



10. No use of fictitious name necessary. Telcordia Technologies affirms there are no other businesses doing business under the Applicant's name in the country.
11. The Applicant is not a limited liability partnership.
12. The Applicant is not a partnership.
13. The Applicant is not a foreign limited partnership.
14. F.E.I. Number: 95 – 466 – 3359
15. (a) Neither officer nor director of Backbone Communications, Inc. has been adjudged bankrupt, mentally incompetent, or found guilty of any felony or crime. The president of Backbone Communications, Robert Bral, is the sole shareholder.  
  
(b) No officer, director, partner or shareholder, has been an officer, director, partner, or stockholder in any other Florida certificated telephone company.
16. Liaisons to the Commission with regard to :
  - (a) The application:  
L. Caterina Alvarez  
Regulatory Analyst  
Backbone Communications, Inc.  
1801 Century Park East, Suite 1830  
Los Angeles, CA 90067-2320  
Tel.: (310) 282-7111 ext. 227  
Fax: (310) 552-2314  
[Calvarez@bbcominc.com](mailto:Calvarez@bbcominc.com)  
<http://www.bbcominc.com>
  - (b) Official point of contact for the ongoing operations of the company:  
Lisa Pache  
Director of Operations  
Backbone Communications, Inc.  
1801 Century Park East, Suite1830  
Los Angeles, CA 90067-2320  
Tel.: (310) 282-7111 ext. 246  
Fax: (310) 552-2314  
[Lpache@bbcominc.com](mailto:Lpache@bbcominc.com)  
<http://www.bbcominc.com>
  - (c) Complaints/Inquiries from customers:  
Lisa Pache  
Director of Operations

Backbone Communications, Inc.  
1801 Century Park East, Suite1830  
Los Angeles, CA 90067-2320  
Tel.: (310) 282-7111 ext. 246  
Fax: (310) 552-2314  
[Lpache@bbcominc.com](mailto:Lpache@bbcominc.com)  
<http://www.bbcominc.com>

17. The states in which the applicant

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

The applicant has not yet begun operations in any state or country.

- (b) has applications pending to be certificated as an alternative local exchange company:

California, New York, Texas, and Illinois.

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

The Applicant is not yet certified in any state. Applicant's application for CPCN for the State of California is due to become effective February 29, 2000.

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

The Applicant has never been denied authority to operate as an alternative local exchange company.

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

The Applicant has never had regulatory penalties imposed for violations of telecommunications statutes or any other statutes.

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

The Applicant has never been involved in civil court proceedings with an interexchange carrier, local exchange company, or other telecommunications entity.

18. Submissions

- (a) full demonstration of financial capability to supply telecommunications and information services indiscriminately in the whole State of Florida are attached as

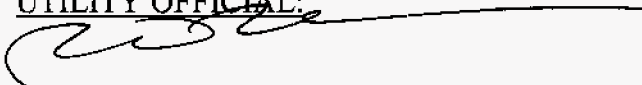
**Exhibit B.** Audited statements are not available. The unaudited statements are signed by the President of Applicant affirming that the financial statements are true and correct.

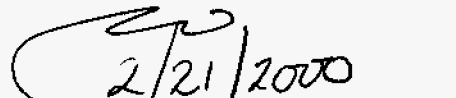
- (b) Biographies of Applicant's management and technical team are attached as **Exhibit C.**

**\*\* 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, 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:

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Date

\_\_\_\_\_  
President  
Title

Address: Backbone Communications, Inc.  
1801 Century Park East, Suite 1830  
Los Angeles, CA 90067-2320  
Tel.: (310) 282-7111  
Fax: (310) 552-2314  
[Http://www.bbcominc.com](http://www.bbcominc.com)

**Appendix A**

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

Not applicable. The Applicant is applying for an original certificate of authority to provide local exchange and interexchange services as a facilities-based carrier and reseller.

## **Appendix B**

### **INTRASTATE NETWORK**

The Applicant is not currently collocated in the State of Florida. The Applicant has ordered ATM switches due to be ready for deployment in March 2000. They will be collocated in Williams Communications point-of-presence in Miami and Orlando, Florida.


**Appendix C**

**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 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

2-21-2000  
Date

\_\_\_\_\_  
President  
Title

Address: Backbone Communications, Inc.  
1801 Century Park East, Suite 1830  
Los Angeles, CA 90067-2320  
Tel.: (310) 282-7111  
Fax: (310)552-2314  
[Http://www.bbcominc.com](http://www.bbcominc.com)



**Exhibit A:** Copy of the Application for Authority to Transact Business in the State of Florida.

APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

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

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

2. California 3. 95-466-3359  
(State or country under the law of which it is incorporated) (FEI number, if applicable)

4. August 27, 1997 5. Perpetual  
(Date of incorporation) (Duration: Year corp. will cease to exist or "perpetual")

6. \_\_\_\_\_  
(Date first transacted business in Florida.) (SEE SECTIONS 607.1501, 607.1502 and 817.155, F.S.)

7. 1801 Century Park East, Suite 1830  
Los Angeles, CA 90067-2320  
(Current mailing address)

8. Delivery of broadband telecommunications services.  
(Purpose(s) of corporation authorized in home state or country to be carried out in state of Florida)

9. Name and street address of Florida registered agent: (P.O. Box or Mail Drop Box **NOT** acceptable)

Name: \_\_\_\_\_

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

\_\_\_\_\_, Florida, \_\_\_\_\_  
(Zip code)

10. Registered agent's acceptance:

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

\_\_\_\_\_  
(Registered agent's signature)

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

*Please see attach articles of Incorporation from the State of California*

12. Names and addresses of officers and/or directors: (Street address **ONLY** - P.O. Box **NOT** acceptable)

**A. DIRECTORS (Street address only - P.O. Box NOT acceptable)**

Chairman: Robert Breal

Address: 1801 Century Park East, Suite 1830  
Los Angeles, CA 90067-2320

Vice Chairman: \_\_\_\_\_

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

Director: \_\_\_\_\_

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

Director: \_\_\_\_\_

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

**B. OFFICERS (Street address only - P.O. Box NOT acceptable)**

President: Robert Breal

Address: 1801 Century Park East, Suite 1830  
Los Angeles, CA 90067-2320

Vice President: Arman Asgari

Address: "same address"

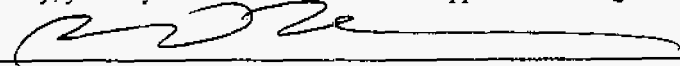
Secretary: Jim Carlin

Address: "same address"

Treasurer: \_\_\_\_\_

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

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

13.   
(Signature of Chairman, Vice Chairman, or any officer listed in number 12 of the application)

14. Robert Breal, President and Chairman  
(Typed or printed name and capacity of person signing application)

# State of California

## SECRETARY OF STATE

### CERTIFICATE OF STATUS DOMESTIC CORPORATION

I, BILL JONES, Secretary of State of the State of California, hereby certify:

That on the 20TH day of AUGUST, 1997, **BACKBONE COMMUNICATIONS INC.** became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of February 3, 2000.



*Bill Jones*  
BILL JONES  
Secretary of State

**TRANSMITTAL LETTER**

To: Qualification/Tax Lien Section  
Division of Corporations

SUBJECT: Backbone Communications, Inc.  
(Name of corporation - must include suffix)

Dear Sir or Madam:

The enclosed "Application by Foreign Corporation for Authorization to Transact Business in Florida", "Certificate of Existence", and check are submitted to register the above referenced foreign corporation to transact business in Florida.

Please return all correspondence concerning this matter to the following:

Caterina Alvarez  
(Name of Person)

Backbone Communications, Inc  
(Firm/Company)

1801 Century Park East, Suite 1830  
(Address)

Los Angeles, CA 90067-2320  
(City/State/Zip)

Should you need to call someone concerning this matter, please call:

Caterina Alvarez at (310) 282-7111 ext. 227  
(Name of Person) (Area Code & Daytime Telephone Number)

**STREET ADDRESS:**

Qualification/Tax Lien Section  
Division of Corporations  
409 E. Gaines St.  
Tallahassee, FL 32399

**MAILING ADDRESS:**

Qualification/Tax Lien Section  
Division of Corporations  
P.O. Box 6327  
Tallahassee, FL 32314

Enclosed is a check for the following amount:

- \$70.00 Filing Fee
- \$78.75 Filing Fee & Certificate of Status
- \$78.75 Filing Fee & Certified Copy
- \$87.50 Filing Fee, Certificate of Status & Certified Copy

**Exhibit B: Demonstration of Financial Capability.**

Harborside Financial Center  
501 Plaza II,  
Jersey City, NJ 07311

1.888.678.4355 Tel  
1.973.316.0694 Fax  
www.DLJdirect.com

A Donaldson, Lufkin  
& Jenrette Company  
Member NASD and SIPC



Select Client

December 31, 1999

To Whom It May Concern:

This letter is to verify that Mr. Robert Bral has liquid assets in excess of \$100,000 in his personal account held at DLJdirect.

If additional information is needed please call 1-888-678-4355.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Garner", written over a horizontal line.

Eric Garner  
Select Client Services Manager

12/30/99

BBCOM  
**Balance Sheet**  
 As of November 30, 1999

	Nov 30, '99
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1-1000 · CNB-731281	7,844.79
1-1100 · Petty Cash	250.00
<b>Total Checking/Savings</b>	8,094.79
<b>Other Current Assets</b>	
1-1250 · Loan Receivable	
1-1255 · CAP-Payroll	-19,125.00
<b>Total 1-1250 · Loan Receivable</b>	-19,125.00
1-1310 · Deposits-Equipment	20,000.00
1-1350 · Security Deposits	
1-1360 · 1801 Century Park East-1850	2,592.00
<b>Total 1-1350 · Security Deposits</b>	2,592.00
<b>Total Other Current Assets</b>	3,467.00
<b>Total Current Assets</b>	11,561.79
<b>Fixed Assets</b>	
1-1500 · Office Furniture & Equipment	
1-1505 · Computers/Printers	68,122.79
1-1507 · Office Fixtures/Decor	4,414.50
1-1510 · Office Furniture	76,484.98
1-1515 · Office Equipment	19,118.15
<b>Total 1-1500 · Office Furniture &amp; Equipment</b>	168,140.42
1-1600 · Property & Equipment	
1-1610 · Equipment - Routers/Switches	1,455,520.52
1-1615 · Video Conf Equipment	6,835.23
<b>Total 1-1600 · Property &amp; Equipment</b>	1,462,355.75
1-1700 · Other Fixed Assets	
1-1710 · Start up costs	22,651.27
1-1715 · Organization costs	2,895.00
<b>Total 1-1700 · Other Fixed Assets</b>	25,546.27
<b>Total Fixed Assets</b>	1,656,042.44
<b>TOTAL ASSETS</b>	<b>1,667,604.23</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2-2000 · Accounts Payable	10,642.43
<b>Total Accounts Payable</b>	10,642.43
<b>Other Current Liabilities</b>	
2-2400 · PAYROLL WITHHOLDINGS	0.00
<b>Total Other Current Liabilities</b>	0.00
<b>Total Current Liabilities</b>	10,642.43



12/30/99

BBCOM  
**Balance Sheet**  
As of November 30, 1999

	<u>Nov 30, '99</u>
<b>Long Term Liabilities</b>	
2-2300 · Equipment Loans	
2-2305 · Lucent Equipment	1,039,394.00
<b>Total 2-2300 · Equipment Loans</b>	1,039,394.00
2-2600 · Loans from Stockholders	122,937.37
<b>Total Long Term Liabilities</b>	<u>1,162,331.37</u>
<b>Total Liabilities</b>	1,172,973.80
<b>Equity</b>	
3-3000 · OWNERS EQUITY-Robert Bral	
3-3010 · Investments	1,218,299.50
3-3015 · Withdrawals	54,011.00
<b>Total 3-3000 · OWNERS EQUITY-Robert Bral</b>	1,272,310.50
3900 · Retained Earnings	-188,722.79
Net Income	-588,957.28
<b>Total Equity</b>	<u>494,630.43</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,667,604.23</u></u>

**Backbone Communications**  
**Proforma Income Statements**  
For Years Ending December 31, 2000 to 2002

	<u>2000</u>	<u>2001</u>	<u>2002</u>
Sales	\$ 18,312,592	\$ 130,457,410	\$ 436,491,873
Interest Income	\$ 76,302	\$ 543,573	\$ 1,818,716
Total Revenue	<u>\$ 18,388,894</u>	<u>\$ 131,000,982</u>	<u>\$ 438,310,590</u>
Less: Returns & Allowances	\$ (549,378)	\$ (3,913,722)	\$ (13,094,756)
Net Sales	<u>\$ 17,839,517</u>	<u>\$ 127,087,260</u>	<u>\$ 425,215,833</u>
Less: Cost of Sales	<u>\$ (17,120,807)</u>	<u>\$ (55,380,454)</u>	<u>\$ (104,735,827)</u>
Gross Margin	\$ 718,709	\$ 71,706,806	\$ 320,480,006
Less: Selling & Marketing Expenses	\$ (7,078,471)	\$ (37,070,746)	\$ (43,812,959)
Less: General & Administrative Expenses	\$ (8,489,647)	\$ (44,461,237)	\$ (52,547,591)
Operating Income	<u>\$ (14,849,409)</u>	<u>\$ (9,825,177)</u>	<u>\$ 224,119,456</u>
Less: Taxes	\$ -	\$ -	\$ (112,059,728)
Net Income After Taxes	<u>\$ (14,849,409)</u>	<u>\$ (9,825,177)</u>	<u>\$ 112,059,728</u>

**Backbone Communications**  
 Proforma Annual Cashflow Statements  
 For The Years Ending December 31, 2000 to 2002

	2000	2001	2002
<b>Sources Of Cash:</b>			
Sales	\$ 18,312,592	\$ 130,457,410	\$ 436,491,873
Interest Income:	\$ 76,302	\$ 543,573	\$ 1,818,716
Capital Investment:	\$ 28,000,000	\$ 165,000,000	\$ -
Total Sources of Cash	\$ 46,388,894	\$ 296,000,982	\$ 438,310,590
<b>Uses Of Cash:</b>			
Sales Returns and Allowances	\$ -	\$ -	\$ -
Costs of Sales	\$ 549,378	\$ 3,913,722	\$ 13,094,756
Selling and Marketing Expenses	\$ 17,120,807	\$ 55,380,454	\$ 104,735,827
General & Administrative Expenses	\$ 7,078,471	\$ 37,070,746	\$ 43,812,959
Extraordinary Expenditures	\$ 8,489,647	\$ 44,461,237	\$ 52,547,591
Depreciation & Amortization Expenses	\$ -	\$ -	\$ -
Taxes	\$ (537,123)	\$ (2,916,402)	\$ (8,190,335)
Total Uses of Cash	\$ -	\$ -	\$ 112,059,728
Operating Cashflow:	\$ 32,701,180	\$ 137,909,758	\$ 318,060,526
	\$ 13,687,715	\$ 158,091,225	\$ 120,250,063

**Backbone Communications**  
 Proforma Quarterly Balance Sheets  
 For The Years Ending December 31, 2000 to 2002

	2000	2001	2002
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash	\$ 13,687,715	\$ 171,778,939	\$ 292,029,003
Short-term investments & marketable securities	\$ -	\$ -	\$ -
Accounts Receivable	\$ 10,314,908	\$ 51,813,092	\$ 63,308,357
Notes Receivable	\$ -	\$ -	\$ -
Pre-Paid Expenses	\$ -	\$ -	\$ -
Inventory	\$ -	\$ -	\$ -
<b>Total Current Assets</b>	<b>\$ 24,002,623</b>	<b>\$ 223,592,031</b>	<b>\$ 355,337,360</b>
<b>Property, Plant &amp; Equipment:</b>			
Property, Plant & Equipment	\$ 4,680,157	\$ 14,847,713	\$ 81,218,806
Less: Accumulated Depreciation	\$ (542,473)	\$ (742,386)	\$ (10,093,764)
<b>Total Property, Plant &amp; Equipment</b>	<b>\$ 4,137,685</b>	<b>\$ 14,105,327</b>	<b>\$ 71,125,042</b>
<b>Total Assets</b>	<b>\$ 28,140,307</b>	<b>\$ 237,697,358</b>	<b>\$ 426,462,402</b>
<b>Liabilities &amp; Equity:</b>			
<b>Liabilities:</b>			
<b>Short-term Liabilities:</b>			
Accounts Payable and Accrued Expenses	\$ 13,989,716	\$ 58,371,944	\$ 135,075,259
<b>Long-term Liabilities:</b>			
Total Liabilities	\$ 13,989,716	\$ 58,371,944	\$ 135,075,259
<b>Stockholder's Equity:</b>			
Common-.0001 par value, authorized 130,000,000 and Issued 85 to 130 million shares.	\$ 8,500	\$ 11,000	\$ 13,000
Paid In Excess of Par	\$ 28,991,500	\$ 203,989,000	\$ 203,989,000
Retained Earnings	\$ (14,849,409)	\$ (24,674,586)	\$ 87,385,142
<b>Total Stockholders Equity</b>	<b>\$ 14,150,591</b>	<b>\$ 179,325,414</b>	<b>\$ 291,387,142</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$ 28,140,307</b>	<b>\$ 237,697,358</b>	<b>\$ 426,462,402</b>

**Exhibit C: Biographies of Applicant's Management Team**

Lisa Pache  
Director of Operations

Telecommunications experience: Director of Marketing for ADM, Inc. for five years. Director of Operations for Backbone Communications, Inc. for two years.

Years of experience: Seven years in telecommunications.

Karen Strefel  
Staff Accountant

Telecommunications experience: Thirteen years with Pacific NorthWest: Telephone PBX Accounting Special Projects, Control Center, and Port of Portland Remodel. She has been with Backbone Communications, Inc. for 8 months.

Years of experience: Fourteen years in accounting for telecommunications.

Travis Rodman  
Network Engineer

Telecommunications Experience: MIS Director for the American Teleservices Association as DBA, Website Administrator, and IT Director. Began working with Backbone Communications, Inc. 6 months ago. Has already received promotion.

Years of experience: Three years in communications.

Heather Ross  
Public Relations and Marketing Coordinator

Telecommunications experience: Prior to joining BBCOM she worked for Careerpath.com for 10 months. She graduated from USC with a BA in Public Relations with an emphasis in telecom/dotcom/Investor relations and multimedia engineering (web design).

Years of experience: Two years in communications.

Caterina Alvarez  
Regulatory Analyst

Telecommunications experience: Two years as assistant director at the Columbia Institute for Tele-Information, a telecommunications think tank based out of Columbia Graduate Business School. Paid internship at the Office of Plans and Policy, Federal Communications Commission. Received MA in Communications, at the Annenberg School, University of Southern California. Began working with Backbone Communications, Inc. in December 1999.

Years of experience: Five years in telecommunications.

**\*\*TO THE FLORIDA PUBLIC SERVICE COMMISSION\*\***

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

Petition of Backbone Communications, Inc. )  
for certification to provide alternative local )  
exchange services and interexchange )  
services as a facilities-based carrier and a )  
reseller in the State of Florida. )

Docket No. 000253-TX

**PETITION AND APPLICATION OF BACKBONE COMMUNICATIONS, INC. FOR  
AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE  
WITHIN THE STATE OF FLORIDA**

1. This is an application for:

Original certificate (new company).

DEPOSIT

DATE

D 2 5 2

FEB 24 2000

2. Name of company:

Backbone Communications, Inc.

3. Name under which the applicant will do business:

Backbone Communications, Inc. (BBCOM).

4. Official mailing address:

Backbone Communications, Inc.  
1801 Century Park East, Suite 1830  
Los Angeles, CA 90067-2320

5. Florida address:

**BACKBONE COMMUNICATIONS INC.**

P.O. BOX 18037  
BEVERLY HILLS, CA 90209

CITY NATIONAL BANK  
OLYMPIC PLAZA OFFICE  
LOS ANGELES, CALIFORNIA 90064  
16-1606-1220

1770

2/14/2000

PAY TO THE ORDER OF Florida Public Service Commission

Two Hundred Fifty and 00/100\*\*\*\*\*

\$ \*\*250.00

DOLLARS

Florida Public Service Commission  
Division of Records and Reporting  
2540 Shuman Oak Blvd.  
Tallahassee, FL 32399

DOCUMENT NUMBER-DATE

02534 FEB 24 8

FPSC-RECORDS/REPORTING

MEMO

Security features included. Details on back.