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**** 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**

030511-77

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 $\sqrt{\quad}$ (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:

Tallahassee Telephone Exchange, Inc.

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

TTE

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

P.O. Box 11642

Tallahassee, FL 32302

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

1367 Mahan Drive

Tallahassee, FL 32308

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:**
_____ *P98000075565* _____

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

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

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

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

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

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

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

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

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

(a) **The Florida registration number:** _____

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

16. Provide the following (if applicable):

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

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

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

(c) How is this information provided?

17. Who will receive the bills for your service?

- | | |
|---|---|
| <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: Matthew Robinson

Title: Billing Manager

Address: 1367 Maman Drive

City/State/Zip: Tallahassee, FL

Telephone No.: 850-877-2128 Fax No.: 850-671-1359

Internet E-Mail Address: billing@tte.net

Internet Website Address: www.tte.net

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

Name: Eric Larsen

Title: President

Address: 1367 Mahan Dr

City/State/Zip: Tallahassee, FL 32308

Telephone No.: 850-878-9688 Fax No.: 850-671-1389

Internet E-Mail Address: eric@he.net

Internet Website Address: _____

(c) Complaints/Inquiries from customers:

Name: Julia Larsen

Title: Vice President

Address: 1367 Mahan Dr

City/State/Zip: Tallahassee, FL 32308

Telephone No.: 850-878-9688 Fax No.: 850-671-1389

Internet E-Mail Address: julie@he.net

Internet Website Address: _____

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company.

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

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

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

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

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

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.

(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.

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:

Eric Larsen

Print Name

President

Title

850-878-9688 850-671-1389

Telephone No.

Fax No.



Signature

5/13/03

Date

Address:

1367 Mahan Drive

Tallahassee, FL 32308

THIS PAGE MUST BE COMPLETED AND SIGNED

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

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

- () The applicant will **not** collect deposits nor will it collect payments for service more than one month in advance.
- () The applicant intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month.
(The bond must accompany the application.)

UTILITY OFFICIAL:

Eric Larsen
Print Name

President
Title

850-878-9688
Telephone No.

Address: 1367 Mahan Drive
Tallahassee, FL 32308

Eric R. Larsen
Signature

5/13/03
Date

850-878-9688
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:

Eric Larsen
Print Name

President
Title

850-878-9688
Telephone No.

Eric R. Larsen
Signature

5/13/03
Date

850-~~0~~71-1389
Fax No.

Address: 1367 Mahan Drive
Tallahassee, FL 32308

TITLE SHEET

FLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Tallahassee Telephone Exchange, Inc., with principal offices at 1367 Mahan Drive, Tallahassee, FL 32308. This tariff applies for services furnished within the state of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

ISSUED: May 28, 2003

EFFECTIVE: May 28, 2003

By:

Eric Larsen, President
1367 Mahan Drive
Tallahassee, FL 32308

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.

SHEET	REVISION
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original

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Tallahassee, FL 32308

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1367 Mahan Drive
Tallahassee, FL 32308

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

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Tallahassee, FL 32308

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

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

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

Company or Carrier - Tallahassee Telephone Exchange, Inc.

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

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

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

Holidays - The Company's recognized holidays are New Year's Day, 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.

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Tallahassee, FL 32308

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.

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

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1367 Mahan Drive
Tallahassee, FL 32308

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 interexchange 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.

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, 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,

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Tallahassee, FL 32308

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:

$$\text{Credit} = A/720 \times C$$

"A" - outage time in hours

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

"C" - total monthly charge for affected facility

2.5 Disconnection of Service by Carrier

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

2.5.1 Non-payment of any sum due to carrier for regulated service for more than thirty days beyond the date of rendition of the bill for such service.

2.5.2 A violation of any regulation governing the service under this tariff.

2.5.3 A violation of any law, rule, or regulation of any government authority having jurisdiction over such service.

2.5.4 The company has given the customer notice and has allowed a reasonable time to comply with any rule, or remedy, and deficiency as stated in Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company.

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1367 Mahan Drive
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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.

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.

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Tallahassee, FL 32308

SECTION 3 - DESCRIPTION OF SERVICE3.1 Timing of Calls3.1.1 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.

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

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

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1367 Mahan Drive
Tallahassee, FL 32308

Tape and Bell's NECA Tariff No. 4.

FORMULA:

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

3.3 Minimum Call Completion Rate

A customer can expect a call completion rate (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).

3.4 Service Offerings

3.4.1 TTE Long Distance Service

TTE Long Distance Service is offered to residential and business customers. The service permits direct dialed outbound calling at a single per minute rate. Service is provided from presubscribed, dedicated or shared use access lines. Calls are billed in one minute increments. No monthly recurring charges or minimum monthly billing requirements apply.

3.4.2 TTE 800/888 (Inbound) Long Distance Service

Bogus 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 presubscribed, 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 TTE Calling Card Service

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1367 Mahan Drive
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Bogus Calling Card Service is a calling card service offered to residential and business customers who subscribe to the Bogus 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.

3.4.4 Operator Services

The Company's operator services are provided to residential and business customers who "presubscribe" 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 Bogus Communication, 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 the call because

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Eric Larsen, President
1367 Mahan Drive
Tallahassee, FL 32308

of his/her handicap.

The Operator Dialed Surcharge applies in addition to any other applicable operator charges.

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SECTION 4 - RATES

4.1 TTE Long Distance Service

Rate per minute - \$0.10.
Plan is billed in full minute increments.

4.2 TTE 800/888 (Inbound) Long Distance Service

Rate per minute - \$0.12.
Plan is billed in six second increments with a six second minimum.

4.3 TTE Calling Card Service

Rate per minute - \$0.20.
Plan is billed in full minute increments.

4.4 Operator Services (For presubscribed customers)

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

4.4.2 Operator Charges:

Collect Station-to-Station	\$1.00
Collect Person-to-Person	\$3.25
Person-to-Person	\$3.25

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Station-to-Station	\$1.00
Customer Dialed Calling Card	\$1.00
Operator Dialed Calling Card	\$1.75
Operator Dialed Surcharge	\$0.75

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

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.

ISSUED: May 28, 2003

EFFECTIVE: May 28, 2003

By:

Eric Larsen, President
1367 Mahan Drive
Tallahassee, FL 32308

4.8 Special Promotions

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

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 50 percent off of the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted 60 percent off of the otherwise applicable rate for a voice nonrelay call. 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.

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Eric Larsen, President
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President

Eric R. Larsen is a certified public accountant (CPA) with the State of Florida and also the President of Internet Services of Tallahassee, Inc. (IST). Mr. Larsen is solely responsible for the establishment and maintenance of IST's operational system networks and technical aspects of the Internet services system operations including operations, upgrades, and maintenance of the Internet server, we server, E-mail server, and other telephone/network line related communication equipment. IST has been in business since 1996 and is one of Tallahassee's oldest Internet access providers.

Mr. Larsen is also the president of Tallahassee Telephone Exchange, Inc. (TTE), a successful facilities based ALEC business. Mr. Larsen has been responsible for the establishment and maintenance of TTE's operation system since its inception into the ALEC market in 1998.

Vice President

Young O. Larsen is also a CPA, CIA (certified internal auditor) and CISA (certified information systems auditor), and the Vice-President of IST, Inc. Mrs. Larsen is responsible for financial, internal operations, and control related aspects of IST's operations.

Mrs. Larsen is also the vice president of Tallahassee Telephone Exchange, Inc. and is responsible for TTE's financial, internal operations, and control related issues.

Both Mr. and Mrs. Larsen have taken training courses offered by Bell South and Sprint. Mr. and Mrs. Larsen have attended numerous technology conferences, taken classes, and stay current with the industry and its technologies.

**Combined Balance Sheet For:
Tallahassee Telephone Exchange, Inc.
and
Internet Services of Tallahassee, Inc.**

Balance Sheet

(3 Year Period: 2000 - 2002)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Assets:			
Cash	84595	16983	15529
Inventories	408	1319	6931
Other Investments		1158	1158
Buildings and other Depreciable Assets	87949	140671	62242
Intangible assets			244
Total Assets	<u>172952</u>	<u>160131</u>	<u>86104</u>
Liabilities and Shareholders' Equity:			
Loans from Shareholders	117759	130048	149647
Mortgages, notes, bonds payable in 1 year or more	66159	88145	
Capital Stock	110	110	100
Retained Earnings	-11076	-58172	-63643
Total Liabilities and Shareholders' Equity	<u>172952</u>	<u>160131</u>	<u>86104</u>

Tallahassee Telephone Exchange, Inc.

Balance Sheet

(3 Year Period: 2000 - 2002)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Assets:			
Cash	60209	8865	795
Inventories			
Buildings and other Depreciable Assets	52269	87114	
Total Assets	<u>112478</u>	<u>95979</u>	<u>795</u>
Liabilities and Shareholders' Equity:			
Loans from Shareholders	66813	53913	
Mortgages, notes, bonds payable in 1 year or more	66159	88145	
Capital Stock	10	10	
Retained Earnings	-20504	-46089	795
Total Liabilities and Shareholders' Equity	<u>112478</u>	<u>95979</u>	<u>795</u>

Internet Services of Tallahassee, Inc.

Balance Sheet

(3 Year Period: 2000 - 2002)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Assets:			
Cash	24386	8118	14734
Inventories	408	1319	6931
Other Investments		1158	1158
Buildings and other Depreciable Assets	35680	53557	62242
Intangible assets			244
Total Assets	<u>60474</u>	<u>64152</u>	<u>85309</u>
Liabilities and Shareholders' Equity:			
Loans from Shareholders	50946	76135	149647
Capital Stock	100	100	100
Retained Earnings	9428	-12083	-64438
Total Liabilities and Shareholders' Equity	<u>60474</u>	<u>64152</u>	<u>85309</u>

Combined Income Statement:

Internet Services of Tallahassee, Inc. and Tallahassee Telephone Exchange, Inc.

Income Statement

(3 Year Period: 2000 - 2002)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Gross Receipt	616644	707299	337109
Expenses:			
Cost of good sold	1319	16437	6155
Returns/Refunds	11629	4166	4453
Repair and Maintenance		926	2650
Salaries	71029	58963	42590
Rents	11354	52080	15387
Interest	45464	20596	9852
Depreciation	50916	40130	18794
Taxes and Fees	28638	25767	16306
Advertising	19704	28168	14506
Other	323780	454585	205591
Total Expendses	<u>563833</u>	<u>701818</u>	<u>336284</u>
Net Receipt over Expense	<u>52811</u>	<u>5481</u>	<u>825</u>

Tallahassee Telephone Exchange, Inc.

Income Statement

(3 Year Period: 2000 - 2002)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Gross Receipt	439314	292553	40617
Expenses:			
Cost of good sold			
Returns/Refunds	6505	2519	131
Salaries	51141	12382	3273
Repair and Maintenance		194	
Rents	8175	37644	
Interest	37363	4325	
Depreciation	34845	21778	
Taxes and Fees	24193	19935	3086
Advertising	14187	14084	
Other	232581	226566	33342
Total Expendses	408990	339427	39832
Net Receipt over Expense	30324	-46874	785

Internet Services of Tallahassee, Inc.

Income Statement

(3 Year Period: 2000 - 2002)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Gross Receipt	177330	414746	296492
Expenses:			
Cost of good sold	1319	16437	6155
Returns/Refunds	5124	1647	4322
Repair and Maintenance		732	2650
Salaries	19888	46581	39317
Rents	3179	14436	15387
Interest	8101	16271	9852
Depreciation	16071	18352	18794
Taxes and Fees	4445	5832	13220
Advertising	5517	14084	14506
Other	91199	228019	172249
Total Expensdes	154843	362391	296452
Net Receipt over Expense	22487	52355	40