

PFR TELECOM, INC.

ORIGINAL

April 2, 2002

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

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

To Whom It May Concern,

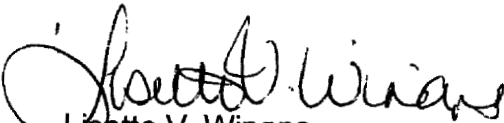
020301-TI

Please find an original and 6 copies of the application for PFR Telecom, Inc.

Also, find a check for \$250, which will cover the filing fee.

Should you have any questions or concerns please do not hesitate to contact me
at 305-468-1645.

Kind regards,



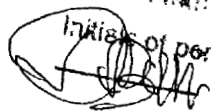
Lisette V. Winans
Behalf of PFR Telecom, Inc.

Enclosures

DISTRIBUTION CENTER

02 APR -4 AM 8:58

Check received with filing and
forwarded to Fiscal for deposit
Fiscal to forward 6 copy of check
to RAR with proof of deposit.
Initials of person who forwarded check:



GCL _____
OPC _____
MMS _____
SEC _____
OTH _____

DOCUMENT NUMBER-DATE

03819 APR-4 02

COMMISSION CLERK

1. This is an application for (check one)

Original certificate (new company).

020301-TI

Approval of transfer of existing certificate:

Example, a certificated company purchases an existing certificated company and desires to retain the authority of both certificates.

Approval of assignment of existing certificate:

Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.

Approval 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:

PFR TELECOM, INC.

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

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

153 NE 97TH STREET
MIAMI SHORES, FLORIDA 33138

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

153 NE 97TH STREET
MIAMI SHORES, FLORIDA 33138

FORM PSC/CMU 31(12/96)

Required by Commission Rule Nos. 25.24-470,
25-24.471, and 25-24.473, 25-24.480(2).

Page 2 of 16

DOCUMENT NUMBER-DATE

03819 APR-48

FPSC-COMMISSION CLERK

Select type of business your company will be conducting √ (Check all that apply)

- (X) **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.
- (X) **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.
- (X) **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 | (X) 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:**

P02000027253

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): 04-3620380

16. Provide the following (if applicable):

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

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

Fax No. _____

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____

(c) How is this information provided?

17. Who will receive the bills for your service? Business Customers
 Residential Customers PATs station end-users
 PATs providers Hotel & motel guests
 Hotels & motels
 Universities Universities dormitory residents
 Other: (specify) _____

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

(a) The application:

Name: Mr. Kenneth Jacobi or Mr. Edward A. Maldonado, Esq.

Title: Regulatory Affairs

Address: 8181 NW 36TH STREET – SUITE 4

City/State/Zip: MIAMI, FL 33166

Telephone No.: 305-468-1645 Fax No.: 305-468-8509

Internet E-Mail Address: kenjacobi@usa.net

Internet Website Address: None

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

Name: RONALD J. VALME

Title: PRESIDENT

Address: 153 NE 97TH STREET

City/State/Zip: MIAMI SHORES, FL 33138

Telephone No.: 305-969-5144 Fax No.:

Internet E-Mail Address: NONE

Internet Website Address: NONE

(c) Complaints/Inquiries from customers:

Name: RONALD J. VALME

Title: PRESIDENT

Address: 153 NE 87TH STREET

City/State/Zip: MIAMI SHORES, FL 33138

Telephone No.: 305-969-5144 Fax No.:

Internet E-Mail Address: NONE

Internet Website Address: NONE

19. List the states in which the applicant:

- (a) Has operated as an interexchange telecommunications company.
NONE
- (b) has applications pending to be certificated as an interexchange telecommunications company.
FLORIDA ONLY
- (c) is certificated to operate as an interexchange telecommunications company.
NONE
- (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. _____
e. _____ **MTS for pay telephone service provider
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.) (For ex. 1.544 mbs., DS-3, etc.)

i. _____ **Travel Services**
_____ Method of access is 850
_____ Method of access is 800

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

I. **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. 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.

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 ACKNOWLEDGEMENT 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 gross operating revenue derived from intrastate business. Regardless of its gross operating revenue of a company, minimum annual \$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: March 28, 2002

Title PRESIDENT

Address: 153 NE 97TH STREET, MIAMI SHORES, FL 33138

Telephone No. 305-969-5144 Fax No.

ATTACHMENTS:

- A - CERTIFICATE~ SALE, TRANSFER, OR ASSIGNMENT STATEMENT**
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**
- C - CURRENT FLORIDA INTRASTATE NETWORK**
- D - AFFIDAVIT - FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES GLOSSARY**

CERTIFICATE TRANSFER OR ASSESSMENT STATEMENT

1. **Name:**

Title:

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:

Signature _____ Date _____

Title _____

Address: _____

Telephone No. _____ Fax No. _____

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 i check one):

- (X) 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:

Signature 

Date March 28, 2002

Title PRESIDENT

Address: 153 NE 97TH STREET, MIAMI SHORES, FL 33138

Telephone No. 305-969-5144 Fax No.

CURRENT FLORIDA INTRASTATE SERVICES ** APPENDIX C **

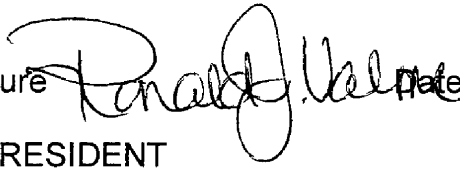
Applicant has () or has not (X) previously provided interstate telecommunications in Florida.

If the answer is ~ fully describe the following:

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

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

UTILITY OFFICIAL:

Signature  Date March 28, 2002
Title PRESIDENT

Address: 153 NE 97TH STREET, MIAMI SHORES, FL 33138

Telephone No. 305-909-5144 Fax No.

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.

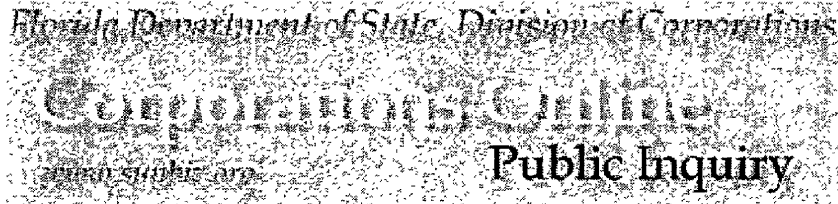
Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant In the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082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

UTILITY OFFICIAL:

Signature Donald J. Valme Date March 28, 2002
Title PRESIDENT

Address: 153 NE 97TH STREET, MIAMI SHORES, FL 33138

Telephone No. 305-969-5144 Fax No.



Florida Profit

PFR TELECOM, INC

PRINCIPAL ADDRESS
 153 NE 97TH STREET
 MIAMI SHORES FL 33138

MAILING ADDRESS
 153 NE 97TH STREET
 MIAMI SHORES FL 33138

Document Number
 P02000027253

FEI Number
 NONE

Date Filed
 03/12/2002

State
 FL

Status
 ACTIVE

Effective Date
 NONE

Registered Agent

Name & Address
CHARLES, PIERRE 192 WIMBLEDON LAKES DRIVE PLANTATION FL 33324

Officer/Director Detail

Name & Address	Title
VALME, RONALD J 156 SE 84TH TERRACE # 904 MIAMI FL 33193	P
ROCOUNT, FRANTZ 10442 SW 129TH PLACE MIAMI FL 33186	V
CHARLES, PIERRE 192 WIMBLEDON LAKES DRIVE PLANTATION FL 33324	ST

Annual Reports

Report Year	Filed Date	Intangible Tax

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No Events
No Name History Information

[View Document Image\(s\)](#)

THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT

[Corporations Inquiry](#)

[Corporations Help](#)

RONALD VALME
15675 SW 84th Terr. # 904
Miami, FL. 33196

Tel: (305) 969-5144
Email: ronvalme@earthlink.net

PROFILE -

- Own and operate a company that deals in International Marketing, Sales and New Business Developments
- Expertise in US, European and Latin American Telecom Industries
- Fluent in French, Spanish, understands Italian and Portuguese
- BS in Industrial Engineering
- Analytical competency in both technical and business arenas
- Creative problem solver
- Excellent oral, written and presentation skills

PROFESSIONAL EXPERIENCE:

ARTIST CARD COMPANY – 2001 - in the telecommunications arena.

Combining entertainment with telecommunications, I have conceptualized and brought to market an interactive promotional pre-paid phone card. The main objective is to assist companies MARKET themselves, their products and their clients. I also gather important demographics through surveys on the card platform and provide that information to my clients in an appropriate format (electronic or other).

My clients include RCA/BMG, WARNER BROS, MOTOWN (A UNIVERSAL MUSIC COMPANY). Marketing Products include (Pre-Paid Calling Cards/CD-ROMS both regular and Business Card types/Dealing with different types of MEDIA – Radio/Print and Internet) I also deal with Marketing these products to Promotional and Fundraising Profit and Non-Profit Companies. (Patent pending).

DIRECTOR OF SALES E-ROSH, Bay Harbour, FL – 2001-2002

As Director of Sales, I became an expert on the service – found ways to improve and troubleshoot problems, learn the operation and philosophy of the company and then found the best way to implement procedures.

- Hire and train a sales force (without any documentation, brochures, applications, etc).
- I had to create and then implement policies – Commission agreements. Customer visit sheets, sign in sheets, customer credit card agreements, etc.
- There was no marketing material - again I had to work on Brochures and other handouts

SR. VP. & COO – STAR TELECOM, Inc. – Miami, FL – 1993 – 2001

In today's constantly changing times, the Internet provides us with opportunities that have never been witnessed before. For the past eight years I have been involved in Marketing Telecommunications products (voice and data) throughout the world. Setting up Internet opportunities for STAR. B2B, as well as another facet of telecom services (TVR) for another company:

Responsibilities included: Day-to-day operations of an International Long Distance company.

RONALD VALME

Tel: (305) 969-5144

15675 SW 84th Terr. # 904

Email: ronvalme@earthlink.net

Miami, FL. 33031

Star Telecom's Client base consists of over 30 thousand customers worldwide, with annual sales of \$10,000,000.00. Coordinate the marketing and sales of International and Domestic products throughout the world via an extensive Agent network, under the STAR TELECOM banner. Additional responsibilities included creating marketing opportunities and manuals for Agents, and the proper training on marketing principles of selling domestic and international products.

Developed and negotiated relationships with Carriers for competitive wholesale rates for retail. Designed and implemented a Windows NT environment at STAR, including a proprietary software program, while maintaining a server and 12 PC's on the network, utilizing Microsoft Office (WORD/EXCEL), as well as Publisher. I have put together methods for Credit tracking and Diagnostics for troubleshooting Billing and Network problems. Developed and analyzed workflow, recognized business and operational problem areas, and made improvements.

TELECOMMUNICATIONS CONSULTANT - Miami FL - 1991 - 1993

Self-employed position as a Telecommunications Consultants to various travel industry companies to design and implement local and wide area voice and data communications networks. Coordinate implementation of data networks with multiple vendors including LECs, Racal-Milgo, et al.

SYSTEM ONE Corporation - Telecommunications Division Miami, FL - 1986 - 1991

Specialist - Network Installations

Dedicated in supporting vital telecommunications services to major System One users. Solely responsible for all data terminal equipment installations, project planning and vendor interface for Trump Air Shuttle, Eastern Metro Express, and other domestic / international carriers. Responsible for planning and installation of various voice telecommunications projects.

SYSTEM ONE Corporation - Telecommunications Division - A Subsidiary of Texas Air Corporation Miami, FL - 1983- 1986

Senior Representative Network Installations - Management position:

Plans, coordinate, order and install all Voice and Data Terminal equipment in Domestic US locations for System One users.

Eastern Air Lines, Inc. - Miami, FL - 1981 - 1983

Representative Communications - Extensive public contact. planning and coordinating installations for travel agencies on Eastern's System One Direct Access Computer System throughout the United States and the Caribbean.

EDUCATION:

Florida International University, Miami, FL

Bachelor of Science Industrial Engineering, June 1981.

Broad Industrial Engineering curriculum with Professional Certificates in Production and Manufacturing. G.P.A - 3.0

Miami Dade Community College - Miami, FL

Associate of Arts in Business, International Marketing June 1979

St Leo College - St. Leo, Florida

Business program in freshman year. April 1977

Honors:

Deans List Spring: 1980 - G.P.A - 4.0 -- Deans List Fall: 1980 - G.P.A. - 4.0

Languages:

Fluent in English, Spanish and French

RONALD VALME
15675 SW 84th Terr. # 904
Miami, FL. 33031

Tel: (305) 969-5144
Email: ronvalme@earthlink.net

Technical Skills:

PC/Windows application usage, including (MS Word, Excel, PowerPoint, and Publisher).
Windows NT. /ADOBE PAGEMAKER/ILLUSTRATOR/and PHOTOSHOP.
Can set-up Billing tables and read CDR's

Hobbies: Coach AYSO Soccer and Basketball & on the board of directors (Soccer), Teach
CCD at my Church, and Managing Editor of Local Newspaper.3

FRANTZ ROCOURT

Objective

INSURANCE MANAGEMENT/ OPERATIONS SUPPORT

Experience

1990-1994

SALEMS DISCOUNT INSURANCE

Miami, FL

Assistant Manager

- Hired, trained, and supervised a team of 10 employees.
- Planned and delivered training seminars.
- Dedication and work performance earned promotion to manager

1985-1990

NEMET MORTORS, INC

Queens, NY

Loan Department Manager

- Oversaw financial operations for new-and used car department, with \$100,000 to 200,000 in monthly loans to new buyers, prepared monthly sales reports.
- Supervised 5 employees and completed performance appraisals.
- Significantly slashed office expenses by carefully monitoring expenditures

1982-1985

KENNY SYSTEMS

New York, NY

Crew Leader

- Interim branch supervisor within 6 months, increased profits and Resolved all deferred account issues.
- Supervised staff and evaluated work performance.
- Selected by senior management to train employees in other branch locations

1980-1982

QUEENS GENERAL HOSPITAL

New York, NY

Assistant Administrator

- Supervised E R crew of nurses

Education

1974-1980

BARUCH COLLEGE

New York, NY

- B.A., Arts in Marketing

Interests

Member of Professional Insurance Agents (P.I.A) and Certified Insurance Counselor for 7 years

Brief Business Plan

PFR Telecom, Inc is a full service telecommunications company offering bundled services, which include local, long distance, paging, and Internet and voice mail. The concept is simple, one point of contact for all services, and one invoice. PFR Telecom meets the requirements of customer needs by consolidating services and providing true 'Communications Management' i.e., quality products and services at competitive prices within targeted markets.

The recent Telecommunications Act has made it possible for PFR Telecom to create the kind of Phone Company you've always wanted for your business and your home. For the first time in the history of the telephone, you will have a choice in local telephone service.

Fifteen years ago, the break-up of AT&T brought choice to long distance users. The shock waves rippled through the industry and ushered in an era of sweeping innovation and plunging telephone rates. During this time, the visionaries who would eventually form PFR Telecom believed that choice and open competition would eventually come to the local telephone marketplace. Today, history is repeating itself.

The existing market opportunity for PFR Telecom continues to be bright. With its operation already profitable, revenues and earnings are forecasted to continue and grow at above average rates.

With a clearly defined acquisition strategy, targeting small and fast growing businesses in the communications industry, PFR Telecom ability to continue to grow rapidly into a \$100+ million dollar corporation within the first 36 months of its corporate life is a goal well within its grasp.

Management has a relationship in place to help achieve and implement its funding and business goals. With the proper funding requirements defined, PFR Telecom is poised to capitalize on its current relationships and will be able to build a niche business within the communication industry.

The credit-challenged market offers the greatest growth potential for PFR Telecom in the near term. Being a switched-based provider with termination agreements in countries outside the USA offers an above average avenue of growth in both revenues and earnings for the company.

Small to medium sized business is today the target of the growing niche within the telecom industry. PFR Telecom through its operating LEC's is addressing such markets.

The prepaid residential arena is a newly discovered segment, which opens the doors to providing local home telephone service on a prepaid basis.

The prepaid calling card industry is today a \$10 billion industry and still requires most customers to utilize them from public phones. PPRS (Pre Paid Residential Service) has an estimated market of more than 500,000 in California alone. The market for these users continues to grow monthly as Pacific Bell continues to turn off more than 5,000 every month.

A sale within the competitive arena of local business telephone service is of by nature very competitive and at times difficult. PFR Telecom has compiled industry sales professionals that know the general workings of Telecom, and more importantly understand the aspects of true Tele-management.

Department leaders within PFR Telecom have an excess of 40 years of combined local telecommunications experience. Within an industry whose deregulation is more of an adolescent than that of the field of genetic engineering, this much expertise within such a young, vibrant team is unprecedented.

PFR Telecom, Inc is positioning itself as an international telecommunications Company specializing in supplying wholesale long distance services to re-sellers and switch-based carriers throughout the world.

With an international state-of-the-art network, featuring digital, international gateway switches in New York, Los Angeles and Miami, PFR Telecom 's customers will be linked via digital and fiber optic facilities.

It is PFR Telecom 's strategic vision to take its single telecom service (block-time long distance to residential users) and leverage its success into a full-service, multi-national Telecommunications Company. PFR Telecom 's has assembled a management team of professionals experienced in the technical, financial and marketing aspects of running an international telecommunications company. With the proceeds of the funding proposed in this business plan, PFR Telecom is positioned to become a dominant player in the Telecommunications Service Industry.

PFR Telecom Callback permits a person in any country to make intercontinental calls at economical US rates, instead of high local monopoly rates. Callback is the international consumers answer to artificially high long distance rates imposed by the majority of foreign telephone companies. The customer applies for the service by completing a sign-up form, which is then faxed or encrypted online and e-mailed to PFR Telecom's order processing department.

Growth Strategies

The company intends to achieve significant growth in the communications industry including but not limited to:

- Substantial increases in its current proven marketing method
- Private label, joint venture calling card agreement
- Charitable foundation alliances
- Piggyback marketing with other products on services
- Acquisition or merger of strategic partners such as:
 - Regional service suppliers
 - PCS phone sales and PCS debit cards
 - Paging companies

The recent Telecommunications Act has made it possible for PFR Telecom to create the kind of Phone Company you have always wanted for your business and your home. For the first time in the history of the telephone, you will have a choice in local telephone service.

The Telecommunications act of 1996 opens the Window for PFR Telecom; the Telecommunications Act of 1996 creates a new competitive environment that will benefit both consumers and business. The Federal Communications Commission and the U.S. Congress working in partnership with industry created the Telecom Act.

In February of 1996, The Telecom Act opened up local markets to competition by removing legal barriers that were prohibiting companies from entering the larger local telephone business on a nationwide basis. Formerly, local service was available only through one of the local Bell companies in a single region in effect a regional monopoly.

The Telecom Act places some important limitations on local Bell companies and the big three long distance carriers. These limitations restrict them from offering both local and long distance service in their "Home" markets.

This means that your local Bell Company cannot be a full-service, single provider. The same is true for AT&T, MCI, and Sprint. PFR Telecom, however, brings you the convenience and savings of bundled local, long distance today.

Conclusion

As you can see the telecommunications industry has just begun, over the next 5 years our company will expand. The overall telecommunications market grew by more than 11 percent in 2001, generating revenues of \$406.7 billion. The fastest growing segments were emerging technology, which was up 60 percent over 2002.

Over the years, the telecommunications industry has seen some dramatic changes. We've recognized those changes and re-engineered our company to provide competitive services. Our mission is to provide services that are flexible, scalable and competitive to support the multi-service telecommunications industry.

Long Distance Projections

Description / Period	May-02	Jun-02	Jul-02	Aug-02	Aug-02	Sep-02	Oct-02
Sales	\$275,000	\$927,421	\$384,372	\$496,973	\$638,345	\$881,732	\$1,056,672
Cost Of Goods Sold	\$192,500	\$649,195	\$269,060	\$347,881	\$446,842	\$617,212	\$739,670
Gross Profit	\$82,500	\$278,226	\$115,312	\$149,092	\$191,504	\$264,520	\$317,002
Operating Expenses							
Payroll	\$9,000	\$9,500	\$15,300	\$22,200	\$22,200	\$22,200	\$22,200
Equipment - Rental	\$1,000	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
Insurance	\$1,000	\$1,000	\$1,000	\$1,400	\$1,400	\$1,400	\$1,400
Legal & Accounting	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$4,000
Miscellaneous	\$200	\$540	\$350	\$200	\$125	\$120	\$100
Repairs & Maintenance	\$500	\$455	\$455	\$455	\$455	\$455	\$455
Rent	\$1,400	\$1,373	\$1,373	\$1,373	\$1,373	\$1,373	\$1,373
Taxes	\$1,150	\$1,400	\$1,405	\$1,628	\$1,630	\$1,700	\$1,278
Advertising	\$14,000	\$20,640	\$17,979	\$16,009	\$16,009	\$16,009	\$16,009
Telephone	\$2,500	\$2,730	\$3,250	\$3,600	\$3,500	\$3,600	\$2,032
Utilities	\$500	\$350	\$300	\$300	\$300	\$300	\$300
Office Expenses	\$5,000	\$3,575	\$1,550	\$675	\$347	\$300	\$300
Traveling Expenses	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Total Expenses	\$40,250	\$47,363	\$48,762	\$53,640	\$53,139	\$53,257	\$52,247
Net Profit /Loss	\$42,250	\$230,863	\$66,550	\$95,452	\$138,365	\$211,263	\$264,755

Long Distance Projections

Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Total
\$1,215,869	\$1,623,000	\$1,950,000	\$21,163,000	\$2,546,000	\$33,158,384
\$851,108	\$1,136,100	\$1,365,000	\$14,814,100	\$1,782,200	\$23,210,869
\$364,761	\$486,900	\$585,000	\$6,348,900	\$763,800	\$9,947,515
\$22,200	\$23,455	\$23,455	\$26,895	\$26,895	\$245,500
\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$20,800
\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$15,600
\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$42,000
\$200	\$250	\$500	\$500	\$500	\$3,585
\$455	\$455	\$455	\$455	\$455	\$5,505
\$1,373	\$1,373	\$1,373	\$1,373	\$1,373	\$16,503
\$1,675	\$1,985	\$2,548	\$2,850	\$3,475	\$22,724
\$17,735	\$24,765	\$28,350	\$28,350	\$28,350	\$244,205
\$2,630	\$3,715	\$4,565	\$5,785	\$6,654	\$44,561
\$400	\$400	\$400	\$400	\$400	\$4,350
\$300	\$550	\$550	\$550	\$550	\$14,247
\$1,000	\$1,400	\$2,275	\$3,685	\$3,685	\$19,045
\$55,168	\$65,548	\$71,671	\$78,043	\$79,537	\$698,625
\$309,593	\$421,352	\$513,329	\$6,270,857	\$684,263	\$9,248,890

VIDEOTEL.COM, INC.

March 29, 2002

RE: Letter of Financial Support

Dear Sirs:

Videotel.com, Inc. is providing this letter to PFR Telecom, Inc. for the sole purpose of evidencing the financial fitness of PFR Telecom, Inc. to provide Long Distance resale services and to meet its state regulatory obligations to provide such service in the state of Florida. This letter affirms that Videotel.com, Inc. shall guarantee the financial obligations of PFR Telecom, Inc. as necessary or appropriate to enable PFR Telecom, Inc. to provide Long Distance resale services to large business customers in the state of Florida pursuant to contract terms negotiated on an individual basis with such customers and applicable federal and state statutes and regulations. The obligations set forth in this letter in any event shall terminate one year following the date that PFR Telecom, Inc. is authorized to commence Long Distance resale services in the state of Florida.

Very truly yours,



By: Pierre Charles
Videotel.com, Inc. President

VIDEOTEL.COM, INC.

February, 2002

Confidentiality Agreement

The undersigned reader acknowledges that the information provided by _____ in this business plan is confidential; therefore, reader agrees not to disclose it without the express written permission of _____.

It is acknowledged by reader that information to be furnished in this business plan is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader, may cause serious harm or damage to _____.

Upon request, this document is to be immediately returned to _____.

Signature

Date

Name (typed or printed)

This is a business plan. It does not imply an offering of securities.

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1.0 Executive Summary

VIDEOTEL.COM, INC. will begin operations in July, 2001 and provide telecommunications services, video conferences, VoIP, Internet Service Provider, to both people in Haiti, specifically in Port-au-Prince, and the United States, in the Florida and New York metropolitan area where there are a great concentration of Haitian immigrants. The founders, subcontractors, and employees of VideoTel.com, Inc. are experienced in the telecommunications industry and passionate about the activities VideoTel will promote and offer.

An opportunity for VideoTel success exists because Haiti has over 2.5 million of its inhabitants currently leaving in the United States. With all or almost all has a close relative in Haiti which they would like to see and talk to; but, with time constraint for traveling made it impossible to happen. Hence, we at VideoTel will make it possible through video conference for both of them to see and talk to each other in real time without traveling.

1.1 Company

VideoTel.com, Inc. is a for profit company organized under the laws and regulations of the State of Florida. And, may engage in or transact any or all lawful activities or business permitted under the laws of the United States, the state of Florida, or any other state, country, territory or nation.

1.2 Current Status

VideoTel.com, Inc. was incorporated on May 10, 2001, in the state of Florida, is currently active according to the laws and regulations of the state of Florida.

1.3 Products/Services

VideoTel.com, Inc. plan to engage and concentrate mainly in the Telecommunications industry while providing the following products/services:

- **Video Conference** between Haiti (Port-au-Prince, Cap-Haitien, Port-de-Paix, Gonaives, Saint Marc, Jacmel and Les Cayes) and the United States, mainly from Florida and New York during the first year of operation, with additional States being services between the second and fifth year of operation.

VIDEOTEL.COM, INC.

- **Cyber-cafe**, providing a network of offices (cyber-cafe's) to the Haitian population (in haiti) whereby they can have access to the internet for surfing and receiving e-mail.
- **Telephony**, providing telephony capabilities to the Haitian population, in Haiti, using our IP Network to telephone any one using the capabilities of our network reach.
- **VoIP (Voice over Internet Protocol)** Providing international long distance service to the Haitian community both from Haiti to the United states and from the United States to Haiti, using our network and or telephone card.
- **ISP (Internet Service Provider)** To provide individual dial up or cable-modem internet connection service to the haitian population in Haiti for a reasonable monthly fee.
- **ATM Money Transfer** To provide ATM like money transfer from the United States to Haiti.

1.4 Description of your Market

VideoTel.com, Inc. market in the first year of operation will comprised mainly of both the existing haitian population in the United States and the haitian population in the home land. At present, according to the United States Census for the year 2000, the Haitian population in the United States is 2.5 million people. And, the Haitian population in the home land is 9 million.

1.5 Company Objectives

VideoTel.com, Inc. aim is to become a major business enterprise in the telecommunication industry, especially in the services branches that we have mentionned above, in the United States, Haiti and the rest of Caribbean markets. During our first year we plan to provide services between the United States and Haiti. In our second year we plan to start servicing other caribbean markets.

The market for Telecommunication in the United States, in 2000, is estimated at \$ 200 billion, and is expected to grow by 5% a year to \$ 280 billion by 2005. VideoTel.com, Inc. has the potential to explode, with an even greater potential for long-term growth, and to capture 1/9 of 1% market share of this \$ 200 billion market, a shared percentage which would equal \$ 22 million in revenues.

VIDEOTEL.COM, INC.

1.6 Financial

The company plans to grow at a very rapid growth rate, due to our large existing markets in the Haitian community and our products which are in very great demand in Haiti.

- In our first year we plan to capture and service at least five percentage (5%) points of the market.
- In our second year, its our goal to open our services to at least one more Caribbean country; whereby our market share should and will increase by two percentage (2%) points of the market.
- The goal of the company is, and we will show that later with the projected Income and Expense Statement, to show a net profit of 23% of sales or \$ 359,375.00 in the first year.
- Our sales goal for the first year is to reach \$ 1,562,500.00.
- The sales for the second is expected to almost be double the first year sales or \$ 3,105,000.00.
- To show a net profit of 27% of sales or \$ 838,350.00.
-

1.7 Funding Plans

VideoTel.com, Inc. plans to finance all the required equipment for the start-up. We plan to use both leasing and business loan avenue in order to finance the equipment. Presently, its estimated that the equipment will cost approximately \$ 570, 000.00. In addition, we will need another \$ 250,000.00 for lease improvements and \$ 200, 000.00 for working capital. The company all together for equipment, lease and lease improvement and working capital is estimating the total financing to be at \$ 1,020,000.00.

	Equipment and Installation	\$
570,000.00		
	CAPITAL LEASE IMPROVEMENT	\$
250,000.00		

VIDEOTEL.COM, INC.

WORKING CAPITAL \$
200,000.00

TOTAL FUNDING \$
1,020,000.00

2.0 History and Position to date

Breakeven Analysis

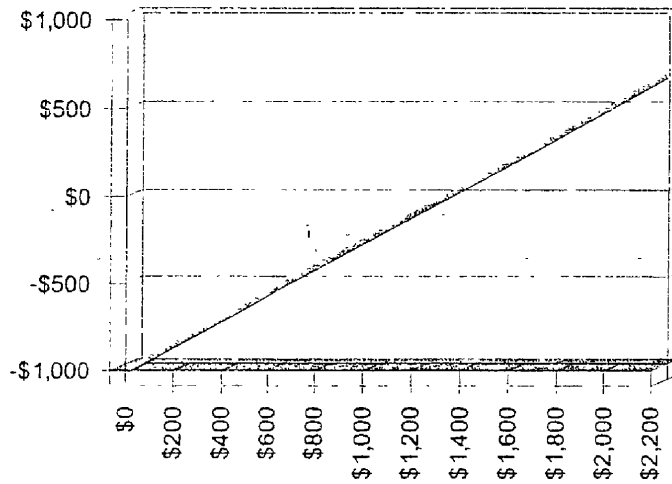


Table 2.0: Break-even Analysis

Monthly Units Break-even	1.333
Monthly Sales Break-even	\$1,333
Assumptions:	
Average Per-Unit Revenue	\$1.00
Average Per-Unit Variable Cost	\$0.25
Estimated Monthly Fixed Cost	\$1,000

2.1 Background

Up to now we at **VideoTel.com, Inc.** has been working in implementing our plan, setting up all the technical aspects of the business, in order to have a successful launching of the company into the telecommunications industry.

2.2 Why business will succeed

We are very confident that the business will succeed because of all the research and inquiries we have made both in Haiti and the United States with potential clients, which we think would be interested in the line of services we intend to provide. And, from the many positive responses that we received, that is why we are certain of the success of the company in a very short period of time. In addition, we at **VideoTel.com, Inc.** are trying to bring to the Haitian community both in Haiti and overseas something that they need and want. From the video conference type of service, there we are offering the Haitian population a way to communicate and at the same time to see their family members and their love one in real time without the necessary expense of traveling. We know for a fact that some people (from the Haitian community) has not being able to travel; hence, have not being able to see their family members and or their love one for five, ten, or fifteen years, and some time for even longer period.

Video conferencing with a geographically dispersed Haitian, West Indians, and many other US immigrants communities, the cost of travel, including the cost of family members' time during travel, is but too high to justify having family members or love one involved in periodic face-to-face states meeting. The time for video conferencing, the technology, the wide bandwidth, is the most appropriate form of communications available today. A capability not present in any other forms of electronics communication, video conferencing allows participants to feel more involved with each other because they can communicate on many different levels. Body language and facial expressions can be observed and interpreted , in many cases transferring more meaning than the actual words. We realize at VideoTel.Com, Inc. that despite all its good points, there is a downside to videoconferencing. The most common problems and barriers are logistical. For example, all participants must be located at pre-arranged receiving/tranmitting sites; nonetheless, we feel that the positive points of videoconferencing far more outweigh the negative or the downside, and, we know that people love to try new gagets and things; videoconferencing to Haiti,(Haitian) or any and all of the inhabitants of the rest of the caribbean bassin is just that, new gagets and new communication an electronics technology. Hence, they all will try it and quickly adopt it as the new age way of face-to-face meeting and communication whenever geographical bounderies exist between family members, friends and love ones.

VIDEOTEL.COM, INC.

With the technology provide to us by the *Internet* we are able to let every one to communicate and see each other at the same time on real time. Therefore, it is with that technology and along with all the other services that we intended to provide that we can say with confidence and certainty that VideoTel.com, Inc. will succeed and will be very profitable for all participants, whether it be owners and or investors.

2.3 Numbers that back up our business plan

See attached forecasted financial statements.

2.4 Achievements to date

To date we have achieve the following:

- Sign contract with **MCI/WORLDCOM** for an *International Circuit with a 384kbps bandwidth* capacity in order to have direct access and linkage between Haiti and the United States. A necessary and required linkage for all of our quality services. In addition, we have acquired three (3) key positions in Haiti to set up our first three offices, and we have a site in construction, a site with more square footage for office space and more secure to move the main office to in the near future.
- Since, we can not have the necessary linkage with MCI alone we have a letter and a tentative agreement with the local PTT in Haiti for the other half of the circuit. The local PTT promisses to have the circuit tested by the end of December 2001 or early Januaryy 2002. therefore, we can say that we will be operational by the end of January or early February 2002.

3.0 Mission

3.1 Company vision

Our vision at **VideoTel.Com, Inc.** is to position our self in the telecommunication industry whereby we can capture at least 10% percent of the market we are serving, which is the haitian community and to follow with other ethnic communities in after the first year of opertion. Presently, the Haitian population in the United States is made of 2,500,000 people; therefore, our market share or we intend to serve about 250,000 people from the United States.

3.2 Short-term goals

Our short-term goal is to penetrate the market such that between the first and the third year of service at least half of our intended target or 125,000 people. And, by the fifth year to reach and surpass our goal of 10% percent or 250,000 people.

3.3 Company values

We at **VideoTel.com, Inc.** believes that our success depends and always be depends on the type and quality of services that we provide to our clientele; therefore it is our motto that **"best quality service to our consumers is our first priority"**.

4.0 Business Structure

See attached organisation chart.

4.1 Reason for this structure

The current structure does not set in stone, but for our purpose and development plan we feel that the propose organizational chart will help us achieve our goal.

5.0 Management Team

See attached organizational chart.

5.1 My experience

See attached resume for Pierre CHARLES, President/CEO.

5.2 President/CEO

5.3 Skills and experience

5.4 Director of Marketing and Sales

See attached resume and organizational chart.

5.5 Skills and experience

See attached resume and organizational chart.

5.6 Other Key Personnel

See attached resume and organizational chart.

6.0 Products and Services

Products/Services

- **Video conference service**
- **Telephony**

VIDEOTEL.COM, INC.

- *i)* Calling Card using telephone with calls originating from the United States and terminating in Haiti.
- *ii)* Calling Card using telephone with calls originating from Haiti and terminating in the United States.
- *iii)* International telephone connection between Haiti and the United States, a service that we will provide to the private commercial sector (e.g. Banks, non-profit organizations, commercial enterprises, ect. in Haiti).
- **ISP (Internet Service Provider)**
- **ATM Money Transfer**
- **Targeted Internet Advertising**

6.1 Guarantees/Warranties

We at VideoTel.com, Inc. and if we can repeat our selves and say that 'best quality service to our costumers is our first priority'. Therefore, our guarantee to our clientele will be service and having service 24/7/365 is our guarantee.

6.2 Benefits to company

This guarantee will not only benefit our clients, but, will greatly benefit the company as well. Because, by providing a guaranteed service 24/7/365 we will not have any down time. Hence, we will maximize the use of our equipments, retain our clients and by so doing we will increase both the market share and profits.

VIDEOTEL.COM, INC.

6.3 Competitive advantages

With the high level of service that we intend to provide along with lower prices to our clientele, we have no doubt that we will have a competitive advantage in the market. Whether it be video conferencing (a service which is unique to us, that is at present we will be the only one providing such type of service between Haiti and United States), telephony service, internet access service and ATM service; inexpensive prices and better quality and timely services will provide the company with the competitive advantages that we need to be successful.

6.4 Market differentiation

The telecommunications industry in the U. S. is a multi national market, but, we at VideoTel.com, Inc. with our limited resources will focus all our attention in a segment of the market (at least at the beginning, whereby we can utilize our limited resources more fully and provide the quality of services that we mentioned above. Although, we will cater to a segment of the market but nonetheless, we feel it an advantage to us; since, we know and most familiar to that particular segment whereby we can adopt that segment and make it a model for our market differentiation and reach intended market share.

6.5 Possible new or complementary products

Within the telecommunications industry, in the future as time progresses, new and existing technologies advance, human resources and capital investments become available to us we can and will develop related new products or complementary products. By promoting new product and or services to the present market we will lower unit cost and increase sales volume, profit and cash flow.

6.6 Regulatory issues

The telecommunications act of 1996, make it possible for **VideoTel.com, Inc.** to exist , today, in the United States. And, although we are not aware of the existence of any such act in Haiti which deregulates the telecommunications industry or in any other Caribbean countries that we intend to provide our services to, but in Haiti there exists **CONATEL**, a government regulatory agency for the telecommunications related service providers, the equivalent of the FCC in the United States, we intend and will comply fully to all laws and regulations that they may have or will have so that we are always in the legal side of the law.

7.0 Market Research

Preliminary market research have reveals and confirms our belief for our products/services to the Haitian community, especially with large number of Haitian immigrants to these United States. We have no doubt that our products/services has a demand and will be very competitive in the market and the telecommunication industry.

7.1 Geographic scope

Haiti is separated by many miles with the United States. Hence, making travel at best very difficult and expensive. It is our intention to break that geographical barrier between Haiti and the United States, at least in telecommunications, while using available electronics technology, the internet, VoIP, video conferencing and similar product in the future.

7.2 Customer needs

Presently, with the exception of video conferencing between Haiti and the United States, there exists many ways for our potential customers to communicate with their counterpart in Haiti. Therefore, we are at no time going to invent any new technology or ways to communicate. Our sole purpose of existence is to provide a better, more secure, reliable, efficient and cost effective ways for the Haitian population both abroad and in Haiti to communicate with Haiti and the rest of the world.

7.3 Market growth

With 2,500,000 Haitian currently leaving across the United States together with 9,000,000 living in Haiti we can say, that the market with our services/products and with new related products that we intend to bring to the population, we have a better than equal chance to exist in the market and grow as we open our services/products to different segment and region of Haiti and the United States.

8.0 Competitors

In today's global market competition exists in every market segment or industry, and the telecommunications industry is no exception. We can attest to that fact here in the United States where we can find at least four major companies and/or competitors in the telecommunications industry (i.e. AT&T, MCIWorldCom, Sprint, Bellsouth, ect.) along with a few other existing smaller companies. With the existence of the Telecommunications Act of 1996, its make competition a thing that we can all look forward to and compete openly with anyone and everyone, depending on technical, financial and human ressources. Therefore, we at **VideoTel.com, Inc.** is very much open to competition and we intend to embrace our competitors and compete openly with those that want to compete for the same market segment and/or joint our competitors in a merger type of relationship to provide our intended services/products by taking less risk and use less of our available technical, financial and human ressources.

8.1 Competitor's Products

With a few exception our competitors are providing the same or similar service/products that we are providing, the only exception is that we at VideoTel.com, Inc. intends to provide a much better service/product at a better competitive price. And, a service/product that will be available 24/7/365 to our customers, a service unlike our present competitors. Hence, by providing a superior type of service and a service which is available 24/7/365, this will be our edge and strenght over the competition.

9.0 Business Strategy

9.1 Pricing Policy

9.1.1 Pricing factors

9.2 Advertising and Promotion

9.2.1 Long-term promotional goals

9.2.2 Short-term promotional goals

9.2.3 Marketing message

9.2.4 Media

9.2.5 Monitoring marketing effectiveness

9.2.6 Promotional budget

9.3 Location

9.3.1 Factors in choosing location

9.3.2 Competitive advantages

VIDEOTEL.COM, INC.

10.0 Manufacturing/Supply

10.1 Staffing Issues

10.1.1 Key positions

10.1.2 Dress code

10.2 Forecasting

10.2.1 Past Sales

10.2.2 Market research

10.2.3 Asssumptions

10.2.4 Projected market share

10.3 Financial statements

10.3.1 Assets and Liabilities

10.3.2 Gross profit

10.3.3 Key ratios

10.3.4 Cash flow

10.3.5 Break-even point

10.3.6 Break-even assumptions

11.0 Sensitivity Analysis

11.1 Financing Requirements

11.1.1 Funds required

11.1.2 Used of funds

VideoTel.com, Inc.

Profit & Loss projection Assumptions For year 1

A. - Income:

1.- Membership fees - In order to have a recurring type of service, that is where clients uses the services/products in an ongoing basis, we will offer the opportunity to our client to be members of the **Video Conference Club**. An annual membership fee of \$ 20.00 with a monthly of \$ 20.00 will be impose to all members. All members will receive a digital identification card with pictures upon paying the application fee and the first month fee.

Members will enjoy the following services:

1. Free e@mail address,
2. Up to 30 minutes of video conference call per month,
3. Discounted international call from Haiti to the United States and Europe,
4. Up to 90 minutes of internet access (internet surfing) per month,
5. Free telephone messaging service,
6. Discounted rate on money transfer fee to Haiti,
7. Discounted telephone rate for local call across Haiti.

2.- Services - International Calling Cards (US to Haiti)

VideoTel.com, Inc. will manufacture, sales and distribute an international calling cards whereby our US clients can call from any where in the US and terminate their calls to Haiti over our IP Network.. It's our goal, with our IP Network equipment and linkage resource capabilities, to be able to do between 1 million and 1,5 million minutes per month after six (6) months of operation.

Our basic calling card will have the following built in cost criteria/features:

1. A \$ 2.00 per call connection fee,
2. A one time \$ 0.30 stocking fee per card,
3. A \$ 0.14 charge per minute to a land line telephone,
4. and a \$ 0.25 charge per minute to call terminating to a cellular phone in Haiti.

International telephone calls (Haiti to US)

VideoTel.com, Inc. will provide International call Service, from Haiti to US and Europe, in all its offices' and collaborating competitors' office with the special use of IP technology. We projecting to have at least 30 offices to provide this type of service as soon as we are operational.

All offices will have the following schedule:

1. Monday - Sunday, 7:00 AM - 9:00 PM
2. With a total of 14 hours availability or 840 minutes per day, we are projecting 300 minutes per day of actual calling time usage at a net revenue of \$ 0.20 per minutes.

VideoTel.com, Inc.
Projected Income & Expense
For Year 1

	Jan '02	Feb '02	Mar '02	Apr '02	May '02	Jun '02	Jul '02	Aug '02	Sep '02	Oct '02	Nov '02	Dec '02	TOTAL Jan - Dec '02
Ordinary Income/Expense													
Income													
Membership Fees		2,000 00	2,700 00	3,600 00	4,920 00	6,640 00	8,960 00	12,100 00	16,340 00	22,060 00	29,780 00	40,200 00	149,380 00
Total Sales		2,000 00	2,700 00	3,600 00	4,920 00	6,640 00	8,960 00	12,100 00	16,340 00	22,060 00	29,780 00	40,200 00	149,380 00
Services													
Infl Calling cards(US - Haiti)		55,000 00	79,750 00	115,637 90	167,874 38	243,127 85	352,535 38	511,178 30	741,205 64	1,074,748 18	1,158,384 86	1,259,658 05	5,758,898 14
Infl Calls (Haiti - US)		50,000 00	53,750 00	57,781 25	62,114 84	68,773 45	71,781 46	77,165 07	82,952 45	89,173 88	95,851 52	103,051 56	810,405 88
Video Conference		2,000 00	4,700 00	8,360 00	13,260 00	19,820 00	28,680 00	40,960 00	57,320 00	79,300 00	109,160 00	149,360 00	513,340 00
Total Services		107,000 00	138,200 00	181,778 75	243,069 22	329,621 30	453,196 84	629,321 37	881,478 09	1,243,302 06	1,363,406 78	1,512,069 61	7,082,644 02
Total Income		109,000 00	140,900 00	185,438 75	247,989 22	336,461 30	462,156 84	641,421 37	897,818 09	1,265,382 06	1,393,188 78	1,552,289 61	7,232,004 02
Cost of Goods Sold													
Cost of Sales													
Calling Card Distribution Cost		16,500 00	23,925 00	34,891 25	50,302 31	72,938 35	105,780 61	153,352 88	222,361 66	322,424 44	367,515 44	377,897 39	1,747,869 35
Digital Card Expense		800	1,215 00	1,640 25	2,214 34	2,989 36	4,035 84	5,448 11	7,354 96	9,929 18	13,404 38	18,065 93	87,227 15
Total COGS		17,400 00	25,140 00	36,531 50	52,516 65	75,927 71	109,796 25	158,800 99	229,716 63	332,353 62	380,919 83	395,963 32	1,835,096 50
Gross Profit		91,600 00	115,760 00	148,907 25	195,472 57	260,533 59	352,360 59	482,620 38	668,101 46	933,028 44	1,012,268 95	1,156,326 29	5,417,107 52
Expense													
Automobile Expense		1,650 00	1,747 36	1,850 44	1,959 82	2,075 24	2,197 88	2,327 34	2,464 65	2,610 06	2,784 05	2,927 13	24,573 56
Commission Paid		28,180 00	30,299 50	32,565 51	35,007 92	37,633 51	40,458 02	43,490 22	46,751 99	50,258 39	54,027 77	58,079 85	458,744 68
Equipment Rental		20,000 00	20,580 00	21,178 82	21,790 95	22,422 89	23,073 15	23,742 27	24,430 80	25,139 29	25,868 33	26,618 51	254,843 01
Insurance													
Liability Insurance		2,675 00	2,708 44	2,742 30	2,778 58	2,811 29	2,846 43	2,882 01	2,918 04	2,954 52	2,991 45	3,028 84	31,334 90
Total Insurance		2,675 00	2,708 44	2,742 30	2,778 58	2,811 29	2,846 43	2,882 01	2,918 04	2,954 52	2,991 45	3,028 84	31,334 90
Office Supplies		1,502 91	1,733 16	1,968 68	2,304 68	2,657 96	3,005 19	3,534 78	4,076 31	4,700 80	5,420 96	6,251 45	37,247 11
Payroll Expenses		24,034 61	25,236 34	26,498 16	27,823 07	29,214 22	30,674 93	32,208 66	33,819 11	35,510 07	37,285 57	39,140 85	341,454 61
Printing and Reproduction		3,593 25	4,215 78	4,946 16	5,803 08	6,808 48	7,968 03	9,371 96	10,985 65	12,800 65	15,135 69	17,757 95	99,516 86
Rent	1,000 00	1,500 00	1,500 00	3,000 00	3,000 00	5,000 00	5,000 00	7,500 00	7,500 00	9,000 00	9,000 00	10,500 00	63,500 00
Repairs													
Building Repairs		1,085 36	1,216 57	1,351 20	1,500 72	1,668 79	1,851 24	2,056 10	2,283 63	2,538 34	2,817 01	3,128 74	21,503 70
Computer Repairs		356 92	383 46	433 74	478 14	527 06	581 03	640 51	706 06	778 36	858 04	945 87	6,699 23
Equipment Repairs		1,103 00	1,169 64	1,233 95	1,305 15	1,380 45	1,460 10	1,544 34	1,633 45	1,727 70	1,827 38	1,932 82	18,314 98
Total Repairs		2,555 28	2,778 67	3,018 89	3,284 01	3,574 32	3,892 37	4,240 95	4,623 16	5,042 40	5,502 43	6,007 43	44,517 91
Taxes													
Payroll Taxes		2,884 15	3,028 36	3,179 76	3,338 77	3,505 71	3,681 00	3,865 05	4,056 30	4,261 22	4,474 28	4,697 69	40,974 61
Total Taxes		2,884 15	3,028 36	3,179 76	3,338 77	3,505 71	3,681 00	3,865 05	4,056 30	4,261 22	4,474 28	4,697 69	40,974 61
Telephone	0	33,425 00	34,260 63	37,515 39	68,601 00	68,471 03	70,182 81	71,937 38	73,735 81	75,579 21	77,468 69	79,406 41	688,782 36
Travel & Ent													
Meals		1,575 00	1,736 12	1,913 73	2,109 50	2,325 30	2,563 18	2,825 39	3,114 43	3,433 04	3,784 24	4,171 37	29,551 30
Travel		3,000 00	3,459 80	3,969 61	4,600 82	5,305 67	6,118 50	7,055 85	8,136 81	9,383 37	10,820 90	12,478 66	74,349 79
Total Travel & Ent		4,575 00	5,195 72	5,903 34	6,710 32	7,630 97	8,681 68	9,881 24	11,251 24	12,819 41	14,605 14	16,650 03	103,601 09
Utilities													
Gas and Electric	416	440 88	467 24	495 18	524 79	558 17	589 43	624 68	662 04	701 63	743 59	788 05	7,009 69
Water	259 33	269 0	280 27	291 37	302 9	314 89	327 36	340 32	353 79	367 6	382 36	397 5	3,867 49
Total Utilities	675 33	710 48	747 51	786 55	827 88	871 06	918 79	965	1,015 83	1,069 43	1,125 95	1,185 56	10,897 18
Total Expense	1,675 33	127,285 68	134,023 46	145,182 02	161,427 89	182,678 69	202,858 08	215,948 88	227,840 89	241,842 45	255,870 31	272,260 00	2,198,287 88
Net Income	-1,675 33	-35,885 68	-18,283 46	3,925 23	14,044 68	67,858 90	149,704 51	266,673 50	440,460 57	691,165 69	756,596 64	884,016 20	3,218,819 84

Staff Positions and Description

President/CEO: Responsible for overall major decision after consulting with department heads or Directors'.

GSIP/Project Manager: Responsible for implementing the project and development of new or similar Products/Services. Maintaining and overseeing the MIS Director to ensure that all equipment are in good working condition and we functioning at 100% capacity 24/7/365.

Internal MIS Director: Responsible for the overall performance of all equipment in order to assure that all software are up to date and working properly as was intended over our IP Network both in the United States and overseas.

Equipment & Building Director: Responsible for both equipment and office maintenance and moreover, responsible for office acquisition, whether it be by lease, merger or franchise agreement.

Office Manager: Responsible for the overall management and smooth running of all the offices as related to staffing, scheduling, supplies and the neatness, appearances, of all offices under he or her supervision.

Office Attendant: The first person the client will see and make contact with for information, payments and or services. Responsible for greeting, helping with Internet usage, informing any one that comes through the door with all services currently being offered by Videotel.

Internet Advertising Sales Operations Vice-Pres.: Responsible for the promotion and banner advertising sales expectation and goal set by management in both the United States and Haiti; and currently in any other market area that we are servicing. From our significant membership from video conference, ISP, ATM, by utilizing our IN and servers, we can offer the business Community banner advertising with a guarantee viewer ship with a monthly report, confirming the number of hit to their site.

Marketing Advertising & Promotion Director: Responsible for the overall coordination of all marketing advertising and promotion efforts in order to let the public know the services currently and will provide in the future, including name recognition promotions.

Video Conference Operations Vice-Pres.: Responsible for the day-to-day operations of the videoconference department. In order to assure that the company, in as far as videoconference is concerned, reach its goal, target and market share in the time lot allows by management and available equipment, resources, and our Internet Network capacity.

Telephony operations Vice-Pres.: Responsible for the Sales quotas, market shares in all of the following: Calling cards, long distance service in the United States, local phone services in the US, international telephone calls from both the US and Haiti and local calls (interurban) from Haiti. Management will make every effort to provide the Telephony operations Vice-President with all necessary equipment, logistics and network capabilities in order to assure the company its expected market shares in the VoIP market and services capabilities.

Internet Service Provider (ISP) operations Vice-Pres.: VideoTel.Com, Inc goal is to make available, in the first year of existence, that type of service (ISP) to the general public in Haiti and to have at least 10,000 members and to increase the membership to 50,000 by the third year. Hence, it's the responsibility of the Head of that department with all its supporting cast to assure that the goal and target market is reached at record time.

ATM operations Vice-Pres.: Responsible for the day to day management of the ATM service in order to assure the deployment and maintenance of our ATM network in the whole Haiti territory and the United States; such that money transferring between Haiti and the United States, Canada change from the traditional CAM, Bobby Express, Money Gram, Western Union and the likes types of currently available services.

Marketing & Sales Supervisor: Responsible for sales training, goal setting, and the overall performance of at least (7) seven, base on capacity of leadership, marketing representatives.

Marketing & Sales Representative: Responsible for every day selling of all or specific types of services currently being offered by VideoTel.

Head Accountant: Responsible for the overall financial performance, control and monitoring, and non-audited financial report on a monthly basis including ratio analysis, market analysis and related accounting report.

Account Receivable Clerk: Duties includes collecting, depositing all cash and non-cash items to their respective accounts, reconciling all members receivable accounts in order to assure timely payment or cancellation of membership for non-payment.

Salary and Commission Compensation Plan

GSIP – Project Manager: See related contract.

Internal MIS Director: Claudel Robert - \$30,000.00 for the first year plus 2% bonus of Net Profit.

Equipment & Building Director: \$ 23,000.00 per year plus 1.5% bonus of Net Profit.

Office Manager: \$20,000.00 per year plus 1.25% bonus of Net Profit.

Office Attendant: \$5.00 per hour (35 hours of work per week)

Customer Service Supervisor: \$ 8.00 per hour (35 hours of work per week)

Customer Service Representative: \$5.00 per hour. (35 hours of work per week)

Marketing & Advertising Promotion Director: Annual salary of \$36,000.00 per year plus bonus 2% Net Profit.

Marketing & Sales Representative: Compensation plan is based on team production which is set at 1% of team Sales. Plus a monthly bonus of \$500.00 if the team met its goal and \$ 200.00 additional bonus if all individuals met their goal.

Marketing & Sales Representative: Compensation is based on production. A 5% of Sales plus bonus of \$250.00 if individual goal is met and additional bonus of \$100.00 if team goal is met.

Video Conference Operations Vice-Pres. :
Telephony Operations Vice-Pres. : Salaries and Compensation are based on performance of department. Earned
Internet Service Provider Operations Vice-Pres.: Commission is 3% of Gross Sales when quota is met, and all other time
ATM Operations Vice-Pres. : commission is 2% plus quarterly bonus of 2% of Net Profits.
Internet Advertising & Sales Operations Vice-Pres. :

Head Accountant: Salary of \$28,000.00 annually.

Accounts Receivable Clerk: Salary of \$ 22,500.00 annually.

Accounts Payable & Payroll Clerk : Salary of \$ 19,500.00 annually.

H & R Benefit Coordinator : Salary of \$ 30,000.00 annually.

Executive Secretary: Salary of \$ 25,000 annually.

Account Payable & Payroll Clerk: Duties include collecting all bills for verification to debt ownership, merchandise or service receivership, exactitude of amounts being charged for the timely payment to all debtors. In addition, responsible for the preparation of all payrolls, payroll reports, required tax report, before sent to the HR & Benefits person for distribution to the respective staff member.

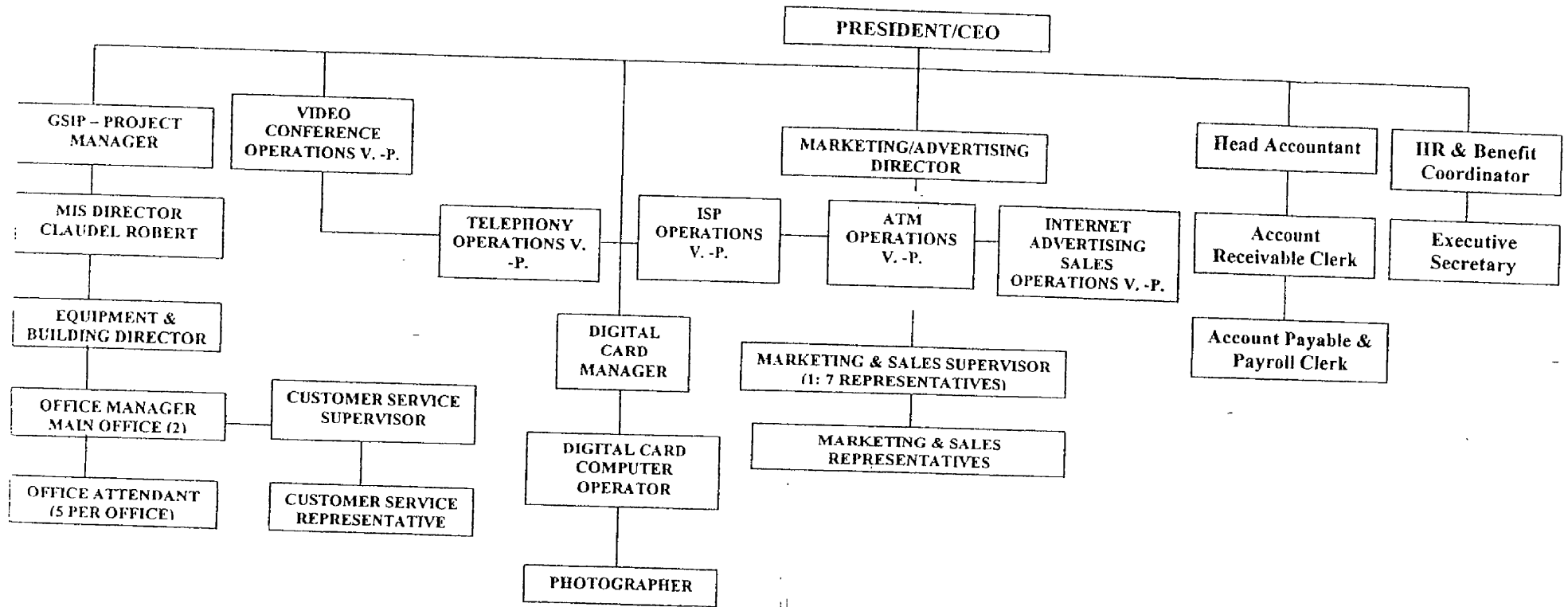
HR & Benefit Coordinator: Responsible for hiring, firing, disbursing of payroll checks, and documenting all staff position with upper management approval.

Executive Secretary: Responsible for all correspondence both in and out going mail, from opening, screening, classifying, distributing to proper staff, filing and answering all required correspondence after receiving proper instruction from respective staff.

Digital Card Operation Manager: Responsible for day-day, digital card division, management, from contract signing, verifying of all required information on card, assignment scheduling as related to photography, card sample and actual card preparation and sending completed work to appropriate staff for delivery.

Digital Card Computer Operator: Responsible for preparation of both sample and actual ordered Digital Card. Once a sample or actual run of card are finished and ready for delivery, it's the responsibility of the operator to verify that card(s) have been properly, as per contract request, and management instructions prepared.

Photographer: Responsible to take all digital photograph as per instruction of manager. In addition, responsible for card delivery once contract has been completed as to amounts and quantity ordered.





BUSINESS SENSE CHECKING



ACCOUNT NO
71-393-107

STATEMENT DATE
Jan. 31, 2002

SOUTHTRUST BANK
P O BOX 7568
DELRAY BEACH, FL 33482
Phone 800-225-5762

VIDEOTEL.COM, INC.
153 NE 97 ST
MIAMI SHORES FL 33138

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Page 1 of 3

**FOR YOUR PERSONAL ACCOUNTS, TRY ONLINE BANKING ON THE WEB AT WWW.SOUTHTRUST.COM.
IT'S SECURE. IT'S FREE. AND IT'S EASY TO USE.**

To Report a Lost or Stolen Check Card call 1-800-239-2494



Summary

Number of Days in Period 4

Previous Balance as of 1/28/02	0.00	Your lowest balance was \$0.00
Total Deposits and Credits: 1	+ 100.00	and it occurred on 1/28/02.
Total Checks and Debits 0	- 0.00	
Statement Balance as of 1/31/02	= \$100.00	



Deposits and Other Credits

DEPOSITS

DATE	DESCRIPTION	AMOUNT
1/30	DEPOSIT	100.00

1 Deposit: \$100.00



You're not just another customer. We're not just another bank.

TITLE SHEET

FLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the description, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by PFR Telecom, Inc with principal offices at 153 NE 97th Street, Miami Shores, Florida 33138. This tariff applies for services furnished within the State of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected during normal business hours at the Company's principal place of business.

ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

CHECK SHEET

The sheets listed below, which are inclusive of this tariff, are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date of the bottom of this page.

<u>SHEET</u>	<u>REVISION</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original

ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

TABLE OF CONTENTS

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Section 1 - Technical Terms and Abbreviations..... 6
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ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

SYMBOLS SHEET

The following are the only symbols used for the purposes indicated below:

- D - Delete or Discontinue
- I - Change Resulting In An Increase to a Customer's Bill
- M - Moved From Another Tariff Location
- N - New
- R - Change Resulting In A Reduction To A Customer's Bill
- T - Change in Text Or Regulation But No Change In A Rate Or Charge

ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

TARIFF FORMAT SHEETS

- A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14. Because of various suspension periods, deferrals, Etc., the FPSC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
 - 2.
 - 2.1.
 - 2.1.1.
 - 2.1.1.A.
 - 2.1.1.A.1
 - 2.1.1.A.1.(a).
 - 2.1.1.A.1.(a) I.
 - 2.1.1.A.1 (a) I. (i).
 - 2.1.1.A.1 (a) I. (i). (1).
- D. Check Sheets - When a tariff filing is made with the FPSC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the FPSC.

ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement, which connects the customer's location to the Company's network switching center.

Authorization Code - A numerical code, one or more of which are available to a customer to enable him/her to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

Company or Carrier - PFR Telecom, Inc

Customer - The person, firm, corporation or other entity, which orders, service and is responsible for payment of charges due and compliance with the Company's tariff regulations.

Day - From 8:00 AM up to, but not including, 5:00 PM local time, Sunday through Friday.

Evening - From 5:00 PM up to, but not including, 11:00 PM local time, Sunday through Friday.

Holidays - The Company's recognized holidays are New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, and Christmas Day.

Night/Weekend - From 11:00 PM, up to, but not including, 8:00 AM Sunday through Friday, and 8:00 AM Saturday, up to, but not including, 5:00 PM Sunday.

Prepaid Account - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card.

Prepaid Calling Card - A card issued by the Company, containing an Authorization Code which identifies a specific Prepaid Account of Telecom Units, which enables calls to be processed, account activity to be logged, and balances to be maintained, on a prepayment basis.

Peak
Off Peak

Telecom Unit - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of Florida.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

ISSUED April 1, 2002

EFFECTIVE: _____

By: Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

SECTION 2 - RULES AND REGULATIONS

2. 1 Undertaking of the Company.

The Company's services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this tariff.

The Company installs, operates and maintains the communications services provided herein in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Company's network. The customer shall be responsible for all charges due for such service arrangements.

The Company's services and facilities are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

2. 2 Limitations.

2. 2. 1 Service is offered subject to the availability of facilities and provisions of this tariff.

2. 2. 2 The Company's reserves the right to discontinue furnishing service or limit the use of service necessitated by conditions beyond its control: or when the customer is using service in violation of the law or the provisions of this tariff.

2. 2. 3 All facilities provided under this tariff are directly controlled by the Company and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

2. 2. 4 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

2. 2. 5 Customers reselling or rebilling services must have a Certificate of Public Convenience and Necessity an interexchange carrier from the Florida Public Service Commission.

2. 3 Liabilities of the Company.

2. 3. 1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.

ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

SECTION 2 - RULES AND REGULATIONS continued

2.3 Limitations (Cont.)

2.3.2 The Company shall be indemnified and held harmless by the customer against:

- (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information or other content transmitted over the Company's facilities.
- (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by the Company.

2.4 Interruption of Service

2.4.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence or the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the customer's obligation to notify the Company immediately of any service interruption for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, or equipment furnished by the customer and connected to the Company's facilities. No refund or credit will be made for the time that the Company stands ready to repair the service and the subscriber does not provide access to the Company for such restoration work.

2.4.2 No credit shall be allowed for an interruption of a continuous duration of less than twenty-four hours after the subscriber notifies the Company.

2.4.3 The customer shall be credited for an interruption of more than twenty-four hours as follows:

Credit Formula:

$$\text{Credit} = A/B \times C$$

"A" - outage time in hours

"B" - 720 hours in month

"C" - total monthly charge for affected facility

ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

SECTION 2 - RULES AND REGULATIONS continued

2.5 Disconnection of Service by Carrier.

The company (carrier), upon 5 working days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- 2. 5. 1 Non-payment of any sum due to carrier for regulated service for more than thirty days beyond the date of rendition of the bill for such service.
- 2. 5. 2 A violation of any regulation governing the service under this tariff.
- 2. 5. 3 A violation of any law, rule, or regulation of any government authority having jurisdiction over such service.
- 2. 5. 4 The company has given the customer notice and has allowed a reasonable time to comply with any rule, remedy, or deficiency as stated in Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company.

2. 6 Deposits

The Company does not require a deposit from the customer.

2. 7 Advance Payments

For customers whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary, a new advance payment will be collected for the next month.

2. 8 Taxes

All state and local taxes (i. e., gross receipts tax, sales tax, municipal utilities tax) are listed as a separate line items and are not included in the quoted rates.

2. 9 Billing of Calls

All charges due by the subscriber are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

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By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

3.1.1 When Billing Charges Begin and End For Phone Calls

The customer's long distance usage charge is based on the actual usage of the Company's network. Usage begins when the called party picks up the received, (i.e. when 2-way communication, often referred to as "conversation time" is possible.) When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. When software answer supervision is employed, up to 60 seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

The minimum call duration for billing purposes is 1 minute for a connected call and calls beyond 1 minute are billed in 1-minute increments, unless otherwise stated in this tariff.

3.1.3 Per Call Billing Charges

Billing will be rounded up to the nearest penny for each call.

3.1.4 Uncompleted Calls

There shall be no charges for uncompleted calls.

ISSUED April 1, 2002

EFFECTIVE: _____

By:

Ronald Valme- President
153 NE 97th Street
Miami Shores, Florida 33138

SECTION 3 - DESCRIPTION OF SERVICE continued

3.2 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA:

$$\begin{array}{l} \text{The square} \\ \text{root of:} \end{array} \quad \frac{(V1 - V2)^2 + (H1 - H2)^2}{10}$$

3.3 Minimum Call Completion Rate

A customer can expect a call completion rate of not less than 90% during peak use periods for all FG D services ("1+" dialing).

3.4 Service Offerings

3.4.1 1+ Long Distance Service

Long Distance Service is offered to residential and business customers. The service permits direct dialed outbound calling at a single per minute rate. Service is provided from presubscribed, dedicated or shared use access lines. Calls are billed in one-minute increments. Monthly recurring charges or minimum monthly billing requirements apply.

3.4.2 800 / 888 (Inbound) Long Distance Service

800 / 888 (Inbound) Long Distance Service is offered to residential and business customers. Service is provided from presubscribed, dedicated or shared use access lines. Calls are billed in One Minute increments, with One Minute call duration. A minimum monthly service charge requirement applies. Customers whose monthly usage is less than the minimum will be billed the minimum amount.

ISSUED April 1, 2002

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By:

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SECTION 3 - DESCRIPTION OF SERVICE continued**3. 4. 3 Prepaid Calling Card Service**

This service permits use of Prepaid Calling Cards for placing long distance calls. Customers may purchase Prepaid Calling Cards Service at a variety of retail outlets or through other distribution channels. Prepaid Calling Cards Service is available at a variety of face values ranging from five dollars (\$5.00), in one-dollar (\$1.00) increments. Prepaid Calling Cards Service is accessed using the Prepaid Calling Cards Service toll-free number printed on the card. The caller is prompted by an automated voice response system to enter his/her Authorization Code, and then to enter the terminating telephone number. Processor tracks the call duration on a real time basis to determine the number of Telecom Units consumed. The total consumed Telecom Units for each call is deducted from the remaining Telecom Unit balance on the Customer's Prepaid Calling Cards Service. All calls must be charged against Prepaid Calling Card that has a sufficient telecom Unit balance. A Customer's call will be interrupted with an announcement when the balance is about to be depleted. In order to continue the call, the Customer can either call the toll-free number on the back of the Service and "recharge" the balance on the card using a nationally recognized credit card, or the Customer can throw the card away and purchase a new one. The Company will terminate calls in progress if the balance on the Prepaid Calling Cards Service is insufficient to continue the call and the Customer fails to enter the number of another valid Prepaid Calling Cards Service prior to termination.

A card will expire on the date indicated on the card, or if no date is specified, 12 months from the date of first usage, or the date of last recharge, whichever is later. The Company will not refund unused balances. A credit allowance for is applicable to calls that are interrupted due to poor transmission, one-way transmission, or involuntary disconnection of a call. To receive the proper credit, the Customer must notify the Company at the designated toll-free customer service number printed on the and furnish the called number, the trouble experienced (e.g. cut-off, noisy circuit, etc.), and the approximate time that the call was placed. When a call charged to a Prepaid Calling Cards Service is interrupted due to cut-off, one-way transmission, or poor transmission conditions; the Customer will receive a credit equivalent of one Telecom Unit. Credit allowances for calls pursuant to Prepaid Calling Cards Service do not apply for interruptions not reported promptly to the Company or interruptions that are due to the failure of power, equipment or systems not provided by the Company. Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company. The Company will block all calls beginning with the NPA "900" and NXX "976" calls, therefore such calls cannot be completed.

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By:

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SECTION 3 - DESCRIPTION OF SERVICE continued

Reserved for further Services

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SECTION 4 - RATES

4.1. SERVICE CHARGES

4.1.1. 1+ Residential Long Distance Services

<u>Rate Plan</u>	<u>Rate Per Minute</u>	<u>Monthly Service Charge</u>	<u>800/888 Option Monthly Service Charge</u>
R1	\$.0955	None	\$3.00
R2	\$.0755	3.00	\$3.00

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SECTION 4 - RATES, Continued

4.1. SERVICES CHARGES, Continued

4.1.2. 1+Business Long Distance Services

<u>Rate Plan</u>	<u>Monthly Volume</u>	<u>Rate Per Minute</u>	<u>Monthly Service Charge</u>
B1S	\$0-\$250	\$.0935	\$9.00
B2S	\$251-\$1000	\$.0825	\$7.00
B3S	Over \$1001	\$.0700	\$3.00

4.1.3. Dedicated Long Distance Services

<u>Rate Plan</u>	<u>Monthly Volume</u>	<u>Peak Rate Per Minute</u>	<u>Off-Peak Rate Per Minute</u>	<u>Monthly Service Charge</u>
B1D	\$0-\$250	\$.1145	\$.0989	\$100.00
B2D	\$251-\$1000	\$.1040	\$.0889	\$100.00
B3D	\$5001-\$7500	\$.0930	\$.0769	\$ 80.00
B4D	\$7501-\$10000	\$.0850	\$.0639	\$ 50.00
B5D	\$10001-\$125000	\$.0706	\$.0550	\$ 0.00

Installation Charge for Dedicated Service is \$150.00 per line.

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SECTION 4 - RATES, Continued

4.2. MISC. CHARGES

4.2.1. Payphone Surcharge

A surcharge will be added to any completed. Intrastate toll access code and subscriber 800/888 type calls placed from a public or semi-public Pay Phone.

4.2.2. Per Call Surcharge

A surcharge per call will be added for every call that is connected. If an Answer Machine, Fax Machine, Voice Mail or Pager answers it will be considered connected.

4.2.3. Maintenance Surcharge

A weekly surcharge applies to some cards that have been used at least once.

4.2.4. Directory Assistance

The Company provides Directory Assistance as an ancillary service exclusively to its customers. Directory Assistance is accessible by dialing "1", the area code of the desired number and "555-1212".

Directory Assistance, per call: \$.75

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SECTION 4 - RATES continued**4.3. Prepaid Calling Cards****Prepaid Calling Card#1**

Rate per minute:	\$.089
Maintenance Surcharge:	\$.35
Per Call Surcharge	\$.00
Payphone Surcharge:	\$.35

Prepaid Calling Card#2

Rate per minute:	\$.099
Maintenance Surcharge	\$.25
Per Call Surcharge	\$.25
Payphone Surcharge	\$.35

Prepaid Calling Card#3

Rate per minute:	\$.065
Maintenance Surcharge	\$.35
Per Call Surcharge	\$.00
Payphone Surcharge	\$.35

Prepaid Calling Card#4

Rate per minute:	\$.085
Maintenance Surcharge	\$.25
Per Call Surcharge	\$.25
Payphone Surcharge	\$.35

Prepaid Calling Card#5

Rate per minute:	\$.059
Maintenance Surcharge	\$.45
Per Call Surcharge	\$.35
Payphone Surcharge	\$.35

Prepaid Calling Card#6

Rate per minute:	\$.08
Maintenance Surcharge	\$.50
Per Call Surcharge	\$.49
Payphone Surcharge	\$.35

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SECTION 4 - RATES continued

Prepaid Calling Card#8

Rate per minute:	\$.065
Maintenance Fee:	\$.25
Per Call Surcharge	\$.49
Payphone Surcharge	\$.35

Prepaid Calling Card#9

Rate per minute:	\$.059
Maintenance Surcharge	\$.15
Per Call Surcharge	\$.25
Payphone:	\$.35

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SECTION 4 - RATES continued**4.4 Payment of Calls****4.4.1. Late Payment Charges**

Interest charges of 1.5% per month will be assessed on all unpaid balances more than thirty days old.

4.4.2. Return Check Charges

A return check charge of \$25.00 will be assessed for checks returned for insufficient funds if the face value does not exceed \$50.00, \$30.00 if the face value does exceed \$50.00 but does not exceed \$300.00, \$40.00 if the face value exceeds \$300.00 or 5% of the value of the check, whichever is greater.

4.4.3. Restoration of Service

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for customers who had been disconnected for non-payment.

4.4.4. Special Promotions

The company will, from time to time, offer special promotions to its customers waiving certain charges. These promotions will be approved by the FPSC with specific starting and ending dates, and will be part of this tariff.

4.5 Special Rates For The Handicapped**4.5.1. Directory Assistance**

There shall be no charge for up to fifty calls per billing cycle from lines or trunks serving individuals with disabilities. The Company shall charge the prevailing tariff rates for every call in excess of 50 within a billing cycle.

4.5.2. Hearing and Speech Impaired Persona

Interstate toll message rates for TDD users shall be evening rates for daytime calls and night rates for evening and night calls.

4.5.3. Telecommunications Relay Service

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay service calls by 50 percent off of the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted 60 percent off of the otherwise applicable rate for a voice nonrelay call.

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