

ORIGINAL

APPLICATION

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

000498 - TX

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:

Coral Telecom, Inc.

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

Coral Telecom, Inc.

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

125 S. Gadsden Street, Suite 200

Tallahassee, FL 32301-1525

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

Same as (4) above

RECEIVED-FPSC
00 APR 26 AM 11:51
RECORDS AND REPORTING

FORM PSC/CMU 8 (11/95)
Required by Commission Rule Nos. 25-24.805,
25-24.810, and 25-24.815

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check:
W.S.

DOCUMENT NUMBER-DATE

05135 APR 26 8

FPSC-RECORDS/REPORTING

6. Structure of organization:

- () Individual (x) Corporation
() Foreign Corporation () Foreign Partnership
() General Partnership () Limited Partnership
() Other _____

7. **If individual**, provide:

Name: N/A

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:**

P98000083319

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

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

N/A

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:**

N/A

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

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

N/A

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

Name: N/A

Title:

Address:

City/State/Zip:

Telephone No.:

Fax No.:

Internet E-Mail Address:

Internet Website Address:

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:** N/A

14. Provide **F.E.I. Number**(if applicable): 59-3535675

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.

NO

(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.

Yes, Florida Public Telecommunications Association - Cert.

#4449

Lance C. Norris - President Angela B. Green - Vice Pres.

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

(a) The application:

Name: Angela B. Green

Title: Director/Secretary

Address: 125 S. Gadsden Street, Suite 200

City/State/Zip: Tallahassee, FL 32301-1525

Telephone No.: (850) 222-6000 **Fax No.:** (850) 222-1355

Internet E-Mail Address: abgreen@nettally.com

Internet Website Address: _____

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

Name: Carrie E. Norris

Title: President

Address: 125 S. Gadsden Street, Suite 200

City/State/Zip: Tallahassee, FL 32301-1525

Telephone No.: (850) 222-6000 **Fax No.:** (850) 222-1355

Internet E-Mail Address: carrie@fpta.com

Internet Website Address: _____

(c) Complaints/Inquiries from customers:

Name: Lance C. Norris

Title: Director

Address: 125 S. Gadsden Street, Suite 200

City/State/Zip: Tallahassee, FL 32301-1525

Telephone No.: (850) 222-6000 **Fax No.:** (850) 222-1355

Internet E-Mail Address: lance@fpta.com

Internet Website Address: _____

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

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

None

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

None

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.

18. Submit the following:

A. Financial Capability

Attached are supporting documents consisting of the company's tax returns for 1998 and 1999. Financial statements do not yet exist. As you can see, the company has not yet actually begun conducting business, but is still in its formative stages. The company was incorporated as Norstar Technologies, Inc. (Norstar) on September 25, 1998, and changed its name to Coral Telecom, Inc. (Coral) on February 17, 2000. Coral has filed and the IRS has accepted its election to be treated as an S-corporation.

Coral was formed with the intention of providing services to telecommunications companies, including, but not limited to local telecommunications service to payphone service providers. In order to enter into negotiations with incumbent local exchange companies (LECs) for unbundled network elements, resale and/or interconnection agreement(s), one must already be licensed as an alternative local exchange carrier (ALEC). Accordingly, Coral is seeking such licensure in order to begin the negotiation process with several LECs.

Coral is also in the process of writing its business plan and of establishing relationships with financial resources. Clearly, these arrangements are contingent upon Coral's success in securing favorable agreements with various incumbent LECs. Coral hereby commits to the Commission its unconditional intention to have in place sufficient financial capability to provide and maintain any service offerings before such time as actually making these services available to the public.

B. and C. Managerial and Technical Capability

Carrie E. Norris, President, will serve as general manager of the company, having overall responsibility for the company business on a day-to-day basis. Ms. Norris has served as the Director of Customer Support for FPTA Technologies (Technologies) for two years. Technologies is a wholly owned subsidiary of the Florida Public Telecommunications Association, Inc. (FPTA). Technologies provides products and services to the pay telephone industry. Ms. Norris has also worked in support functions for the FPTA since 1992 and has gained a wealth of knowledge of the telecommunications industry in both capacities.

Peter C. Fedor, Vice President, will serve as operations manager and will monitor the company's technical performance on a daily basis. He will also manage technical staff as they carry out their specific duties designed to ensure that Coral maintains high quality standards. Mr. Fedor has worked full time in the telecommunications industry since 1986, having started in the interconnection business in its earliest days. Mr. Fedor is an innovative former owner/operator of public telephones both domestically and internationally. He has served as Marketing Director for FPTA Technologies for the past two years.

**** 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>Carrie Edwards</u>	<u>4/26/00</u>
Signature	Date
<u>President</u>	<u>(850) 222-6000</u>
Title	Telephone No.
<u>Address: 125 S. Gadsden St., Ste 200</u>	<u>(850) 222-1355</u>
	Fax No.
<u>Tallahassee, FL 32301-1525</u>	

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:

<u>Carrie Enorris</u>	<u>4/26/00</u>
Signature	Date
<u>President</u>	<u>(850) 222-6000</u>
Title	Telephone No.
Address: <u>125 S. Gadsden St., Ste 200</u>	<u>(850) 222-1355</u>
<u>Tallahassee, FL 32301-1525</u>	Fax No.



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

February 17, 2000

Angela B. Green
Norstar Telecommunications, Inc.
125 S. Gadsden St., Ste 200
Tallahassee, FL 32301

Re: Document Number P98000083319

The Articles of Amendment to the Articles of Incorporation for NORSTAR TELECOMMUNICATIONS, INC. which changed its name to CORAL TELECOM, INC., a Florida corporation, were filed on February 17, 2000.

The certification requested is enclosed.

Should you have any question regarding this matter, please telephone (850) 487-6050, the Amendment Filing Section.

Annette Ramsey
Corporate Specialist
Division of Corporations

Letter Number: 100A00008578

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Amendment, filed on February 17, 2000, to Articles of Incorporation for NORSTAR TELECOMMUNICATIONS, INC. which changed its name to CORAL TELECOM, INC., a Florida corporation, as shown by the records of this office.

The document number of this corporation is P98000083319.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Seventeenth day of February, 2000



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

ARTICLES OF AMENDMENT
to
ARTICLES OF INCORPORATION
of
NORSTAR TELECOMMUNICATIONS, INC.
A FLORIDA CORPORATION

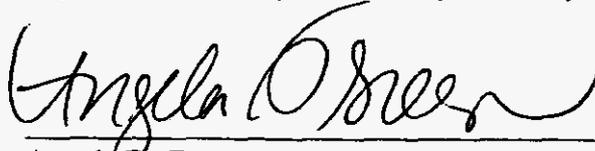
FILED
FEB 17 PM 2:25
CLERK OF CIRCUIT COURT
JACKSONVILLE, FLORIDA

Pursuant to the provisions of section 607.1006, Florida Statutes, this Florida profit corporation adopts the following articles of amendment to its articles of incorporation:

AMENDMENT II: The name of this corporation shall henceforth be Coral Telecom, Inc.

This amendment was adopted on February 17, 2000. The amendment was approved by the shareholders. The number of votes cast for the amendment was sufficient for approval.

Signed this 17th day of February, 2000, by:



Angela B. Green
Secretary and General Counsel

▶ Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation.

▶ See separate instructions.

1998

Department of the Treasury
Internal Revenue Service

For calendar year 1998, or tax year beginning _____, 1998, and ending _____, 19

A Effective date of election as an S corporation

Use IRS label. Otherwise, please print a type.

YN 59-3535675 DEC1998 S07 NP
NORSTAR TECHNOLOGIES INC
125 S GADSDEN ST STE 200
TALLAHASSEE FL 32301-1525

**I
R
S**

C Employer identification number

D Date incorporated

E Total assets (see page 10)

\$

B NEW bus. code no. (see pages 26-28)

F Check applicable boxes: (1) Initial return (2) Final return (3) Change in address (4) Amended return

G Enter number of shareholders in the corporation at end of the tax year

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a Gross receipts or sales		b Less returns and allowances		c Bal	1c	-0-
	2 Cost of goods sold (Schedule A, line 8)					2	
	3 Gross profit. Subtract line 2 from line 1c					3	
	4 Net gain (loss) from Form 4797, Part II, line 18 (attach Form 4797)					4	
	5 Other income (loss) (attach schedule)					5	
	6 Total income (loss). Combine lines 3 through 5					6	-0-
Deductions (see page 11 of the instructions for limitations)	7 Compensation of officers					7	
	8 Salaries and wages (less employment credits)					8	
	9 Repairs and maintenance					9	
	10 Bad debts					10	
	11 Rents					11	
	12 Taxes and licenses					12	
	13 Interest					13	
	14a Depreciation (if required, attach Form 4562)	14a					
	b Depreciation claimed on Schedule A and elsewhere on return	14b					
	c Subtract line 14b from line 14a					14c	
	15 Depletion (Do not deduct oil and gas depletion.)					15	
	16 Advertising					16	
	17 Pension, profit-sharing, etc., plans					17	
	18 Employee benefit programs					18	
19 Other deductions (attach schedule)					19		
20 Total deductions. Add the amounts shown in the far right column for lines 7 through 19					20		
21 Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6					21		
Tax and Payments	22 Tax: a Excess net passive income tax (attach schedule)	22a					
	b Tax from Schedule D (Form 1120S)	22b					
	c Add lines 22a and 22b (see page 14 of the instructions for additional taxes)					22c	
	23 Payments: a 1998 estimated tax payments and amount applied from 1997 return	23a					
	b Tax deposited with Form 7004	23b					
	c Credit for Federal tax paid on fuels (attach Form 4136)	23c					
	d Add lines 23a through 23c					23d	
	24 Estimated tax penalty. Check if Form 2220 is attached <input type="checkbox"/>					24	
	25 Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See page 4 of the instructions for depository method of payment					25	
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid					26	
27 Enter amount of line 26 you want: Credited to 1999 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>					27		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Carrie Edwards
Signature of officer

3/15/99
Date

President
Title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed

Preparer's social security number

Firm's name (or yours if self-employed) and address

EIN
ZIP code

Schedule A Cost of Goods Sold (see page 15 of the instructions)

1 Inventory at beginning of year	1		
2 Purchases	2		
3 Cost of labor	3		
4 Additional section 263A costs (attach schedule)	4		
5 Other costs (attach schedule)	5		
6 Total. Add lines 1 through 5	6		
7 Inventory at end of year	7		
8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8		

9a Check all methods used for valuing closing inventory:

- (i) Cost as described in Regulations section 1.471-3
- (ii) Lower of cost or market as described in Regulations section 1.471-4
- (iii) Other (specify method used and attach explanation) ▶

b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970). ▶

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d** | |

e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? . . . Yes No
If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶		
2 Refer to the list on pages 26 through 28 of the instructions and state the corporation's principal: (a) Business activity ▶ <u>513300</u> (b) Product or service ▶		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned.		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 At any time during calendar year 1998, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 15 of the instructions for exceptions and filing requirements for Form TD F 90-22.1.) If "Yes," enter the name of the foreign country ▶		X
6 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the corporation may have to file Form 3520. See page 15 of the instructions.		X
7 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter ▶ <input type="checkbox"/>		
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount . . . ▶ <input type="checkbox"/> If so, the corporation may have to file Form 8261, Information Return for Publicly Offered Original Issue Discount Instruments.		
9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see page 16 of the instructions) ▶ \$		
10 Check this box if the corporation had accumulated earnings and profits at the close of the tax year (see page 16 of the instructions) ▶ <input type="checkbox"/>		

▶ Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation.

▶ See separate instructions.

1999

Department of the Treasury
Internal Revenue Service

For calendar year 1999, or tax year beginning 1999, and ending

A Effective date of election as an S corporation	Use IRS label. Otherwise, please print or type.	Name Norstar Technologies	C Employer identification number 59 3535675
		Number, street, and room or suite no. (if a P.O. box, see page 10 of the instructions.) 125 S. Gadsden Street, Ste 200	D Date incorporated Dec 1998
B Business code no. (see pages 26-28) 513300		City or town, state, and ZIP code Tallahassee, FL 32301-1525	E Total assets (see page 10) \$ - 0 -

F Check applicable boxes: (1) Initial return (2) Final return (3) Change in address (4) Amended return

G Enter number of shareholders in the corporation at end of the tax year **▶ 4**

Caution: Include only trade or business income and expenses on lines 1a through 21. See page 10 of the instructions for more information.

Income	1a Gross receipts or sales		b Less returns and allowances		c Bal ▶	1c	- 0 -
	2 Cost of goods sold (Schedule A, line 8)					2	
	3 Gross profit. Subtract line 2 from line 1c					3	
	4 Net gain (loss) from Form 4797, Part II, line 18 (attach Form 4797)					4	
	5 Other income (loss) (attach schedule)					5	
	6 Total income (loss). Combine lines 3 through 5					6	- 0 -
Deductions (see page 11 of the instructions for limitations)	7 Compensation of officers					7	
	8 Salaries and wages (less employment credits)					8	
	9 Repairs and maintenance					9	
	10 Bad debts					10	
	11 Rents					11	
	12 Taxes and licenses					12	
	13 Interest					13	
	14a Depreciation (if required, attach Form 4562)	14a					
	b Depreciation claimed on Schedule A and elsewhere on return	14b					
	c Subtract line 14b from line 14a					14c	
	15 Depletion (Do not deduct oil and gas depletion.)					15	
	16 Advertising					16	
	17 Pension, profit-sharing, etc., plans					17	
	18 Employee benefit programs					18	
19 Other deductions (attach schedule)					19		
20 Total deductions. Add the amounts shown in the far right column for lines 7 through 19					20	- 0 -	
21 Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6					21		
Tax and Payments	22 Tax: a Excess net passive income tax (attach schedule)	22a					
	b Tax from Schedule D (Form 1120S)	22b					
	c Add lines 22a and 22b (see page 14 of the instructions for additional taxes)					22c	
	23 Payments: a 1999 estimated tax payments and amount applied from 1998 return	23a					
	b Tax deposited with Form 7004	23b					
	c Credit for Federal tax paid on fuels (attach Form 4136)	23c					
	d Add lines 23a through 23c					23d	
	24 Estimated tax penalty. Check if Form 2220 is attached <input type="checkbox"/>					24	
	25 Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See page 4 of the instructions for depository method of payment					25	
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid					26	
27 Enter amount of line 26 you want: Credited to 2000 estimated tax ▶ Refunded ▶					27		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: *Carrie Enorris* Date: *4/25/00* Title: **President**

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed Preparer's SSN or PTIN: _____
 Firm's name (or yours if self-employed) and address: _____ EIN: _____
 ZIP code: _____

Schedule A Cost of Goods Sold (see page 15 of the instructions)

1	Inventory at beginning of year	1		
2	Purchases	2		
3	Cost of labor	3		
4	Additional section 263A costs (attach schedule)	4		
5	Other costs (attach schedule)	5		
6	Total. Add lines 1 through 5	6		
7	Inventory at end of year	7		
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8		

9a Check all methods used for valuing closing inventory:

- (i) Cost as described in Regulations section 1.471-3
- (ii) Lower of cost or market as described in Regulations section 1.471-4
- (iii) Other (specify method used and attach explanation) ▶

b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d** | |

e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶		
2 Refer to the list on pages 26 through 28 of the instructions and state the corporation's principal: (a) Business activity ▶ 513300 (b) Product or service ▶		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned.		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 At any time during calendar year 1999, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 15 of the instructions for exceptions and filing requirements for Form TD F 90-22.1.) If "Yes," enter the name of the foreign country ▶		X
6 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the corporation may have to file Form 3520. See page 15 of the instructions.		X
7 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter ▶ <input type="checkbox"/>		
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ <input type="checkbox"/> If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see page 15 of the instructions) ▶ \$		
10 Check this box if the corporation had accumulated earnings and profits at the close of the tax year (see page 16 of the instructions) ▶ <input type="checkbox"/>		

APPLICATION

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

000498 - TX

() 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:

Coral Telecom, Inc.

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

Coral Telecom, Inc.

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

125 S. Gadsden Street, Suite 200

Tallahassee, FL 32301-1525

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

AMSOUTH

CARRIE E NORRIS
1265 Penny Lane
Tallahassee, FL 32312

0506

63-1011/632

DATE 4/26/00

PAY TO THE ORDER OF Fla. Public Service Commission \$ 250.00
Two hundred fifty & 00/100 DOLLARS

AMSOUTH BANK
THE RELATIONSHIP PEOPLE

FOR app fee Carrie E Norris

0506