701</u>
NET FIXED ASSETS	8,594	5,156	4,316
TOTAL ASSETS	\$124,150	\$36,946	\$35,801
<b>LIABILITIES &amp; STOCKHOLDER EQUITY</b>			
CURRENT LIABILITIES			
NOTES PAYABLE	\$7,768	\$1,284	\$2,937
SHAREHOLDERS' LOANS PAYABLE	<u>17,702</u>	<u>5,311</u>	<u>1,509</u>
TOTAL CURRENT LIABILITIES	25,470	6,595	4,446
STOCKHOLDER EQUITY			
CAPITAL STOCK	100	100	100
RETAINED EARNINGS BEGINNING OF YEAR	(14,044)	98,580	30,251
ADD NET INCOME FOR YEAR	<u>299,737</u>	<u>87,441</u>	<u>45,218</u>
TOTAL	285,693	186,021	75,469
LESS SHAREHOLDER DISTRIBUTIONS	<u>187,113</u>	<u>155,770</u>	<u>44,214</u>
RETAINED EARNINGS END OF YEAR	<u>98,580</u>	<u>30,251</u>	<u>31,255</u>
TOTAL STOCKHOLDER EQUITY	<u>\$98,680</u>	<u>\$30,351</u>	<u>\$31,355</u>
TOTAL LIABILITIES & EQUITY	\$124,150	\$36,946	\$35,801

SEE ACCOMPANYING COMPILATION STATEMENT

**INTELLIGENCE NETWORK ONLINE, INC.  
STATEMENT OF INCOME & EXPENSES  
FOR THE YEAR ENDING DECEMBER 31,**

	<u>1996</u>	<u>1997</u>	<u>1998</u>
<b>REVENUES</b>			
GROSS SALES	\$974,163	\$871,572	\$997,922
LESS COST OF CABLE LINES	<u>226,714</u>	<u>308,054</u>	<u>462,663</u>
GROSS PROFIT	\$747,449	\$563,518	\$535,259
<b>EXPENSES</b>			
<b>SELLING &amp; ADMINISTRATIVE EXPENSES</b>			
SALARIES	\$182,756	\$224,105	\$266,318
RENTS	10,904	9,724	11,172
REPAIRS & MAINTENANCE	8,550	5,957	3,485
TAXES	15,453	19,749	22,121
DEPRECIATION	19,649	3,438	20,868
OFFICE & ADMINISTRATIVE EXPENSES	47,748	45,528	38,347
PROMOTION	5,536	8,928	5,149
TRAVEL & AUTO	12,841	1,633	35,761
SUPPLIES & POSTAGE	9,664	8,169	8,481
FREIGHT & SHIPPING	26,774	---	---
ENTERTAINMENT	7,686	6,363	10,312
INSURANCE	25,864	26,181	23,285
INTEREST	---	1,543	10,065
TELEPHONE & UTILITIES	34,973	24,443	16,550
LEGAL & ACCOUNTING	2,472	3,458	1,107
EQUIPMENT LEASING	36,842	86,858	---
EMPLOYEE BENEFITS	<u>---</u>	<u>---</u>	<u>17,020</u>
TOTAL EXPENSES	<u>\$447,712</u>	<u>\$601,847</u>	<u>\$490,041</u>
<b>NET PROFIT FROM OPERATIONS</b>	<b>\$299,737</b>	<b>\$87,441</b>	<b>\$45,218</b>

SEE ACCOMPANYING COMPILATION STATEMENT

Martin J. Greenberg, CPA  
1318 Nelson Avenue  
Clearwater, Fl. 33755  
727-441 9918

June 14, 1999

Mr. George Pilat  
Intelligence Network On Line, Inc.  
PO Box 727  
Clearwater, Fl. 33757

Dear Mr. Pilat,

I have compiled the accompanying Balance Sheet of Intelligence Network On Lines Inc. as of 12.31.96 and the statement of Income and Expenses for the period 1/1/96-12/31/96 in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management.

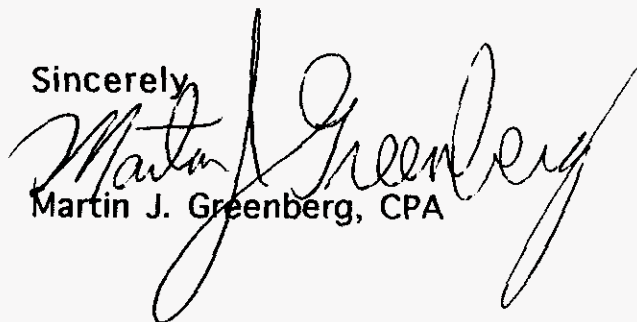
I have not audited or reviewed the accompanying balance sheet or the statement of income and expenses and, accordingly, do not express an opinion or any form of assurance on them.

The company's policy is to prepare its financial statements on the accounting basis used for income tax purposes, consequently, certain revenue and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

Accordingly, the accompanying balance sheet and income and expense statement is not intended to present the results of operations in conformity with generally accepted accounting principles.

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

Sincerely,

  
Martin J. Greenberg, CPA



Martin J. Greenberg, CPA  
1318 Nelson Avenue  
Clearwater, Fl. 33755  
727-441 9918

June 14, 1999

Mr. George Pilat  
Intelligence Network On Line, Inc.  
PO Box 727  
Clearwater, Fl. 33757

Dear Mr. Pilat,

I have compiled the accompanying Balance Sheet of Intelligence Network On Lines Inc. as of 12.31.97 and the statement of Income and Expenses for the period 1/1/97-12/31/97 in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management.

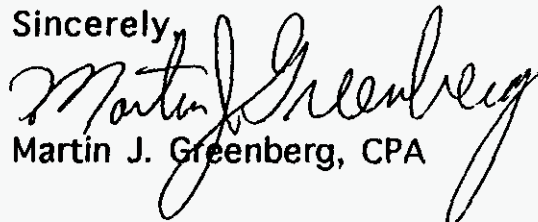
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Sincerely,



Martin J. Greenberg, CPA

Martin J. Greenberg, CPA  
1318 Nelson Avenue  
Clearwater, Fl. 33755  
727-441 9918

June 14, 1999

Mr. George Pilat  
Intelligence Network On Line, Inc.  
PO Box 727  
Clearwater, Fl. 33757

Dear Mr. Pilat,

I have compiled the accompanying Balance Sheet of Intelligence Network On Lines Inc. as of 12.31.98 and the statement of Income and Expenses for the period 1/1/98-12/31/98 in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management.

I have not audited or reviewed the accompanying balance sheet or the statement of income and expenses and, accordingly, do not express an opinion or any form of assurance on them.

The company's policy is to prepare its financial statements on the accounting basis used for income tax purposes, consequently, certain revenue and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

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Sincerely

  
Martin J. Greenberg, CPA

# intnet.net

email: sales@intnet.net  
http://www.IntNet.net/

August 12, 1999

Florida Public Service Commission  
Division of Records and Reporting  
2540 Shumard Oak Blvd  
Tallahassee, Florida 32399-0850

DEPOSIT                      DATE  
D188                      AUG 16 1999

RE: ALEC Service Application

991110-TX

Dear Sir or Madam:

Enclosed please find the original and six (6) copies of Intelligence Network Online's application for "Authority To Provide Alternative Local Exchange Service Within The State Of Florida". Attached to our application are seven type written pages which represent responses to question 18 A-C, on pages 6 and 7 of the form. As part of our application, we are also providing our financials for the years 1996-1998, along with the compilation letters of preparing CPA Martin J. Greenberg. Lastly, enclosed is our check in the amount of Two Hundred Fifty dollars (\$250.00) in full payment of the non-refundable application fee.

If there is any additional information which the Commission requires in order to process our application, then please contact us and we will provide it immediately.

Thank you very much for your assistance.

Look for blue background on the front of this check and the imageSafe logo on back. If not present, do not cash.

<b>INTELLIGENCE NETWORK ONLINE, INC.</b> P.O. BOX 727 813-442-0114 CLEARWATER, FL 33757	7117
PAY TO THE ORDER OF <i>Florida Public Service Commission</i>	DATE <i>8-12-99</i>
<i>Two hundred fifty + 00/100</i>	\$ <i>250.00</i>
<b>NationsBank</b> NationsBank, N.A. ACH RVT 083100277	DOCUMENT NUMBER-DATE <i>09684 AUG 16 99</i>
FOR <i>ALEC app.</i>	<i>[Signature]</i>
#007117#	