

May 29, 2002

020477-JX

Gentlemen,

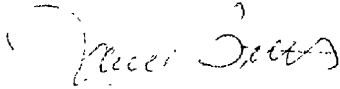
Attached you will find our application for a Certificate to provide local Exchange Service.

Should you have any questions please feel free to contact me at:

727-373-7007 office

727-723-2980 fax

Jarrell@eagletelecom.us



Jarrell Britts

C.E.O.

Eagle Telecommunications

DOCUMENT NUMBER 020477-JX

05699 MAY 30 2002

FPSC-COMMISSION CLERK

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

DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION

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

Instructions

- ◆ This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 12).
- ◆ Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.
- ◆ Use a separate sheet for each answer which will not fit the allotted space.
- ◆ Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **\$250.00** to:

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

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

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

APPLICATION

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

Original certificate (new company).

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

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

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

2. Name of company:

Eagle Telecommunications, Inc.

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

same

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

2901 First Avenue North
St Petersburg, FL 33713

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

2901 First Avenue North
St Petersburg, FL 33713

6. **Structure of organization:**

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Corporation |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other | |

7. **If individual, provide:**

Name:

Title:

Address:

City/State/Zip:

Telephone No.: _____ Fax No.:

Internet E-Mail Address:

Internet Website Address:

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

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

P01000082364

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

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

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

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

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

(a) The Florida Secretary of State registration number:

12. 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:

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

(a) The Florida registration number:

14. Provide F.E.I. Number(if applicable):

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

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

No

(b) an officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

No

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

(a) The application:

Name: Jarrell Britts

Title: CEO

Address: 5020 Central Avenue

City/State/Zip: St Petersburg, FL

Telephone No.: 727 373-7007 Fax No.: 727 723-2980

Internet E-Mail Address: jarrell@eagletelecom.us

Internet Website Address:

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

Name: Jarrell Britts

Title: CEO

Address: 5020 Central Avenue

City/State/Zip: St Petersburg, FL

Telephone No.: 727 373-7007 Fax No.: 727 723-2980

Internet E-Mail Address: jarrell@eagletelecom.us

Internet Website Address:

(c) Complaints/Inquiries from customers:

Name: Jarrell Britts

Title: CEO

Address: 5020 Central Avenue

City/State/Zip: St Petersburg, FL

Telephone No.: 727 373-7007 Fax No.: 727 723-2980

Internet E-Mail Address: jarrell@eagletelecom.us

Internet Website Address:

17. List the states in which the applicant:

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

None

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

None

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

None

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

None

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

None

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

None

18. Submit the following:

- A. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.**
- B. Technical capability: give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.**

Question 18 C

Attached you will find a financial statement for one of the principles, showing sufficient assets that can be easily converted to cash as the need arises.

The company has no financial statements, as of yet, it has not begun any operations or acquisitions.

In addition to the principles other investors are in line to perform once the company is licensed and operations begin.

Handwritten notes:
Financial
Principles
CSO-

C. Financial capability.

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

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

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

NOTE: *This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.*

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

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

THIS PAGE MUST BE COMPLETED AND SIGNED

APPLICANT ACKNOWLEDGMENT STATEMENT

- 1. REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
- 2. GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
- 3. SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- 4. APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

Jamie Dennis
Print Name

Signature Jamie Dennis

C.S.O.
Title

Date 5/29/02

727-373-7007 727-723-9950
Telephone No. Fax No.

Address:
2901 157 Ave N.
St. Pete, FL 33713

THIS PAGE MUST BE COMPLETED AND SIGNED

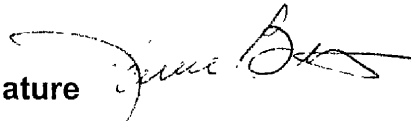
AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide 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:

Janeen Burns
Print Name

Signature 

C.E.O.
Title

Date 3/29/02

727-373-7007 727-723-2980
Telephone No. Fax No.

Address:
2901 1st Ave. N.
St. Pete, FL 33713

INTRASTATE NETWORK (if available)

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

1. **POP:** Addresses where located, and indicate if owned or leased.
 - 1) 2901 First Avenue North OWNED
St Petersburg, FL 33713
 - 3) _____ 4)

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.
 - 1) 2901 First Avenue North OWNED
Adtran Atlas 550
 - 2) 2901 First Avenue North OWNED
Ascend MAX TNT

3. **TRANSMISSION FACILITIES:** POP-to-POP facilities by type of facilities (microwave, fiber, copper, satellite, etc.) and indicate if owned or leased.

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

CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) MA
(Title) _____ of (Name of Company)

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

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

of the above-mentioned certificate.

UTILITY OFFICIAL:

Print Name _____

Signature

Title _____

Date

Telephone No. _____

Fax No.

Address:



To: First Union National Bank - _____ (the Bank) Office _____

Please read the following directions before completing this Personal Financial Statement.

1. Complete all sections, except Section 2, if you are applying for individual credit in your own name and are relying solely on your own income or assets for repayment or if this personal financial statement relates to your guaranty of the indebtedness of other person(s), firm(s), corporation(s).
2. Complete Section 2 if any of the following apply:
 - You are applying for joint credit with another person, provide information about the joint applicant.
 - You are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person as a basis for repayment of the credit requested, provide information about the person on whose alimony, support or maintenance payments or income or assets you are relying.
 - This is a joint guaranty of the indebtedness of other person(s), firm(s), corporation(s), provide information about the joint guarantor.

Section 1 - Individual/Applicant Information (Please Print)			Section 2 - Other Party/Co-Applicant Information (Please Print)		
Name Jarrell Britts			Name		
Residence Address 1788 Mckay Creek Drive			Residence Address		
City Largo	State FL	Zip 33770	City	State	Zip
Position or Occupation President			Position or Occupation		
Business Name Eagle Title & Abstract and Liberty Financial			Business Name		
Business Address 5020 Central Avenue			Business Address		
City St. Pete	State FL	Zip 33707	City	State	Zip
Years with Business 7 and 15			Years with Business		
Res. Phone 727-584-0382		Bus. Phone 727-797-0021	Res. Phone		Bus. Phone

Statement of Financial Condition as of May 22, 2002

Section 3 - Balance Sheet (attach additional schedules as needed)					
Assets	Dollars	Jt*	Liabilities	Dollars	Jt*
Cash and Short-term Investments (Schedule A)	9,000	<input type="checkbox"/>	Outstanding Credit Card Balances	20200.	<input type="checkbox"/>
Stocks & Bonds (readily marketable) (Schedule B)	70,500	<input type="checkbox"/>	Taxes Payable		<input type="checkbox"/>
Unlisted Securities (Schedule C)		<input type="checkbox"/>	Policy Loan (life insurance) (Schedule D)		<input type="checkbox"/>
Notes Receivable & Accounts Receivable		<input checked="" type="checkbox"/>	Mortgages & Obligations Due (Schedules F & G)	1,191,000	<input type="checkbox"/>
Cash Surrender Value-Life Insurance (Schedule D)	0	<input type="checkbox"/>	Notes & Accounts Payable (Schedule H)	65,200	<input type="checkbox"/>
General/Ltd Partnership Interests (Schedule E)		<input type="checkbox"/>	Other Liabilities (list):		<input type="checkbox"/>
Retirement Accounts	21,000	<input type="checkbox"/>			<input type="checkbox"/>
Personal Property	150,000	<input checked="" type="checkbox"/>			<input type="checkbox"/>
Automobiles		<input type="checkbox"/>			<input type="checkbox"/>
Real Estate-Personal Residences (Schedule F)	865,000	<input type="checkbox"/>			<input type="checkbox"/>
Real Estate-Investments (Schedule G)	1,100,000	<input checked="" type="checkbox"/>			<input type="checkbox"/>
Real Estate Investments (Direct & Partnership Interests) (Schedule I)**		<input type="checkbox"/>			<input type="checkbox"/>
Other Assets (list):		<input type="checkbox"/>			<input type="checkbox"/>
Liberty Financial Real Estate Funding Corp.	\$300,000	<input type="checkbox"/>			<input checked="" type="checkbox"/>
Eagle Title & Abstract Corporation	1,500,000	<input type="checkbox"/>			<input type="checkbox"/>
		<input type="checkbox"/>			<input type="checkbox"/>
ASSETS	4,015,500		TOTAL LIABILITIES	1,276,400	
			NET WORTH (total assets minus total liabilities)	2,739,100	

Section 4 - Income statement					
Annual Income	Applicant	Co-Applicant	Annual Expenses	Applicant	Co-Applicant
Salary	120,000.		Home Mortgage (Principal & Interest)	18,000.	
Bonus and Commissions	78,000		Loan Payments (including other R/E)	101,064	
Interest and Dividends			Income Tax (State & Federal)	35,000	
Alimony, Separate Maintenance, Child Support ***			Planned or Required Investments/ Partnership Contributions		
Capital Gains			General Living Expenses	25,000.	
Real Estate Income	78,000		Other Expenses (list):		
Other Income (list):			H.O. Ins	1,500.	
State Of Florida (adpoted Child)	3,144.		Flood Ins	500	
			Property Taxes	4,000	
GROSS INCOME	279,144		TOTAL EXPENSES	185,064	

Section 5 - Contingent Liabilities (include brief description)		
	Applicant	Co-Applicant
As endorser or guarantor on notes/leases/contracts:	no	
On letters of credit:	no	
Current or pending suits or other litigation:	none	
Other (list):		
TOTAL	0	

* Please check (x) if jointly held.
 ** Schedule I should be used by individuals with extensive real estate investments where additional data may be needed or required by the Bank to properly evaluate the borrower's financial condition. It can be used instead of Schedule G. Because it will not be completed by most borrowers or guarantors, it is a separate schedule not printed on the Personal Financial Statement. If it is appropriate for you and has not been provided, please request it from the Bank.
 *** Alimony, separate maintenance, and/or child support income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.

Schedule A: Cash & Short term Investments (certificates of deposit, commercial paper, money market funds, etc.)

Name of Institution	Savings Accts (\$ amount)	Checking Accts (\$ amount)	Other Short-term Investments Type and \$ amount	Total	Pledged? (Y/N)	Owner(s) Code*
First Union		7500.			<input type="checkbox"/>	
Suntrust		1500.			<input type="checkbox"/>	
					<input type="checkbox"/>	
					<input type="checkbox"/>	
					<input type="checkbox"/>	
					<input type="checkbox"/>	

Schedule B: Stocks and Bonds (including U.S. Government and Marketable Securities)

Number of Shares or Face value	Description	Market Value	Margin? (Y/N)	Restricted? (Y/N)	Pledged? (Y/N)	Owner(s) Code*
	Raymond James	6,500	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	A
	Alliance Title Of America	64,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	A
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Schedule C: Unlisted Securities

Number of Shares	Description	Source of Value	Values	% of Company Owned	Pledged? (Y/N)	Owner(s) (Y/N)
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

Schedule D: Life Insurance Carried (include individual and group insurance)

Name of Insurance Company	Owner of Policy	Beneficiary	Face Value	Policy Loans	Cash Surrender	Assigned? (Y/N)
Amercian General	Jarrell	Kathy Britts	850,000	0		<input checked="" type="checkbox"/>
Nationwide	Jarrell	Kathy Britts	250,000	0		<input checked="" type="checkbox"/>
						<input type="checkbox"/>

Schedule E: General and/or Limited Partnership Interests (Please attach K-1)

Name of Partnership	Type of Investment	(L)imited (G)eneral	Amount Invested	Fair Market Value of Interest	Annual Contribution Required	Pledged? (Y/N)	Owner(s) (Y/N)
		L = Limite				<input type="checkbox"/>	<input type="checkbox"/>
		L = Limite				<input type="checkbox"/>	<input type="checkbox"/>
		L = Limite				<input type="checkbox"/>	<input type="checkbox"/>

Owner(s) Code: A = Applicant AC = Joint Account of Applicant and Co-Applicant JC = Joint Account of Co-Applicant and another party
 C = Co-applicant JA = Joint Account of Applicant and another party

Schedule F: Real Estate (personal residences)								
Description/Address of Property	Mortgage Holder	Maturity Date	Title in Name of	Purchase Date	Cost	Present Loan Balance	Monthly Payt.	Market Value
1788 McKay Creek Drive	World Savings		Jarrell Britts	2/22/2002	350,000	335,000	1500.	540,000
2162 Wrens Way	World Savings		Jarrell Britts	8/1/1999	225,000	166,000	900	325,000

Schedule G: Real Estate Investments											
Description/Address of Property	Mortgage Holder	Maturity Date	% Owned	Title in Name of	Purchase Date	Cost	Present Loan Balance	Market Value	Total Annual Rental Income	Monthly Loan Payt.	Other Expenses
5020 Central Avenue	Pvt Trust		100	Jarrell Britts	11/1/2001	690,000	690,000	1,100,000	6500	6500	

Schedule H: Notes & Accounts Payable (also include credit lines and other commitments even if unused)							
Name of Creditor	Orig. Amt. of Loan	Payment/Repayment Terms	Maturity Date	Interest Rate	Description of collateral (if any)	Balance Owing	Debtor(s) Code
Fomoco	28000.	737			2001 Ford Expedition	24000	A
GMAC	26000	690			2001 Pontiac	21000	A
United Bank	5000	150			credit card	3100	A
First USA	5000	150			Credit Card	3200	A
Household Finance	15000	195			credit line	13900	A
Suntrust	65000	533			2000 ProLine Boat	50100	A

Debtor Codes: A = Applicant AC = Joint Account of Applicant and Co-Applicant JC = Joint Account of Co-Applicant and another party
C = Co-applicant JA = Joint Account of Applicant and another party

Personal Information			
Do you have a will?		Dependents	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If Yes, name of executor:	Number: 4 Ages: 2,10,21,41
Are you a partner or officer in any venture other than described on schedules?			
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If Yes, describe:	
Are any assets pledged other than as described on schedules?			
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If Yes, describe:	
Have you ever declared bankruptcy?			
<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, describe:	
Are there any outstanding judgments against you?	Do you have disability insurance?	Income tax settled through (date)	Alimony, Child Support/Maintenance Expense
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	no	2001	\$

The information contained in this statement is provided for the purpose of obtaining, or maintaining credit with the Bank on behalf of the undersigned or person, firms or corporations in whose behalf the undersigned may either severally or jointly with others, execute a guaranty in the Bank's favor. Each undersigned understands that the Bank is relying on the information provided herein (including the designation made as to ownership of property) in deciding to grant or continue credit. Each undersigned represents and warrants that the information provided is true and complete and that the Bank may consider this statement as continuing to be true and correct until a written notice of a change is given to the Bank by the undersigned. The Bank is authorized to make all inquiries it deems necessary to verify the accuracy of the

Statement of Financial Condition as of 5/29, 2002

statements made herein, and to determine the credit worthiness of the undersigned. The Bank is authorized to answer questions about its credit experience with the undersigned.

Date Signed <u>5/29/07</u>	Signature (individual) <i>[Handwritten Signature]</i>	Social Security # 264-02-1987	Date of Birth 08/18/52
Date Signed	Signature (individual)	Social Security #	Date of Birth

Eagle Telecommunications Business Plan

Objective:

To establish a Florida Alternative Local Exchange Carrier to provide value-added and cutting-edge telecommunications and data services to Florida Businesses. A noticeable lack of customer service exists with existing telecommunications companies, and it is our intention to provide superior customer service along with unique service offerings that meet a broad range of customer needs such as local telephone service, long distance and toll free service, internet services, fax services and custom calling services.

Startup Timeline:

Due to dependence on and negotiation with other parties, we cannot set exact milestone dates. However, it is estimated that the startup will take 6 to 12 months before we will be able to turn up our first customer's facility-based service. However, we intend to secure regulatory approval within 90 days and will begin marketing activities at that time, and will subscribe customers at that time on a "reseller" basis, where we resell another carrier's services at a discount. Then, when we are ready to turn up our facilities, we will have a ready-made customer base to move immediately to our new facilities. Since we will be handling customer care and billing during this period, this will further allow us to streamline those processes so that they will better perform when our facilities come on-line and are in full production mode.

Geographic Range of Services:

In the startup phase of the project, we intend to primarily offer services in Pinellas County. Expansion into other areas is possible and probable later, as the project generates more revenue and allows us to establish switch interconnections in additional locales to extend the service area.

Scope of Services:

In the startup phase of the project, we intend to provide T1 and PRI local and long distance telephone service to businesses within the service area. We also intend to provide transport for Internet services offered by Tampa Bay Connect, with which we already have an interconnection and consolidated billing agreement. Expansion into residential dial tone, long distance and Internet service is possible at a later time, the revenue potential and cost/benefit analysis of which have not yet been performed.

Physical Location of Establishment

Equipment shall be located in the existing Network Operations Center owned by SCG Companies at 2901 First Avenue North, St. Petersburg. This location is ideal because it is already equipped with the needed power supply feeds, 24/7 environmental control systems, enhanced security, and telco interface equipment and cabling. Office space and support personnel are also available at this location.

Human Resource Requirements

Three distinct areas of specialization are needed to fill the human resources requirements of the project. Technical Operations, Sales and Marketing, and Customer Service. Jarrell Britts, a principal, will supervise and manage the customer service department. Some customer service aspects will also be the responsibility of the selling agent, to enable customers to retain, to some degree, the ability to deal with one company representative for all their needs. Sales and Marketing Staff will be retained and managed by Mr. Britts, who has expertise and experience in this area. Technical Operations will be initially performed by Mike Ray (also a principal) who will attend additional training classes to ensure complete knowledge of the proposed operations. Mike also has numerous certifications and vast experience in closely related technology fields. As the project grows, additional technical operations staff will be added and trained to meet the actual demand. An outside telecommunications consultant has been retained to assist with technical planning, implementation of facilities and engineering.

Government Approvals

Application will be made with the State of Florida Public Service Commission as an Alternative Local Exchange Carrier and also as an Inter Exchange Carrier (needed for long distance capability). We expect but cannot guarantee approval of our application within 3 to 6 months of its filing. No other regulatory approvals are required.

Estimated Needed Capital

Taqua Systems Carrier-Class Telecom Switch 250 T1/PRI capable	\$120,000
Telecommunications Consulting/Legal Services	\$10,000
Florida ALEC Application Fees	\$250
Interconnection Agreements, Fees	\$15,000
Cash Reserves	\$50,000
Interconnection Equipment – Other	\$75,000

*Taqua Systems Extra Switch Capacity – Upgrade to 250 T1/PRI capacity \$500,000

<i>Total Estimated Startup Capital</i>	<i>\$270,250</i>
Total Estimated Capital needed after 2 months operation	\$500,000

Estimated Monthly Expenses – Facilities

Co-Location Fees	\$6000.00
Electric Service	\$500.00
SS7 A-Links (2)	\$2000.00
Telecom Consultant	\$500.00

Total Estimated Monthly Expenses – Facilities *9000.00*

Estimated Revenue Generation

The average customer's circuit revenue is estimated at 650.00 per month, after loop costs paid to the ILEC. We have estimated very conservatively the first year's forecasted sales to allow time for the operation to reach full potential. Based upon a forecast of adding ten customer circuits per month initially, we estimate monthly revenues and costs accordingly for the first year:

<u>Service Period</u>	<u>Gross Revenue</u>
Month One	6500.00
Month Two	13000.00
Month Three	19500.00
Month Four	26000.00
Month Five	32500.00
Month Six	39000.00
Month Seven	45500.00
Month Eight	52000.00
Month Nine	58500.00
Month Ten	65000.00
Month Eleven	71500.00
Month Twelve	78000.00

Summary

While this plan appears to be brief, a lot of thought has gone into it. We plan to start small and only grow as we can accommodate the growth within our framework of personnel and equipment.

Both principles in this venture have ongoing thriving businesses, we have the luxury of allowing the business to grow at its own pace and are not going into the business strangled by loans, and needing to meet excessive overhead in a short time frame.

We believe that in just a few years our plan of excellent customer service and proper management, along with the bundling of products will lead us to the top of the local telecommunications industry.

Robert Michael Ray

6824 283rd Street East
Myakka City, FL 34251

Employment History

**Systems Consulting Group
St. Petersburg, FL**

**Term: September 1992 - Present
Position: President/CEO**

As President and Founder of SCG, I am responsible for development of new technologies and new uses for existing technologies to provide unique and innovative automation solutions for small to medium sized businesses. SCG provides many forms of business technology solutions including computer systems, network engineering, printers, power protection, internet services (through our subsidiary, Tampa Bay Connect), application services, custom software development, web site services as well as advanced communications services. We also sell and service Communications Server based business phone systems as an authorized AltiGen Communications dealer. I manage the day to day operations of the company, and interact directly with all customers to ensure proper implementation of our solutions and customer satisfaction. The market niche that I have pursued is to be the single-source technology solutions provider for small to medium sized businesses.

**Showtime Video
Houston, TX**

**Term: 1990-1992
Position: Information Technology Manager**

As IT manager for this chain of 20 video rental stores in the Houston area, I was responsible for ensuring that all Point-of-Sale systems were properly maintained and operating, performing routine tasks such as backups and upgrades to the system, and maintaining enterprise-wide inventory systems. The chain went out of business in 1992 as rival Blockbuster opened stores near all of their locations. One store was still operating when my employment was terminated.

**AstroWorld (Six Flags Corp.)
Houston, TX**

**Term: 1988-1990
Position: Electronics Technician**

My employment at AstroWorld was originally a summer job as a ride operator, after which I was promoted to electronics technician where I worked through the vocational co-op program at my high school in conjunction with my electronics career track there. As an electronics technician, my duties were to maintain amusement electronics at this popular theme park which included video arcade games, pinball machines, remote control vehicles, shooting gallery equipment and more.

Education

Pacific Coast University Masters of Business Administration Degree

I earned my Masters Degree in 1999 through correspondence

Estonian-American Business College Bachelor of Science Degree

I earned the remaining credits toward my Bachelor's Degree by correspondence in 1997

San Jacinto College-South Various

I began a degree track toward a Bachelor of Science Degree by attending classes part-time from 1992-1993. I decided that I was unable to achieve both my education and career goals at the same time and did not complete the degree in favor of operating my new company, Systems Consulting Group.

John H. Reagan High School for Computer Technology

This public school magnet program offered a Computer Maintenance Technology career track which I pursued from 1985-1989. In addition to the usual high school curricula, I completed the four year CMT program as well as some computer programming courses and a vocational program which allowed me to acquire on-the-job experience in the field as part of my education.

Professional Certifications

Novell Certified Network Engineer

AltiGen Certified Telephony Engineer

Hewlett-Packard Certified Systems Engineer