

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

DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION

Application Form for Authority to Provide
Interexchange Telecommunications Service
Between Points Within the State of Florida

020232-TI

Instructions

- ◆ This form is used as an application for an original certificate and for approval of 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 Page 16).
- ◆ 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**

Note: No filing fee is required for an assignment or transfer of an existing certificate to another company.

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

**Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6480**

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:

Cronus Telecom, Inc.

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

Cronus Telecom, Inc.

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

1111 Park Centre Blvd,

SUITE 102

Miami, FL 33169

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

same as above

6. Select type of business your company will be conducting (check all that apply):

- Facilities-based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.

- () **Operator Service Provider** - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- () **Reseller** - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- () **Switchless Rebiller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- () **Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers, then offers resold service by enrolling unaffiliated customers.
- (✓) **Prepaid Debit Card Provider** - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

7. Structure of organization;

- | | |
|-------------------------|-------------------------|
| () Individual | (✓) Corporation |
| () Foreign Corporation | () Foreign Partnership |
| () General Partnership | () Limited Partnership |
| () Other _____ | |

8. **If individual**, provide:

Name: _____
Title: _____
Address: _____
City/State/Zip: _____

Telephone No.: _____ Fax No.: _____
Internet E-Mail Address: _____
Internet Website Address: _____

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

(a) **The Florida Secretary of State Corporate Registration number:**
B99000103367

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

(a) **The Florida Secretary of State Corporate Registration number:**

11. **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:**

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

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

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

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

14. **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:** _____

15. Provide **F.E.I. Number** (if applicable): _____

16. Provide the following (if applicable):

(a) Will the name of your company appear on the bill for your services?
() Yes () No

(b) If not, who will bill for your services?

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

(c) How is this information provided?

17. Who will receive the bills for your service?

- Residential Customers Business Customers
 PATs providers PATs station end-users
 Hotels & motels Hotel & motel guests
 Universities Universities dormitory residents
 Other: (specify) _____.

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

(a) The application:

Name: Liliana Gonzalez

Title: Secretary

Address: 1111 Park Centre Blvd, suite 102
City/State/Zip: Miami, FL 33169

Telephone No.: 305-356-0140 Fax No.: 305-356-0142

Internet E-Mail Address: _____

Internet Website Address: _____

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

Name: Joaquin Gonzalez
Title: V. President of Operations
Address: 1080 NW 163 Drive
City/State/Zip: Miami, FL 33169
Telephone No.: 305-625-9500 Fax No.: 305-625-0600
Internet E-Mail Address: _____
Internet Website Address: _____

(c) Complaints/Inquiries from customers:

Name: Luis Henao
Title: President
Address: 1111 Park Centre Blvd, suite 102
City/State/Zip: miami, FL 33169
Telephone No.: 305-625-9500 Fax No.: 305-625-0600
Internet E-Mail Address: _____
Internet Website Address: _____

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company.

Florida

(b) has applications pending to be certificated as an interexchange telecommunications company.

(c) is certificated to operate as an interexchange telecommunications company.

none - pending this application

(d) has been denied authority to operate as an interexchange telecommunications 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

20. 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. If so, please explain.

NONE

(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

21. The applicant will provide the following interexchange carrier services (check all that apply):

a. **MTS with distance sensitive per minute rates**

Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800

b. **MTS with route specific rates per minute**

Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800

c. **MTS with statewide flat rates per minute (i.e. not distance sensitive)**

- _____ Method of access is FGA
- _____ Method of access is FGB
- _____ Method of access is FGD
- _____ Method of access is 800

d. _____ **MTS for pay telephone service providers**

e. _____ **Block-of-time calling plan (Reach Out Florida, Ring America, etc.).**

f. _____ **800 service (toll free)**

g. _____ **WATS type service (bulk or volume discount)**

- _____ Method of access is via dedicated facilities
- _____ Method of access is via switched facilities

h. _____ **Private line services (Channel Services)**
(For ex. 1.544 mbs., DS-3, etc.)

i. _____ **Travel service**

- _____ Method of access is 950
- _____ Method of access is 800

j. _____ **900 service**

k. _____ **Operator services**

- _____ Available to presubscribed customers
- _____ Available to non presubscribed customers (for example, to patrons of hotels, students in universities, patients in hospitals).
- _____ Available to inmates

1. **Services included are:**

- _____ Station assistance
- _____ Person-to-person assistance
- _____ Directory assistance
- _____ Operator verify and interrupt
- _____ Conference calling

22. Submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

23. Submit the following:

A. Managerial capability; give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

B. 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.

C. 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. **A written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **A written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **A written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

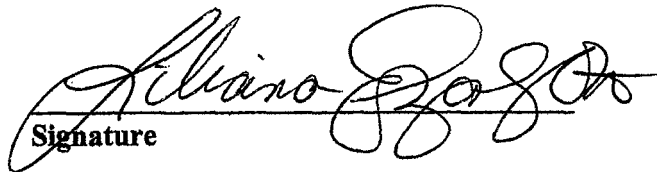
THIS PAGE MUST BE COMPLETED AND SIGNED

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 its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

Liliana Gonzalez
Print Name


Signature

Secretary
Title

2-13-02
Date

305-356-0140 ³⁰⁵
Telephone No. Fax No. 356-0142

Address: 1111 Park Centre Blvd
Suite 102
Miami, FL 33169

THIS PAGE MUST BE COMPLETED AND SIGNED

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be provided in one of the following ways (applicant, please check one):

- () The applicant will **not** collect deposits nor will it collect payments for service more than one month in advance.

- () The applicant intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month.
(The bond must accompany the application.)

UTILITY OFFICIAL:

Liliana Gonzalez

Print Name

Secretary

Title

305-356-0140

Telephone No.



Signature

2-13-02

Date

305-356-0142

Fax No.

Address:

1111 Park Centre Blvd
Suite 102
miami, FL 33169

THIS PAGE MUST BE COMPLETED AND SIGNED

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 interexchange telecommunications 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:

Liliana Gonzalez

Print Name

Liliana Gonzalez

Signature

Secretary

Title

2-13-02

Date

305-356-0140

Telephone No.

305-356-0142

Fax No.

Address:

1111 Park Center Blvd
Suite 102
Miami, FL 33169

CURRENT FLORIDA INTRASTATE SERVICES

Applicant has () or has not () previously provided intrastate telecommunications in Florida.

If the answer is has, fully describe the following:

a) What services have been provided and when did these services begin?

prepaid card services
which began Jan 5, 2001

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

services were discontinued
February 10, 2001

UTILITY OFFICIAL:

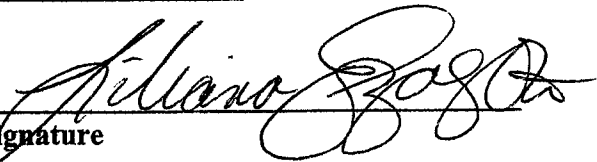
Liliana Gonzalez
Print Name

Secretary
Title

305-356-0140
Telephone No.

Address:

1111 Park Centre Blvd
Suite 102
Miami, FL 33169


Signature

2-13-02
Date

305-356-0142
Fax No.

CERTIFICATE 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:

() transfer

() assignment

of the above-mentioned certificate.

UTILITY OFFICIAL:

Print Name

Signature

Title

Date

Telephone No.

Fax No.

Address:

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02/22/02

Accrual Basis

CRONUS TELECOM INC.
Profit & Loss
January 5, 2001 through January 31, 2002

Jan 5, '01 - Jan 31, 02

Ordinary Income/Expense	
Income	
4000 - Long Distance Sales	
4010 - Carriers Sales	405,586.68
4020 - Prepaid Cards Sales	
4021 - Prepaid Cards	4,549,485.35
4022 - Prepaid Cards Discount	-1,304,863.85
4020 - Prepaid Cards Sales - Other	20,222.68
Total 4020 - Prepaid Cards Sales	3,264,844.18
4030 - Prepaid Pins Recharge	
4031 - Prepaid Recharge	190,208.59
4032 - Pins Recharge	48,692.35
4030 - Prepaid Pins Recharge - Other	-993.53
Total 4030 - Prepaid Pins Recharge	237,907.41
4090 - External Service	100.00
4000 - Long Distance Sales - Other	16,176.24
Total 4000 - Long Distance Sales	3,924,614.51
Total Income	3,924,614.51
Cost of Goods Sold	
5000 - Cost of Good Sold	
5010 - Technical Support	
5011 - Colombia Tech	3,080.00
5012 - Consulting	1,475.00
5013 - Switch Tech Support	71,250.00
5010 - Technical Support - Other	1,500.00
Total 5010 - Technical Support	77,305.00
5020 Card Service Charge	16,754.68
5030 - Carriers Service Inbound	
5031 - DIDs - XO	105,282.95
5032 - 800 IDS Inbound	
50331 - 800 Customer Service	22,278.61
50332 - 800 Fabio	7,729.75
5032 - 800 IDS Inbound - Other	507,326.34
Total 5032 - 800 IDS Inbound	537,334.70
5033 - 800 I.S.S.	26,380.68
Total 5030 - Carriers Service Inbound	668,998.33
5040 - Carrier Service Outbound	
5041- E.T.B.	936,603.75
5042- Radian Out	760,929.73
5043- Universal	217,377.69
5044- IDS Out	162,726.53
5045- GobaI	151,118.90
5046- WorldCom	46,527.41
5047 - Starlight	162,454.94
5048 - Go2Tel	3,658.48
5049 - Gigatel	1,392.38
50491 - tns	46,597.47
50492 - Consys	141,678.62
50493 - Orbinet	3,331.45
50494 - Miketronics	48,578.10
50495 - Mtel prepaid Long dista	4,945.56
50496 - Universal Prepaid	30,001.56
Total 5040 - Carrier Service Outbound	2,717,922.57
5050 - Enlace Mia-Col	94,545.09
5055 - POP rent	8,750.00
5060 - Circuits	27,565.63
5080 - Prepaid Cards Manufactur	-21,647.50

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02/22/02

Accrual Basis

CRONUS TELECOM INC.
Profit & Loss
January 5, 2001 through January 31, 2002

	Jan 5, '01 - Jan 31, 02
5090 - Others	
5091 - Posters	1,906.80
5092 - Delivery	105.00
5093 - Advertising	3,429.91
5090 - Others - Other	1,497.96
Total 5090 - Others	6,939.67
Total 5000 - Cost of Good Sold	3,597,133.47
5099 - Good Sold	83,782.75
Total COGS	3,680,916.22
Gross Profit	243,698.29
Expense	
6000 - Expenses	
6100 - Offices Expenses	
6110 - Rent	17,259.11
6120 - Telephone	11,649.36
6130 - Office Equipment	20,170.87
6140 - Office Supplies	6,527.43
6150 - Printing and Reproduction	7,855.38
6160 - Advertising	6,402.10
6170 - Postage and Delivery	7,958.27
6190 - Licenses and Permits	157.19
6100 - Offices Expenses - Other	35.00
Total 6100 - Offices Expenses	78,014.71
6200 - TAXES	
6210 - Federal Taxes	7,475.45
6220 - Local Taxes	1,697.98
6230 - State Tax	1,449.48
6240 - Florida Sales Tax	13,758.09
6200 - TAXES - Other	130.11
Total 6200 - TAXES	24,511.11
6300 - Adm. & Payroll Fee	
6310 Vendors & Rest Emp.	
6312 - Automobile Expense	13,965.00
6314- Comisiones	23,621.81
6310 Vendors & Rest Emp. - Other	204,399.42
Total 6310 Vendors & Rest Emp.	241,986.23
6320 Administrative	411.66
6330 Customer Services	294.00
6340 - Sub-Contracting Labor	53,006.68
Total 6300 - Adm. & Payroll Fee	295,698.57
6400 - Financial Bank Expenses	
6410 - Bank Service Charges	3,000.75
6430 - Finance Charge	28.00
6450 - Loan Interest	100.00
6470 - Check return	-8,187.98
6400 - Financial Bank Expenses - Other	14.94
Total 6400 - Financial Bank Expenses	-5,044.29
6500 - Professional Fees	
6510 - Accountant fees	4,805.00
6520- Legal Fees	1,886.32
6530 - Tech fees	310.00
Total 6500 - Professional Fees	7,001.32
6700 - Repairs	
6702 - Computer Repairs	600.00
Total 6700 - Repairs	600.00

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02/22/02
Accrual Basis

CRONUS TELECOM INC.
Profit & Loss
January 5, 2001 through January 31, 2002

	<u>Jan 5, '01 - Jan 31, 02</u>
6800 - Travel & Ent	
6820 - Meals	91.63
6830 - Travel	351.60
6800 - Travel & Ent - Other	56.79
Total 6800 - Travel & Ent	<u>500.02</u>
6900 - Others	-13,507.96
Total 6000 - Expenses	<u>387,773.48</u>
Total Expense	<u>387,773.48</u>
Net Ordinary Income	-144,075.19
Other Income/Expense	
Other Income	
8000 - Other Income	
8001 - Bank interest	1,296.83
Total 8000 - Other Income	<u>1,296.83</u>
8080 - Interest Income	114.22
Total Other Income	<u>1,411.05</u>
Net Other Income	<u>1,411.05</u>
Net Income	<u><u>-142,664.14</u></u>

CRONUS TELECOM INC.
Balance Sheet
As of January 31, 2002

	<u>Jan 31, 02</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 - Banks	
1020 - First Union National Ban	
1021 - Bank Adjustment	560.17
1020 - First Union National Ban - Other	-2,362.80
Total 1020 - First Union National Ban	<u>-1,802.63</u>
1000 - Banks - Other	-171.60
Total 1000 - Banks	<u>-1,974.23</u>
Total Checking/Savings	-1,974.23
Accounts Receivable	
1100 - Accounts Receivable	193,816.18
Total Accounts Receivable	<u>193,816.18</u>
Other Current Assets	
1260 - Undeposited Funds	1,385.17
1261 - Expantion Colombia	-2,125.00
1262 - Global Crossing - MTR	17,128.75
1263 - Unknown deposit	-29,878.24
1280 - Inventory Asset	7,417.32
Total Other Current Assets	<u>-6,072.00</u>
Total Current Assets	<u>185,769.95</u>
Fixed Assets	
1300 - Operating Equipment	
13001 - Equipment Rent	16,842.89
1300 - Operating Equipment - Other	293,578.12
Total 1300 - Operating Equipment	<u>310,421.01</u>
1310 - Switch	48,564.11
Total Fixed Assets	<u>358,985.12</u>
TOTAL ASSETS	<u><u>544,755.07</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	276,379.24
Total Accounts Payable	<u>276,379.24</u>
Other Current Liabilities	
2050 - AHL loan	26,342.20
2051 - Varela loans	5,000.00
2100 - Deposits	-60,500.00
2200 - Payroll Liabilities	3,388.21
Sales Tax Payable	1,098.44
Total Other Current Liabilities	<u>-24,671.15</u>
Total Current Liabilities	<u>251,708.09</u>
Total Liabilities	251,708.09
Equity	
3000 - Capital Stock	
3001 - Henao	204,610.50
3002 - Varela	220,000.00
Total 3000 - Capital Stock	<u>424,610.50</u>

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02/22/02
Accrual Basis

CRONUS TELECOM INC.
Balance Sheet
As of January 31, 2002

	<u>Jan 31, 02</u>
3900 - Opening Bal Equity	33,149.92
3910 - Retained Earnings	-112,585.07
Net Income	-52,128.37
Total Equity	<u>293,046.98</u>
TOTAL LIABILITIES & EQUITY	<u><u>544,755.07</u></u>