

030229-TT

**FPSC Application Form**

**Proposed Tariff Sheets**

**Managerial Capabilities**

**CEO Resume**

**COO Resume**

**Business Plan**

**Market Analysis**

**Competitive Edge**

**Financial Plan**

**Cash Flow**

**Balance Sheet**

**Financial Capabilities Letter**

**Smart Tech Services Inc. Certification**

**FCC – 214 License Certification**

Check received with filing and forwarded  
to Fiscal for deposit. Fiscal to forward  
deposit information to Records.

Initials of person who forwarded check:

LM

DOCUMENT NUMBER-DATE

02259 MAR-6 8

FPSC-COMMISSION CLERK

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CENT  
16 MAR 8-11 9

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

**DIVISION OF COMPETITIVE MARKETS AND ENFORCEMENT**  
**CERTIFICATION**

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

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**Instructions**

- ◆ This form is used as an application for an original certificate and for approval of assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 17).
- ◆ 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 the Commission Clerk and Administrative Services  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850  
(850) 413-6770**

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

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

**Florida Public Service Commission  
Division of Competitive Markets and Enforcement  
Certification  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850  
(850) 413-6600**

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:

SMART TECH SERVICES

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

SMARTTEL

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

520 N.E. 18<sup>th</sup> Street

BOCA RATON, FL. 33432

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

SAME.

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

7. Structure of organization;

- |  |   |
|--|---|
| <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 _____         |   |

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:**

PO2000012680

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

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

\_\_\_\_\_

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

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

\_\_\_\_\_

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

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

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

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

Title: \_\_\_\_\_

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

City/State/Zip: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

Internet E-Mail Address: \_\_\_\_\_

Internet Website Address: \_\_\_\_\_

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

(a) **The Florida registration number:** \_\_\_\_\_

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

16. Provide the following (if applicable):

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

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

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

Title: \_\_\_\_\_

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

City/State/Zip: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

(c) How is this information provided?

Customers will receive e-mails for billings  
purposes including TOTAL AMT. CREDITED.

17. Who will receive the bills for your service?

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Residential Customers | <input checked="" type="checkbox"/> Business Customers    |
| <input type="checkbox"/> PATs providers                   | <input type="checkbox"/> PATs station end-users           |
| <input type="checkbox"/> Hotels & motels                  | <input type="checkbox"/> Hotel & motel guests             |
| <input type="checkbox"/> Universities                     | <input type="checkbox"/> Universities dormitory residents |
| <input type="checkbox"/> Other: (specify) _____           |   |

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

(a) The application:

Name: MANUEL A. VERGARA

Title: President, CEO

Address: 520 N.E. 18th Street

City/State/Zip: Boca Raton, FL 33432

Telephone No.: 561-829-8516 Fax No.: 561-391-8041

Internet E-Mail Address: man@SMARTTECHservices.com

Internet Website Address: http://www.SMARTTECHservices.com

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

Name: Manuel A. VERGARA

Title: President, CEO

Address: 520 N.E. 18th Street  
City/State/Zip: Boca Raton, Fl. 33432

Telephone No.: 561-829-8516 Fax No.: 561-391-8041  
Internet E-Mail Address: man@SMARTTECHSERVICES.COM  
Internet Website Address: WWW.SMARTTECHSERVICES.COM

(c) Complaints/Inquiries from customers:

Name: Serafin Martinez

Title: Operation Manager

Address: 3701 N.W. 8th Avenue Suite 210  
City/State/Zip: Boca Raton, Fl. 33431

Telephone No.: 561-417-3406 Fax No.: 561-391-8041  
Internet E-Mail Address: \_\_\_\_\_  
Internet Website Address: \_\_\_\_\_

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company.

None, N/A  
\_\_\_\_\_  
\_\_\_\_\_

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

None, N/A  
\_\_\_\_\_  
\_\_\_\_\_



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

None, N/A

---

(d) has been denied authority to operate as an interexchange telecommunications company and the circumstances involved.

None, N/A

---

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

None, N/A

---

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

None, N/A

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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, N/A.*

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(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, N/A.*

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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 (not distance sensitive)**

- \_\_\_\_\_ Method of access is FGA
- \_\_\_\_\_ Method of access is FGB
- \_\_\_\_\_ Method of access is FGD
- \_\_\_\_\_ Method of access is 800

d. \_\_\_\_\_ **MTS for pay telephone service providers**

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

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

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

- \_\_\_\_\_ Method of access is via dedicated facilities
- \_\_\_\_\_ Method of access is via switched facilities

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

i. \_\_\_\_\_ **Travel service**

- \_\_\_\_\_ Method of access is 950
- \_\_\_\_\_ Method of access is 800

j. \_\_\_\_\_ **900 service**

k. \_\_\_\_\_ **Operator services**

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

1. **Services included are:**

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

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

23. Submit the following:

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

**B. Technical capability;** give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

**C. Financial capability.**

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

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

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

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

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

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

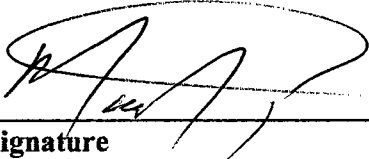
**THIS PAGE MUST BE COMPLETED AND SIGNED**

**APPLICANT ACKNOWLEDGMENT STATEMENT**

- 1. REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
  
- 2. APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

**UTILITY OFFICIAL:**

Manuel A. VERGARA  
Print Name

  
Signature

President, CEO  
Title

3/3/03  
Date

561-391-8041 / 561-391-8041  
Telephone No. Fax No.

Address: 520 N.E. 18<sup>th</sup> Street  
Boca Raton, Fl. 33432  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**THIS PAGE MUST BE COMPLETED AND SIGNED**

**CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**

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

- ( ) 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.)

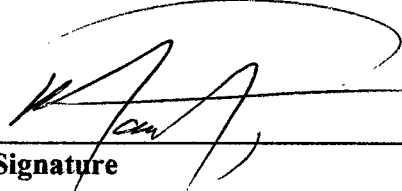
**UTILITY OFFICIAL:**

*Manuel A. DELOA*  
\_\_\_\_\_  
Print Name

*President, CEO*  
\_\_\_\_\_  
Title

*561-829-8516*  
\_\_\_\_\_  
Telephone No.

Address: *520 N.E. 18th Street*  
\_\_\_\_\_  
*Boca Raton, Fl. 33432*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
\_\_\_\_\_  
Signature

*3/3/03*  
\_\_\_\_\_  
Date

*561-391-8041*  
\_\_\_\_\_  
Fax No.

**THIS PAGE MUST BE COMPLETED AND SIGNED**

**AFFIDAVIT**

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide interexchange telecommunications service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

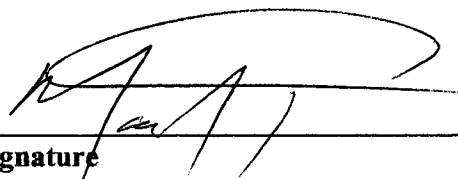
Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082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

UTILITY OFFICIAL:

Manuel A. VERGARA  
Print Name

President, CEO  
Title

561-829-8514  
Telephone No.

  
Signature

3/3/03  
Date

561-391-8041  
Fax No.

Address: 520 N.E. 18<sup>th</sup> Street  
Boca Raton, Fl. 33432  
\_\_\_\_\_  
\_\_\_\_\_



**CURRENT FLORIDA INTRASTATE SERVICES**

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

If the answer is has, fully describe the following:

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

—  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_

**UTILITY OFFICIAL:**

MANUEL A. VERGARA

**Print Name**

President, CEO

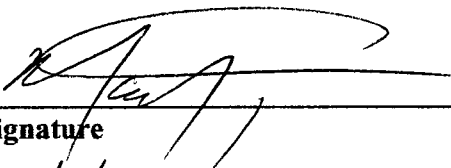
**Title**

561-829-8516

**Telephone No.**

**Address:**

520 N.E. 18<sup>th</sup> Street  
Boca Raton, Fl. 33432  
\_\_\_\_\_  
\_\_\_\_\_

  
\_\_\_\_\_

**Signature**

3/3/03

**Date**

561-391-8041

**Fax No.**

CERTIFICATE TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) Manuel A. Vergara

(Title) President, CEO of SMIT TECT SERVICES (Name of Company)

and current holder of Florida Public Service Commission Certificate Number

# \_\_\_\_\_, have reviewed this application and join in the petitioner's request for a:

- ( ) transfer
(✓) assignment

of the above-mentioned certificate.

UTILITY OFFICIAL:

Manuel A. Vergara

Print Name

President, CEO

Title

561-829-8516

Telephone No.

[Handwritten Signature]

Signature

3/3/03

Date

561-391-8041

Fax No.

Address: 520 N.E. 18th Street

Boca Raton, FL 33432

  
**Smart  
Tech Services** Florida tariff #1.  
Issued: March 3, 2003 EFFECTIVE:  
By: M. Vergara, President  
520 N.E. 18 Street  
Boca Raton, FL 33432

<http://www.smarttechservices.com>

**Proposed Tariff  
Smart Tech Services Inc.**

**TITLE SHEET**

**SMART TECH SERVICES TARIFF**

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Smart Tech Services, Inc., with principal offices at 520 NE 18 Street, Boca Raton, FL 33432.

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.

**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.

**Issued: March 3,2003 EFFECTIVE:**  
**By: M. Vergara, President**  
**520 N.E. 18 Street**  
**Boca Raton, FL 33432**

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**SYMBOLS SHEET**

- 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 Rate Or Charge

**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 cancels the 3rd 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.

**Issued: March 3, 2003 EFFECTIVE:**

**By: M. Vergara, President  
520 N.E. 18 Street  
Boca Raton, FL 33432**

**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 are 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.

## **SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS**

**Access Line** - An arrangement is made when connecting 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 - Smart Tech Services, Inc.

**Customer** - the person, firm, corporation or other entity in 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.

Issued: March 3, 2003 EFFECTIVE:

By: M. Vergara, President  
520 N.E. 18 Street  
Boca Raton, FL 33432

**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, July  
4th, Thanksgiving Day, 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.

## **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's 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 arrangement.  
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.

**SECTION 2 - RULES AND REGULATIONS** continued

**2.2 Limitations (Cont.)**

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 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 as an Inter exchange carrier from the Florida Public Service Commission.

**2.3 Liabilities of the Company**

2.3.1 The Company's liability 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, unless ordered by the Commission.

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.

**SECTION 2 - RULES AND REGULATIONS** continued

**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 of the customer, or due to the failure of channels or equipment provided by the customer,

Issued: March 3, 2003 EFFECTIVE:

By: M. Vergara, President

520 N.E. 18 Street

Boca Raton, FL 33432

are subject to the general liability provisions set forth in Subsection 2.3.1. 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, if any, 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:

Credit =  $A/720 \times C$

"A" - outage time in hours

"B" - each month is considered to have 720 hours

"C" - total monthly charge for affected facility

## **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 is governing the service under this tariff.

2.5.3 A violation of any law, rule, or regulation of any government authority will have 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, or remedy, and deficiency as stated in Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company.

2.5.5 Service may be disconnected without notice for tampering with company equipment, for interfering with the service to other customers, for fraud, or in the event of a hazardous condition.



**SECTION 2 - RULES AND REGULATIONS continued**

**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 on customer bills as 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.

**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 receiver, (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.

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**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.

**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

**FORMULA:**

The square root of:  
$$\sqrt{(V1 - V2)^2 + (H1 - H2)^2}$$

**3.3 Minimum Call Completion Rate**

A customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 90% during peak use periods for all Feature Group D services ("1+" dialing).

**SECTION 3 - DESCRIPTION OF SERVICE continued**

**3.4 Service Offerings**

**3.4.1 Smart Tech Long Distance Service**

Smart Tech Services 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 pre-subscribed, dedicated or shared use access lines. Calls are billed in one minute increments. No monthly recurring charges or minimum monthly billing requirements apply.

**3.4.2 Smart Tech 800/888 (Inbound) Long Distance Service**

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Smart Tech. 800/888 (Inbound) Long Distance Service is offered to residential and business customers. The service permits inbound 800/888 calling at a single per minute rate. Service is provided from pre-subscribed, dedicated or shared use access lines. Calls are billed in six second increments, with a six second minimum call duration. A \$10.00 minimum monthly billing requirement applies. Customers whose monthly usage is less than the minimum will be billed the minimum amount.

#### **3.4.3 Smart Tech Services Calling Card Service**

Smart Tech Services Calling Card Service is a calling card service offered to residential and business customers who subscribe to the Smart Tech Services Long Distance Service calling plan. Customers using the Carrier's calling card service access the service by dialing a 1-800 number followed by an account identification number and the number being called. This service permits subscribers utilizing the Carrier's calling card to make calls at a single per minute rate. Calls are billed in one (1) minute increments after the initial minimum period of one (1) minute.

There are no nonrecurring or monthly recurring charges.

### **SECTION 3 - DESCRIPTION OF SERVICE continued**

#### **3.4.4 Operator Services**

The Company's operator services are provided to residential and business customers who "**pre-subscribe**" to this service for intrastate calling. Operator services include the completion of collect, station-to-station, person-to-person, third party billing and credit card calls with the assistance of a Carrier operator. Each completed operator assisted call consists of two charge elements (except as otherwise indicated herein):

(i) a fixed operator charge, which will be dependent on the type of billing selected (e.g., calling card, collect or other) and/or the completion restriction selected (e.g., station-to-station or person-to-person); and (ii) a measured usage charge dependent upon the duration, distance and/or time of day of the call.

##### **3.4.4.A Operator Dialed Surcharge**

This surcharge applies to calls when the customer has the capability of dialing all the digits necessary to complete a call, but elects to dial only the appropriate operator code and requests the operator to dial the called station. The surcharge does not apply to:

- 1) Calls where a customer cannot otherwise dial the call due to defective equipment or trouble on the Smart Tech Services, Inc. network; and
- 2) Calls in which a Company operator places a call for a calling party who is identified as being handicapped and unable to dial

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the call because of his/her handicap. The Operator Dialed  
Surcharge applies in addition to any other applicable operator  
charges.

**SECTION 4 - RATES**

**4.1 Smart Tech Services Long Distance Service**

INTRASTATE Rate per minute - \$0.045, EXCEPT FOR LATA 460 - \$0.00

Plan is billed in full minute increments.

**4.2 Smart Tech Services 800/888 (Inbound) Long Distance Service**

Rate per minute - \$0.050

Plan is billed in six seconds increments with a six second minimum.

**4.3 Smart Tech Services Calling Card Service**

Rate per minute - \$0.08

Plan is billed in full minute increments.

**4.4 Operator Services (For pre-subscribed customers)**

4.4.1 Usage Rates: The appropriate rate found under 4.1 or 4.3 shall  
apply.

**4.4.2 Operator Charges:**

Person-to-Person \$0.75

Customer Dialed Calling Card \$1.00

**SECTION 4 - RATES continued**

**4.5 Determining Applicable Rate in Effect**

For the initial minute, the rate applicable at the start of chargeable  
time at the calling station applies. For additional minutes, the rate  
applicable is that rate which is in effect at the calling station when  
the additional minute(s) begin. That is, if chargeable time begins  
during the Day Period, the Day Rate applies to the initial minute and  
to any additional minutes that the call continues during the rate  
period. If the call continues into a different rate period, the  
appropriate rates from that period apply to any additional minutes  
occurring in that rate period. If an additional minute is split between  
two rate periods, the rate period applicable at the start of the minute  
applies to the entire minute.

**4.6 Payment of Calls**

**4.6.1 Late Payment Charges**

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A late payment Charge of 1.5% per month will be assessed on all unpaid balances more than thirty days old.

**4.6.2 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, which ever is greater.

**4.7 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.

**SECTION 4 - RATES continued**

**4.8 Special Promotions**

The company will, from time to time, offer special promotions to its customers including unlimited long distance minutes nationwide waiving certain charges.

**4.9 Special Rates For The Handicapped**

**4.9.1. 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.

**4.9.2. Hearing and Speech Impaired Persons**

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

**4.9.3. Telecommunications Relay Service**

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay service calls by 20 percent off of the otherwise applicable rate for a voice non-relay 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 non-relay call.

The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit card surcharge.

**Manuel A. Vergara**  
Information Technology Manager  
Ph: (305) 742-3745

### **Summary**

Information Technology Manager with a comprehensive background in e-business solutions, systems administration and project management skills with expertise in international network system in Latin America. Extensive experience in optimization of the production processes through diversified background in computer programming. I speak Spanish, English and Portuguese fluently. Advanced computer integrating background, MBA, excellent understanding of business process and computer science degrees provide a foundation for a high-energy focused approach to resolving systematic issues affecting information technology performance.

### **Education**

- Master in Professional Program Management, Stevens Institute of Technology, New Jersey, 1999.
- M.B.A. Master in Business Administration & International Business, University Of Miami, Florida, 1997.
- B.S. Computer Science, Florida Atlantic University, Boca Raton, Florida, 1995.
- A.S. Florida Programming and Business College, Miami, Florida, 1989.

### **Professional Experience**

#### **Alliente Inc. (E-Commerce Company) Miramar, FL. USA.**

##### **CALA (Caribbean And Latin America) Regional Implementation Manager, 1/00 - Present**

- Design and implement an E-commerce solution, A B2B system called EZBuy – Ariba in 10 countries in CALA.
- Provide leadership as project manager to coordinate work activities with team members weekly.
- Implement training materials and teach users about Ariba Functionalities in Portuguese and Spanish.
- Develop business requirements, change control process, UAT (User Acceptance Test) documents and project status.
- Travel to CALA when it was necessary to execute work plan activities during the Ariba implementation.

#### **Lucent Technologies Inc. SPN (Service Provider Networks), Coral Gables, FL. USA.**

##### **CIO (Chief Information Organization) - Business Applications Manager, 6/98 – 1/00**

- Developed and implemented e-business projects based on ERP (Enterprise Resource Planning) technologies to improve business processes in Latin America, i.e. SAP, Oracle Financial modules, (i.e. A/P, A/R, G/L, PA.)
- Implemented Oracle v11.04 financials including Accounts Payable and General Ledger in Brazil, Argentina.
- Assessed internal business partners on how to reduce cycle time process.
- Maintained an intranet architecture using HTML, JAVA applications for internal users in Lucent.
- Traveled to Latin America facilities to execute strategic action plans (i.e. Mexico, Brazil, Argentina, Venezuela, El Salvador, Peru, Chile, Colombia and Costa Rica.)

#### **Motorola Inc. Cellular Infrastructure Group, Ft. Lauderdale, FL. USA.**

##### **ITS (Information Technology Services) - System Administration Group Leader, 2/96 – 6/98**

- Managed the IT (Information Technology) short and long-term projects for remote sites in Latin America.
- Developed and integrate system solutions to comply with Y2K initiatives.
- Implemented global email messaging solutions to customers in Latin America.
- Installed CDMA (Code Division Multiple Access) network software in Latin America customer sites.
- Analyzed network metrics data to improve quality and performance using Six Sigma initiatives.
- Provided Web, HP-UX 10.20-Unix and NT administration services in Latin America.

#### **Motorola Inc. North American Paging Subscriber, Boynton Beach, FL. USA.**

##### **MPD (Manufacturing Product Development) - Automation Software Engineer, 9/90 – 2/96**

- Developed a computer host controller system to interact with automated production equipment.
- Implemented a software system to sort out defective production material on line.
- Reduced manufacturing cycle time by 32% and increase productivity throughput by 45% and cost saving of \$1.44 million through development of computer integrated manufacturing systems.

## SERAFIN MARTINEZ JR.

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### SUMMARY

Global Financial Professional with diversified background in corporate finance, operations, banking and economics. Skilled in Latin American economic, financial, and business environment. Accomplished in analysis and interpretation of financial data and statements. Effective team leader and participant with peers, subordinates and all levels of management. Strategic thinker who possesses excellent business savvy and problem solving skills. Fluent in English and Spanish, with working knowledge of Portuguese. Special skills also include:

Budgeting/Expense Control  
Customer Finance/Credit  
Financial Analysis

Economics  
Accounting/Forecasting  
Effective Communication

Internal Control Compliance  
Coaching Skills  
Customer Relations/Bilingual

### PROFESSIONAL EXPERIENCE

MOTOROLA, INC., Plantation, FL 1999 – 2002

*(Global leader in providing integrated communications solutions)*

**Director of Finance & Operations, BCS, L.A. and Caribbean**

2000 – 2002

Direct staff of six in seven regional offices charged with finance and operations functions of \$138M sector and \$15.6M operating budget. Forecast, budget, plan, arrange customer finance as well as manage logistics and customer service.

- Introduced cost saving measures including facility consolidation and Travel and Entertainment Policy that will significantly contribute to \$900K under budget in 2002 based upon run rate.
- Coordinated credit and customer financing activities resulting in incremental sales of at least \$60M, including arrangement of bank and leasing facilities without recourse.
- Initiated quick action following Argentine economic collapse resulting in recoveries in excess of \$2.5M from inventory taken back before customer bankruptcies.
- Managed Florida warehouse consolidation resulting in improved inventory turns estimated at 20 days for sector.
- Drove integration of General Instrument Inc. operations, accounting, and facilities in Latin America after acquisition in 1999.

**Senior Customer Finance Manager Credit Corp, L.A. and Caribbean**

1999 – 2000

Oversaw existing loan portfolio along with new customer financing areas across all major product lines. Financed infrastructure projects in wireless telephony, broadband/Data and CATV along with subscriber units such as handsets, two-way radios and modems. Prepared trend, peer group and cash flow analyses and projections. Interpreted financial ratios, reviewed customer business models, sensitizing and testing assumptions.

- Closed \$200M cellular infrastructure and handset financing with syndicate of seven banks for Telesp Brazil resulting in incremental sales to Cellular Infrastructure and Personal Communications groups.
- Structured and closed \$56M financing with Brazilian wireless local loop-mirror telephony operator with two Brazilian banks and global provider of political risk insurance.
- Designed, structured and closed \$60M project for cable TV startup along with Arris and Cisco.
- Managed loan portfolio including \$400M financed joint venture wireless telephony project in Curitiba, Brazil paid off by existing shareholders.

SR TELECOM, INC., Plantation, FL

1998 – 1999

*(World leader and innovator in point to multi-point wireless access solutions)*

**Financial Director, Americas**

Directed financial function and operations of Canadian wireless equipment vendor that included budgeting, forecasting, customer finance, reporting, and management of Mexico City office. Controlled budget of \$6M and outside services including accounting firm and lawyers.

- Implemented self-audit program.

## SR TELECOM, INC. Continued

- Drove incremental sales by coordinating \$15M in financial transactions through Canadian export credit agency EDC.
- Maneuvered Mexico City office through successful tax audit by working with local accountants and lawyers to significantly reduce potential financial exposure and tax implications.

## MOTOROLA, INC., Plantation, FL

1994 – 1998

*(Global leader in providing integrated communications solutions)***Finance Manager – Cellular Infrastructure, Paging Infrastructure and Subscriber**

Directed new financing, credit approvals, along with new credit write-ups, structuring, administration, documentation, cross-border issues and business plan reviews.

- Developed, documented, and implemented credit policy and procedures manual serving as addendum to global insurance policy facilitating monetization of receivables.
- Implemented and managed export credit insurance policy for accounts receivable portfolio along with associated bank credit facility which resulted in working capital and liquidity improvements.
- Coordinated sale of over \$80M in accounts receivable without recourse resulting in average DSO of 35 days in line with target credit terms.
- Managed \$13M Letter of Credit Portfolio discounting bankers' acceptances to support liquidity goals.

## BANCO DE VENEZUELA INERNACIONAL, Miami, FL

1992 – 1994

*(International Bank)***Credit Analyst, Loan Review and Administrator**

Evaluated prospective borrowers' financial position and repayment capacity in wide spectrum of international industries operating in variety of economic conditions for loan approvals and reviews.

- Analyzed banks to establish Lines of Credit in excess of \$30M to support correspondent banking activities.
- Prepared country risk reports to establish and support bank's country exposure limits.
- Diligently conducted regular loan reviews to ensure compliance with bank regulations and internal credit policies that resulted in satisfactory audit ratings in two audits conducted.

## OCEAN BANK, Miami, FL

1985 – 1992

*(Commercial Bank)***Collections Supervisor, Credit Analyst, and Loan Administrator**

Analyzed small to medium companies for Lines of Credit while engaged in credit and loan administration in wide variety of industries. Supervised staff of four in international and domestic collections.

- Developed and managed loan rating system to establish loan loss reserves automatically.
- Prepared and reviewed loan documentation, created reports for senior management on loan portfolio including past dues, non-accruals, and other real estate.

**EDUCATION****BA, Finance and International Business, Florida International University, Miami, FL****AA, Business Administration, Miami Dade Community College, Miami, FL****TRAINING**

Innovative Telecom Project Finance, Euromoney  
 Credit Analysis, Commercial Lending and Real Estate Lending, American Institute of Banking  
 Letters of Credit, US Export Import Bank and Thompson Foreign Bank Analysis,  
 Effective Communication, Dealing with Difficult People, Listen with Understanding,  
 Stress Management, Diversity in the Workplace, Sexual Harassment, Successful Negotiation,  
 Effective Presentations, Time Management, 7 Habits of Highly Effective People, SIC Compliance

**COMPUTER SKILLS**

MS Office, MS Word, MS Excel, MS PowerPoint, MS Outlook, Oracle, Hyperion, Pillar, FAMAS, FAST



# **Smart Tech Services Business Plan**

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## **1.0 Executive Summary**

Smart Tech Services will be formed as a reseller of telecom services specializing in integrating, consolidating telecom services in one network including voice, data and video services for small and medium companies. An office in Boca Raton, FL. will be established the first 6 months of operations in 2003 to reduce start up costs. The founder of the company is a computer and network engineer with twelve years of progressive and responsible experience.

There will be an initial start up investment amount of \$191,000. Of this total, \$17,000 is required for start up expenses while the balance is to be placed in the company accounts as working capital. The founder, Manny Vergara has provided an initial investment of \$80,000 towards start-up costs.

Projected sales and profits for the first three years of operation are summarized below:

<u>Year</u>	<u>Sales(\$)</u>	<u>Profits(\$)</u>	<u>Sales/Profit(%)</u>
1	200,000	31,150	15.57
2	1,000,000	140,000	14.0
3	3,000,000	520,000	17.33
4	7,000,000	1,125,000	16.07

Smart Tech Services will specialize in providing saving analysis reports to identify client saving projections to meet their target savings expectations annually. Implementation of a network services plan and assurance program will provide a focus for our services.

## **1.1 Objectives**

1. Revenues of \$200,000 the first year in 2003, approaching \$4,000,000 at the end of four years.

2. Achieve 20% of market value at the end of the third year of operation.
3. Increase gross margin to 40% by the third year of operations.

## **1.2 Mission**

Our mission is to provide a low cost and best quality in telecommunications services to integrate voice, data in one network using our Integrated Network Services, IP-Telephony, IP-VPN (Virtual Private Network), ISP (Internet Service Provider) and Calling Cards for clients across North America, Europe, Asia and Latin American regions. Our team is highly skilled professional working together, using common sense and practical experience.

This leading edge technology can create a competitive advantage in today's market. We bring the best quality in network security and performance to our clients. We provide a complementary savings report to estimate your future savings.

## **1.3 Keys to Success**

1. Provide professional quality services on time and on budget.
2. Anticipate client needs and determine savings opportunities.
3. Deliver telecom solutions to meet our client expectations.
4. Develop a follow-up strategy to gauge performance with all clients.
5. Implement and maintain network services & assurance policy.

## **2.0 Company Summary**

Smart Tech Services Inc is a new company that will provide professional network services for clients interested in consolidating telecom services (i.e. local calls, long distance, international long distance, data and voice integration) for small, medium business and international carriers. Smart Tech Services has a FCC-214 license granted to operate as global, USA inbound and outbound termination calls. Our focus will be the public sector, government sector and international telecom carriers markets in North America, Europe, Latin America and Asia.

## **2.1 Company Ownership**

Smart Tech Services will be created as a limited liability company. The company will be privately owned by Manny Vergara and will also be listed as a President. There will be other new directors and possible members of the board responsible for bringing new businesses and deciding the future of Smart Tech Services in the second year.

## **2.2 Start-up Summary**

Our start-up investment amount is \$191,000 and funding from adventure capitalist is available to begin initial operations including: legal expenses, licenses, permits, stationary, specialty software, office equipment, and furniture. In addition to these start-up costs, an initial balance of \$25,000 will be placed in the company accounts.

## **2.3 Company Locations and Facilities**

We will establish an office in Boca Raton in order to reduce start-up costs for the first 6 months. The office space is estimated to be 180 square feet. We will be installing a dedicated fax line as well as a high-speed Internet connection. An interactive website will also be developed which will serve as a marketing tool. The website is <http://www.smarttechservices.com>

## **3.0 Services**

Smart Tech Services Inc. offers complete telecom services. We will focus on enterprises in the private sector, government sector and international telecom carriers including examples:

- Banking
- Insurance Co.
- Hotel Industry
- Call Centers
- Broker Firms
- Real Estate
- Electronics Co
- Commercial Real Estate
- Colleges, Universities
- School programs
- Government Institutions
- International telecom carriers.

We offer innovative and economical telecom services, maintaining state-of-the-art technology including VoIP (Voice Over Internet Protocol), VPN (Virtual Private Network). We meet client needs on projects of all sizes and smaller, special target savings.

### **3.1 Service Description**

**Project Consulting:** Proposed on a per-project network customization and per-milestone basis, project consulting offers a client company a way to understand our expertise to implement plans including, cost savings analysis to identify future profits opportunities.

**Project Management:** Our project management services include defining client needs, preparing bid documents, tendering, bid analysis, vendors review, payment certification, contract administration, project delivery. Projects include implementation of new telecom networks for international carriers or customization of existent networks.

### **3.2 Competitive Comparison**

Smart Tech Services offers their clients superior reseller services accompanied with state-of-the-art technology from telecom carriers including: AT&T, Global Crossing and Sprint. We will offer a personalize services to reduce clients telecom expenses without compromising their level of services. In addition, we offer extremely competitive long distance rates. Thus, companies can enjoy the best price and network quality of our services.

Enterprises want telecom systems that allow them to be efficient, keep them connected to their customers, and offer flexibility and mobility. In fact, one of the real keys to selling IP-based communications systems to enterprise customers is value-added applications, specifically those that enable mobility, unified messaging and CRM (Customer Resource Planning) to help enterprises run their businesses more efficiently and enable them to be more responsive to their customers.

Smart Tech Services website will be developed the first month of operations and include a description of our services, emerging technologies, savings analysis, success stories, and contact information. An Internet domain name has already been reserved for this purpose, <http://www.smarttechservices.com>

### **3.3 Fulfillment**

We have qualified professionals to supplement new network implementation in some cases when the clients is outside of North America or requested by client. There will be network connection designs, and analysis support services as complementary analysis report to anticipate future benefits with Smart Tech Services.

We have fostered several alliances with suppliers including Cisco and AT&T to provide the best quality in network equipment and telecom services at lowest price.

In the second year of operations, we intend to increase our presence in the international markets and bring new sales associates to our team. At this stage, we will seek qualified network engineers, sales representatives and CFO to provide the work experience needed to meet our profit margins the first year.

### **3.4 Technology**

Smart Tech Services will maintain a complete and comprehensive state-of-the-art network technology based on clients demands to exceed their revenue goals. We will work with our current suppliers (Cisco and AT&T, Global Crossing, Sprint) to ensure the best price and services quality are given to our client.

### **3.5 Current Services**

**IP Telephony Services:** Serving the needs of those companies that have multiple remote offices, we will ensure that IP telephony is available at zero cost when calls are routed internally via their LAN or VPN/Intranet between offices. This service might require initial investment, depending on client's network architecture.

#### **Integrated Network Services:**

- **(T1 Group - Voice):** Client that would like to move from a circuit network (analog lines) to integrate T1 groups (24 channels) to consolidate local calls, long distance, international long distance, international internet traffic in on group. The integrated network services represent a substantial savings opportunities since Smart Tech Services waives all access connection cost associated.

There are others client that have existent T1 channels and would like to upgrade their telecom services with Smart Tech Services using AT&T state-of-art-technologies at extremely competitive rates.

- **(T1 Group - Voice & Data):** Clients have the opportunity to combine voice and data in the same T1 group to enjoy local calls, long distance, international calls and internet access. The integrated Network Services offers VoIP and VPN services for remote offices and thus, would reduce their long distance expenses. Smart Tech Services waives all access connection cost associated to each T1.

- (E1 group – **International**): International Telecom Carriers need to connect to E1 group of voice and data to terminate their calls in USA or any other country around the world. Smart Tech Services offers AT&T's, Global Crossing high-speed terrestrial fiber channels to transport voice data from international countries to their destination at extremely competitive prices.

**Calling Cards:** Frequent travelers and remote employees use Smart Tech Services calling cards services to communicate with customers or corporate offices around the world. We offer the best calling program to fit your business needs.

## **4.0 Market Analysis Summary**

Smart Tech Services will focus on planning and design network services when clients need customization to meet their needs. These design services include preparation of plans, specifications, and estimates.

### **4.1 Market Segmentation**

The market for engineering services may be summarized with the following groups:

1. **Private Sector:** (Banking, Hotels, Corporate HQ, Insurance Co., Commercial Real Estate, Call Centers, etc.) Typically, any company in the Private Sector pre-selects a telecom services provider. There are three scenarios for potential clients with Smart Tech Services. They are:
  - Clients with 10-15 analog lines
  - Clients with T1 group

Another way to pre-select a potential client in the private sector is to know how much a client pays for telecom expenses. In most cases the minimum expense requirement must \$3,000.00. These potential clients require a savings analysis to determine the best services needed and percentage of savings with Smart Tech Services.

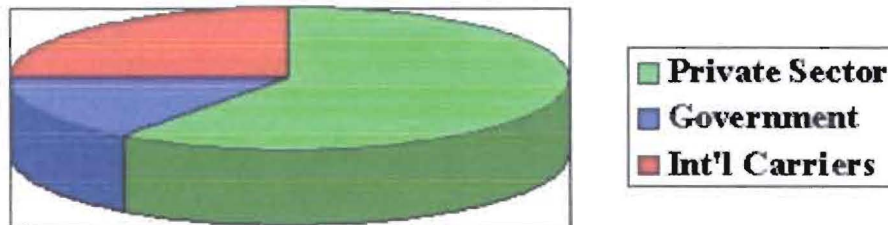
2. **Government Sector:** (Universities, High Schools, Colleges, Municipal Offices, etc) retain network services for a variety of purposes. We intend to position ourselves as a network services provider to offer expertise in network consulting, project management to offer the best quality and long distance rates.



- 3. International Telecom Carriers:** Smart Tech Services will offer international network connections for clients that would like to expand their voice and data traffic using E1 dedicated groups. International Carriers occasionally require business cases, project management to facilitate the investment in their countries.

The Potential Market Chart and the Market Analysis Table are based on percentages which each of these groups could contribute to the services offered. This manner of describing the potential market is more appropriate for this type of business. As can be seen, the Private Sector for 65% of the potential market with the other participants claiming the balance in smaller proportions.

## Market Analysis Pie



### 4.2 Competition and Buying Patterns

Pricing of our services and billing rates are surprisingly variable. At this level, it is easier to be priced too low than too high. Clients and potential clients expect to pay for the best quality professional advice. The nature of the billing, however, is sensitive. Clients are much more likely to be optimistic about Smart Tech Services and obtain the best rates since the cost associated to our revenue is relatively low and clients are taking advantage of this saving opportunity.

The most important element of general competition, by far, is what it takes to keep clients for repeat business. It is worth making huge concessions in any single bid to maintain a client relationship that brings the client back for future projects.

### 4.3 Main Competitors

- 1. Sprint PCS Services:** This well established telecom services provider would be our main competitor. This firm has branch offices in most 50 states in

USA. Their principal strength is offering their best competitive prices for T1 and IP solution for voice and data. Their weakness is the voice and data quality and rates are not superior to AT&T. At present, there is no systematic manner to determine their market share. However, it is estimated that 35% increase in their market comes from IP solutions such as VoIP and VPN solutions will come in the next 2-3 years.

2. **Bell South:** This multi-telecom services offer T1 and T45 services to residential, small and medium business the ability to connect to their network for voice and data. Its main head quarter is located in Atlanta, GA and serves the Southeast region of USA. At present, Bell South controls most of the residential lines in the South Florida area.
  
3. **AT&T:** Even AT&T is our primary telecom provider we compete for positioning our services in USA and International countries for IP services solution. We continue having a strategic alliance to carry out best business practices and work jointly to meet clients demand.

## **5.0 Strategy and Implementation Summary**

Smart Tech Services will focus on the South East Region of USA and Latin American region initially. We believe that new clients referrals will provide opportunities for new business growing in this area.

We are also licensed to practice telecom re-seller in USA and International countries.

The target client usually needs extremely competitive rates and best network quality services.

### **5.1 Competitive Edge**

Smart Tech Services offers the following competitive edge:

- State-of-the-art network equipment from Cisco and most reliable network from AT&T.
- Extremely competitive long distance rates.
- Personalize customer care.
- Improved operational efficiency.
- Integrated telecom services.
- Free remote offices call.
- Consolidated toll charges.
- Quality control and assurance program.

- An Internet website <http://www.smarttechservices.com>

## **5.2 Marketing Strategy**

The sections which follow describe in more detail our positioning statement, pricing, and promotion strategy. Our market strategy will grow as new clients sign with Smart Tech Services. Our goal is to reach the decision makers like CFO, CIO, CEO and IT directors responsible for their future growth and revenue of their companies.

### **5.2.1 Positioning Statement**

For established telecom services in the Boca Raton, Florida area, Smart Tech Services offers a competitive and economical option. Our services are directly assigned to the most reliable engineer and sales representative to ensure our clients receive the best offer possible to meet their current telecom needs.

### **5.2.2 Pricing Strategy**

Most network consulting companies bill on an hourly basis to pre-determined levels dictated by project schedule milestones. Smart Tech Services does not bill for saving analysis reports. We offer a complementary savings report to ensure our client has the right solution. Our profits are based on the rates of our long distance services and vary from client to client. We remain competitive based on lowest rates in the market.

### **5.2.3 Promotion Strategy**

We will be using the Internet extensively, show cases, magazine articles in our sales promotion. Together with a targeted direct mail and e-mail campaign, we will make all the major players in the marketplace aware of our presence.

We will focus our limited advertising budgets to promote our services to the decision makers on a company. We will also offer special services at discount rates to non-profit organizations.

## **5.3 Sales Strategy**

Success in a telecommunication market is focused on client service and typically translates into repeat business. We will focus on client needs to provide the best services to meet their expectations.

When a potential client questions the cost of our services, we explain the benefits and clearly outline the tasks to be performed. If the budget is for less money, then we must offer less service.

Billing rates are not negotiated. One exception to this rule would be for not-for-profit organizations where marketing can be traded for services in kind.

### **5.3.1 Sales Forecast**

The following table and chart summarizes forecasted sales. We expect sales to remain at a constant level after three months of operation. We predict the first four months of operations will be slow. Revenues will be limited while a generic services while being formulated and basic office administration tasks are completed.

We expect to see signs of revenue per each deal is signed with clients. The first months, Smart Tech Services will put together the sales team that will work on commissions basis to ensure to new clients are signed in per each month. In the second year of operations, we plan to increase gross margin to 60% as a result of providing a more efficient service to our clients.

Our long distance rates and dedicated T1 and T45 lease lines will increase revenues during the first and second year. This is a conservative assumption based on published commissions per sale reps. And members of board of directors.

## **6.0 Management Summary**

Smart Tech Services will initially have 3 employees, CEO and COO. Manny Vergara, CEO and Serafin Martinez, COO and 2 people will be responsible for all daily operations in the company.

### **6.1 Management Team**

Manny Vergara has twelve years of progressive and responsible computer and network engineering. He also has previous experience in companies like Motorola and Lucent Technologies. Manny will be responsible for soliciting clients, marketing, promotion, and all daily aspects of running the business. He graduated from Florida Atlantic University obtaining his bachelor's degree in Computer Science Engineering and University of Miami in Coral Gables, Florida with a Master in Business Administration (MBA).

From 1990, Manny initiated his role as computer specialist with Motorola Paging, in Boynton Bch, Florida. Manny has gained experience working on high tech equipment an understanding the meaning of six-sigma quality program at Motorola.

From 1993-1998, Manny worked as Automation Systems Engineer and network engineer with computer servers, LAN, WAN, Ethernet, and IP network at Motorola as project engineer, he gained experience in international regions including Europe and Latin America and continued gaining experience on several other network assignment.

In 1998-2001, Manny worked for Lucent Technologies as Chief Information Officer responsible for overall network and applications integrity in Latin America including working with network services suppliers to ensure the best optimal network solution from Cisco, Lucent and Motorola.

## **6.2 Management Team Gaps**

Smart Tech Services will require administrative support to ensure clients are billed on a timely basis. We will be looking to an accounting firm for ensuring the books are kept in order and up to date.

We will invest in continuing technology education to fulfill client demand and stay up to date with latest technologies in the market. Our team will participate in conferences, seminar, trade shows and on-line courses through the Internet.

## **7.0 Financial Plan**

The financial plan below, follows summarizes information regarding the following items:

- Important Assumptions.
- Key Financial Indicators.
- Projected Profit and Loss.
- Projected Cash Flow.
- Projected Balance Sheet.

### **7.1 Important Assumptions**

The financial plan depends on important assumptions, most of which are shown in the following table as annual assumptions. The monthly assumptions are included in the appendices.

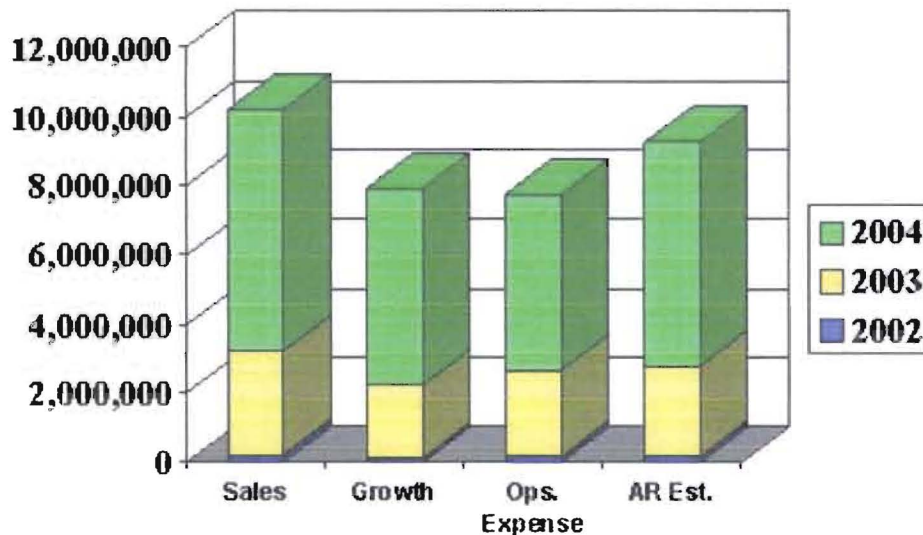
Some of the more important underlying assumptions are:

- We assume the economy will recover in next 2 years.
- New clients will understand our benefits in details.
- Interest rates, tax rates, and personnel burdens are based on conservative assumptions.

## 7.2 Key Financial Indicators

The following benchmark chart indicates our key financial indicators for the first three years. We foresee modest growth in sales and a marginal reduction in operating expenses for the years presented.

**Benchmarks (Planned)**



## 7.3 Projected Profit and Loss

The gross margin for a telecom-based business is a reflection of the efficiency at which those services are offered. In the initial year of operations, we have targeted a gross margin of 20%. This is not an unreasonable figure for a telecom business. For the second and third year of operations, we have targeted gross margins of 75% and 80% to indicate overall improved efficiency at service delivery.

Net Profit/Sales is determined to be 7.8% the first year, increasing to 17.8% the second year and 19.0% the third year.



## 7.4 Salary and Wages

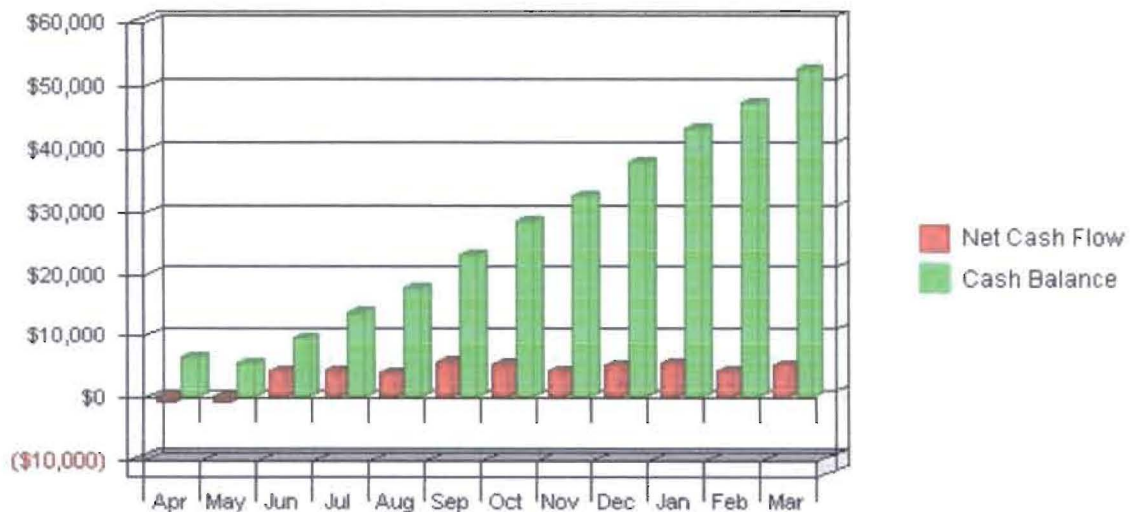
Sales representative will have a commission structure based on the following three groups of sales:

1. Client signs T1 contract for 1 year. Smart Tech Services pays, **\$700.00** and 3% of profit monthly or 5% for 2 years contract.
2. Client signs T45 contract for 1 year. Smart Tech Services pays, **\$1,000.00** and 3% of profit monthly or 5% for 2 years contract.
3. Client signs International agreement for E1 or network implementation. Smart Tech Services pays **\$1,500.00** and 3% of monthly or 5% for 2 years contract.

## 7.5 Projected Cash Flow

Cash flow projections are critical to our success. The monthly cash flow is shown in the illustration, with one bar representing the cash flow per month, and the other the monthly balance. The first few months are critical. It may be necessary to inject additional capital in this time-frame if the need arises. The annual cash flow figures are included here and the more important detailed monthly numbers are included in the appendices.

**Cash**



## 7.6 Projected Balance Sheet

The balance sheet in the following table shows managed but sufficient growth of net worth and a sufficiently healthy financial position.

**Smart Tech Services  
Balance Sheet  
For the year beginning January 2002**

	2002	2003	2004
<b>Assets:</b>			
Current Assets:			
Cash	20,000.00	50,000.00	120,000.00
Account receivable	165,000.00	820,000.00	1,700,000.00
Total Current Assets	185,000.00	870,000.00	1,820,000.00
PPE (net)	6,500.00	35,000.00	65,000.00
Total Assets	<b>191,500.00</b>	<b>905,000.00</b>	<b>1,885,000.00</b>
<b>Liabilities and Equity:</b>			
Current liabilities:			
Line of credit	20,000.00	16,500.00	0.00
Notes payable	3,500.00	16,500.00	0.00
Current maturities	0.00	0.00	0.00
Total current liabilities	23,500.00	33,000.00	0.00
Long-term liabilities	123,500.00	720,000.00	1,425,000.00
Total liabilities	147,000.00	753,000.00	1,425,000.00
Equity	44,500.00	152,000.00	460,000.00
Total liabilities and equity	<b>191,500.00</b>	<b>905,000.00</b>	<b>1,885,000.00</b>



**March 4, 2003.**

**Florida Public Service Commission**

Division of the Commission Clerk and Administrative Services  
2540 Shumard Oak Blvd.  
Tallahassee, Florida. 32399-0850

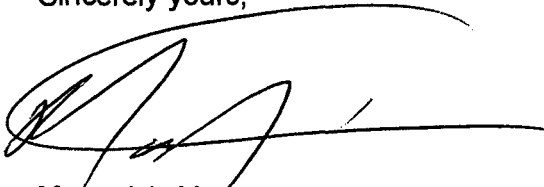
Smart Tech Services, Incorporated in State of Florida and document number P02000012680, would like to re-sell pre-paid and long distance services from long distance carriers including AT&T, BellSouth, Global Crossing and Sprint in the State of Florida.

Our financial statement for 2003 shows a solid cash flow to promote our business and create a competitive market where consumers in Florida will benefit from our services. In addition, Smart Tech. has the support from venture capitalist companies in case of we decide to expand our operations nationwide.

Our goal is to ensure we provide the best telecommunication services and the best long distance rates to our clients in Florida.


We look forward to promoting new telecom business opportunities in the State Of Florida.

Sincerely yours,



Manuel A. Vergara  
Smart Tech Services  
President and CEO  
520 NE 18<sup>th</sup> Street  
Boca Raton, FL 33432

# State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of SMART TECH SERVICES, INC., a Florida corporation, filed on February 4, 2002, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H02000025419. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below

The document number of this corporation is P02000012680.

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
Fifth day of February, 2002

Authentication Code: 802A00006932-020502-P02000012680-1/1



CR2EO22 (1-99)

*Katherine Harris*  
Katherine Harris  
Secretary of State



# Federal Communications Commission

## INTERNATIONAL BUREAU FCC SELECTED APPLICATION LISTING BY FILE NUMBER REPORT WR07 - Tue Mar 4 10:25:47 US/Eastern 2003

File Number = ITC2142002052400257;

**File Number:** ITC-214-20020524-00257

**Callsign:** None

**Streamlined:** Y

**Environmental Impact:** None

**Status:** Action Taken Public Notice

**Status Date:** 06/20/2002

**Last Action:** Grant of Authority

**Grant Date:** 06/19/2002

**Service Type:** Global or Limited Global Resale Service

**Accepted For Filing PN Date:**

06/05/2002

**Action Taken PN Date:**

06/20/2002

**Term Begin Date:** None

**Term End Date:** None

**Date Filed:** 05/24/2002

**Date Last Updated:**

06/19/2002

**Last Action Date:** 06/19/2002

### Document Viewing

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**Old File Number:** None

**Applicant:**

Smart Tech Services Inc.

520 N.E. 18th Street

Boca Raton, FL 33432 USA

**Contact:** None

SAME AS APPLICANT

SAME AS APPLICANT

, USA

**Description:** Application for authority to provide service in accordance with the provisions of Section 63.18(e)(2) of the rules.

[International Telecommunications](#) | [Satellite Earth Stations](#) | [Satellite Space Stations](#) |  
[International HF Broadcast Stations and Public Fixed Radio Stations](#) | [General Reports and Query Tool](#) |  
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2003

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