

ORIGINAL

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CKH 25000
12-18-03
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**** FLORIDA PUBLIC SERVICE COMMISSION ****

DIVISION OF COMPETITIVE MARKETS AND ENFORCEMENT
CERTIFICATION

031124-TX

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

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COMMISSION CLERK

Instructions

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

Florida Public Service Commission
Division of the Commission Clerk and Administrative Services
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

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

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

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DISTRIBUTION CENTER

APPLICATION

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:

Broadband Communities of Florida, Inc.

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

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

90 Woodbridge Center Drive, Suite 610

Woodbridge, NJ 07095

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

1211 Citrus Isle
Ft. Lauderdale, FL 33315

6. Structure of organization:

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

7. If individual, provide:

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

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

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

P03000118317

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

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

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

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

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

(a) The Florida Secretary of State registration number:

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

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

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

(a) The Florida registration number: _____

14. **Provide F.E.I. Number(if applicable):** 20-0484020

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

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

(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.

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

(a) The application:

Name: W. James Mac Naughton
Title: President
Address: 90 Woodbridge Center Drive, Suite 610
City/State/Zip: Woodbridge, NJ 07095
Telephone No.: 732-634-3700 Fax No.: 732-634-7499
Internet E-Mail Address: w.j.mac.naughton@att.net
Internet Website Address: _____

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

Name: Thomas Cannon
Title: Vice President
Address: 1211 Citrus Isle
City/State/Zip: Ft. Lauderdale, FL 33315
Telephone No.: 954-523-1415 Fax No.: 954-523-1516

Internet E-Mail Address: tcannon@speedcell.net
Internet Website Address: www.broadbandcommunities.com

(c) Complaints/Inquiries from customers:

Name: see (b) above
Title: _____
Address: _____
City/State/Zip: _____
Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____
Internet Website Address: _____

17. List the states in which the applicant:

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

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

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

(d) has been denied authority to operate as an alternative local exchange 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.

18. Submit the following:

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

See Attached Exhibit A

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.

See Attached Exhibit A

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: See Attached Exhibit A
2. income statement: and
3. statement of retained earnings.

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

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

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

See Attached Exhibit A

THIS PAGE MUST BE COMPLETED AND SIGNED

APPLICANT ACKNOWLEDGMENT STATEMENT

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

- 2. APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

W. James Mac Naughton

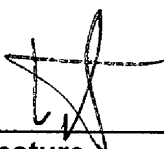
Print Name

President

Title

732-634-3700

Telephone No.



Signature

12/16/2003

Date

732-634-7499

Fax No.

Address: 90 Woodbridge Center Drive, Suite 610

Woodbridge, NJ 07095

THIS PAGE MUST BE COMPLETED AND SIGNED

AFFIDAVIT

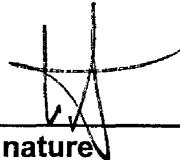
By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange company service in the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

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

UTILITY OFFICIAL:

W. James Mac Naughton

Print Name



Signature

President

Title

12/16/2003

Date

732-634-3700

Telephone No.

732-634-7499

Fax No.

Address: 90 Woodbridge Center Drive, Suite 610

Woodbridge, NJ 07095

INTRASTATE NETWORK (if available)

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

1. **POP:** Addresses where located, and indicate if owned or leased.

1) _____	2) _____
_____	_____
3) _____	4) _____
_____	_____

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.

1) _____	2) _____
_____	_____
3) _____	4) _____
_____	_____

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

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

EXHIBIT A

18 A. Managerial Capability:

W. James Mac Naughton, President. Mr. Mac Naughton has over twenty-five years experience in the telecommunications, satellite television and cable television industries. Mr. Mac Naughton has invested in and taken an active managerial role in National Satellite Programming Network, Inc., a privately held satellite television programming distributor, World Satellite Network, Inc., a publicly traded satellite television programming distributor, SpeedCell Communications, L.L.C., a privately held ISP and wireless network vendor, ImagiNet Communications, L.L.C., a Colorado licensed CLEC and vendor of secured managed networks to the healthcare and financial services industries and National Satellite Publishing, Inc., a privately held publisher. Mr. Mac Naughton is licensed to practice law in New York and New Jersey. His legal clients have included CLEC's, cable companies, ISP's, vendors of satellite television programming and real estate companies that established their own "in-house" telecommunications systems. Mr. Mac Naughton is a graduate of the University of Michigan Law School and admitted to practice before the U.S. Supreme Court, U.S. Circuit Court for the Second, Third and Fourth Circuits, U.S. District Court for New Jersey, U.S. District Court for the Northern, Eastern and Southern Districts of New York, U.S. Tax Court and the state courts of New York and New Jersey.

Harris Shulman, Vice-President of Technology. Mr. Shulman owns SH Communications, Inc., a Pennsylvania company engaged in the design and installation of broadband facilities. Mr. Shulman has twenty-five years experience in the design and installation of voice, video and data systems for customers ranging from single family residents to Fortune 500 companies. Mr. Shulman designed and supervised the installation of fiber optic facilities that provide video services in Illinois and Rhode Island. Mr. Shulman graduated from Temple University with a degree in electrical engineering.

Thomas Cannon, Director of Marketing. Mr. Cannon has five years experience in the development and marketing of high speed wireless and optic fiber internet systems. He is a 1997 graduate of Florida International University.

18 B. Technical Capability:

The Applicant intends to contract with other CLEC's and ILEC's for the acquisition and maintenance of fiber optic facilities to provide its services. Mr. Cannon will provide management and operational support for data services. Mr. Shulman will supervise the design and installation of facilities and provide support and operations for video services.

18 C. Financial Capability:

The Applicant is a start up company, and has no audited financial statements. The Applicant's core business will be the provision of signal carriage for voice, video and data service to the multifamily residential and lodging markets over fiber optic facilities.

The Applicant's primary customers are expected to be the owners and managers of residential multifamily properties, hotels and motels and/or the companies that sell voice, video or data services to the occupants of those properties. The Applicant intends to begin operations upon the consummation of a transaction with a major Florida real estate developer for the provision of service.

The following projected profit and loss statement provides an indication of the projected financial capability of the Applicant.

	2004	2005	2006	2007	2008
Revenues	\$480,000	\$960,000	\$1,050,000	\$1,200,000	\$1,500,000
Expenses	\$240,000	\$500,000	\$575,000	\$650,000	\$800,000
Profit	\$240,000	\$460,000	\$475,000	\$550,000	\$700,000

The Applicant has sufficient financial capability to meet its obligations through existing funds because it will provide services and commit to the acquisition of facilities only upon receiving firm contractual commitments from customers. The Applicant will only be charging for services sold at prices sufficient to pay for the financial obligations necessary to provide the services and create a commercially reasonable cash reserve. The Applicant's assets include a \$50,000 unsecured loan from Mr. Mac Naughton to be repaid at such time as the Applicant has cash reserves or assets of an equal amount.

SpeedCell will, on an interim basis, be handling most of the Applicant's general administrative overhead needs such as billing, technical support, and customer service.

CAPABILITY STATEMENT

1. The Applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served. This is evidenced by the \$50,000 lent to the Company by one of its principals to be repaid when the Applicant has cash reserves or assets in like amount to pay its expenses.
2. The Applicant will maintain the requested services from revenue generated from its ongoing operations.
3. The Applicant has sufficient financial capability to meet any lease and ownership obligations.