

ORIGINAL

040739-TX

**EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.**

ATTORNEYS AT LAW

900 COMERICA BUILDING  
KALAMAZOO, MICHIGAN 49007-4752  
TELEPHONE (269) 381-8844  
FAX (269) 381-8822

GEORGE H. LENNON	ROBERT M. TAYLOR
DAVID G. CROCKER	RON W. KIMBREL
MICHAEL D. O'CONNOR	PATRICK D. CROCKER
HAROLD E. FISCHER, JR.	RUSSELL B. BAUGH
LAWRENCE M. BRENTON	ANDREW J. VORBRICH
GORDON C. MILLER	TYREN R. CUDNEY
GARY P. BARTOSIEWICZ	STEVEN M. BROWN
BLAKE D. CROCKER	KRISTEN L. GETTING

OF COUNSEL  
THOMPSON BENNETT  
JOHN T. PETERS, JR.

VINCENT T. EARLY  
(1922-2001)  
JOSEPH J. BURGIE  
(1926-1992)

July 12, 2004

Blanca Bayó  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

RECEIVED - FPSC  
JUL 14 PM 1:07  
COMMISSION  
CLERK

Re: Tennessee Telephone Service, LLC  
d/b/a Freedom Communications USA, LLC

Dear Ms. Bayó:

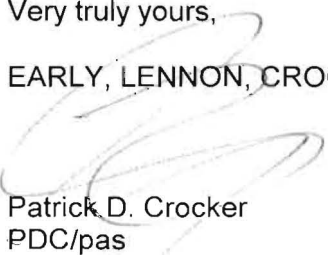
Enclosed herewith for filing with the Commission, please find an original and 6 (six) copies of the above captioned corporation's APPLICATION FOR AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE WITHIN THE STATE OF FLORIDA, along with a check in the amount of \$250.00 to cover filing fees relating to same.

Also enclosed is an exact duplicate of this letter. Please stamp the duplicate received and return same in the postage-paid envelope attached thereto.

Please contact me if you have additional questions or concerns.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

  
Patrick D. Crocker  
PDC/pas

enc

RECEIVED & FILED

  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

07630 JUL 14 08

FPSC-COMMISSION CLERK

# EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

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Re: Tennessee Telephone Service, LLC  
d/b/a Freedom Communications USA, LLC

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Enclosed herewith for filing with the Commission, please find an original and 6 (six) copies of the above captioned corporation's APPLICATION FOR AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE WITHIN THE STATE OF FLORIDA, along with a check in the amount of \$250.00 to cover filing fees relating to same.

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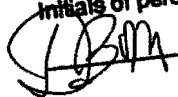
Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

Patrick D. Crocker  
PDC/pas

enc

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

Initials of person who forwarded check  


RECEIVED-FPSC  
04 JUL 14 PM 1:07  
COMMISSION  
CLERK

DISTRIBUTION CENTER  
04 JUL 14 AM 9:23

DOCUMENT NUMBER-DATE  
07630 JUL 14 8  
FPSC-COMMISSION CLERK

**BEFORE THE  
STATE OF FLORIDA  
PUBLIC SERVICE COMMISSION**

Application of Tennessee Telephone Service, LLC            )  
d/b/a Freedom Communications USA, LLC                    )  
for Authority to Provide Alternative                         )  
Local Exchange Service Statewide                            )

**APPLICATION**

Patrick D. Crocker  
Early, Lennon, Crocker & Bartosiewicz, P.L.C.  
900 Comerica Building  
Kalamazoo, MI 49007

## APPLICATION

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

**Original certificate** (new company).

**Approval of transfer of existing certificate:** Example, a 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 approved the new controlling entity.

2. Name of Company:

Tennessee Telephone Service, LLC

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

d/b/a Freedom Communications USA, LLC

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

201 Skyline Drive  
Dickson, TN 37055

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

None

6. Structure of organization:

- Individual                       Corporation  
 Foreign Corporation             Foreign Partnership  
 General Partnership            Limited Partnership  
 **Other - Limited Liability Company**

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:

          N/A          

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

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

          N/A          

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:

433604

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. **Company is a foreign limited liability company**

**(a) The Florida Registration number:** M04000001692

14. Provide F.E.I. Number (if applicable): 62-1810922

15. **Indicate of any of the officers, director, 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.**

None have been adjudged bankrupt, mentally incompetent, or guilty of any felony or crime.

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

No

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

**(a) The application:**

Name: Patrick D. Crocker

Title: Attorney

Address: 900 Comerica Building

City/State/Zip: Kalamazoo, MI 49007

Telephone No.: 269-381-8844 Fax No.: 269-381-8822

Internet E-Mail Address: pcrocker@earlylennon.com

Internet Website Address: www.telecomattorney.com

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

Name: Matt Davis

Title: CEO

Address: 201 Skyline Drive

City/State/Zip: Dickson, TN 37055

Telephone No.: 615-446-2010 Fax No.: 615-446-9207

Internet E-Mail Address: matt@tenntel.com

Internet Website Address: www.freedomcommunications.biz

(c) Complaints/Inquiries from customers:

Name: Janice Cauthern

Title: COO

Address: 201 Skyline Drive

City/State/Zip: Dickson, TN 37055

Telephone No.: 615-229-2149 Fax No.: 615-446-9207

Internet E-Mail Address: Janice@tenntel.com

Internet Website Address: www.freedomcommunications.biz

17. List the states in which the applicant:

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

Kentucky and Tennessee

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

Applicant is filing contemporaneously in Alabama, Georgia, Louisiana, Mississippi, North Carolina, and South Carolina.

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

Kentucky and Tennessee



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

Applicant has not been denied authority to operate as an alternative local exchange company in any jurisdiction.

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

Applicant has had no regulatory penalties imposed for violations of telecommunications statutes.

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

Applicant has not been involved in any civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity.

18. Submit the following:

A. Financial capability.

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

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

1. The balance sheet;
2. Income statement; and
3. Statement of retained earnings.

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

Further, the following (which included 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 Exhibit B.

- B. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experience of each.

See Exhibit C.

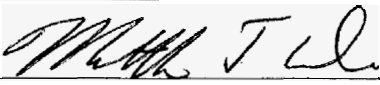
- C. Technical capability: give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

See Exhibit C.

**\*\* APPLICANT ACKNOWLEDGMENT OF STATEMENT \*\***

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

**UTILITY OFFICIAL**

 2/3/04  
Signature Matt Davis Date

CEO 615-446-2010  
Title Telephone No.  
Address: 201 Skyline Drive 615-446-9207  
Dickson, TN 37055 Fax No.

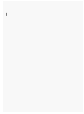
**ATTACHMENTS:**

- A - CERTIFICATE SALE, TRANSFER, ASSIGNMENT STATEMENT
- B - INTRASTATE NETWORK
- C - AFFIDAVIT

**CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT**

Not applicable

•



**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. **POB:** 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.

**POP-to-POP**

**OWNERSHIP**

1) \_\_\_\_\_

\_\_\_\_\_

2) \_\_\_\_\_

\_\_\_\_\_

3) \_\_\_\_\_

\_\_\_\_\_

4) \_\_\_\_\_


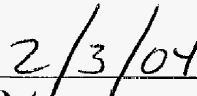
\_\_\_\_\_

**AFFIDAVIT**

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

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

**UTILITY OFFICIAL:**

	
Signature Matt Davis	Date
CEO	615-446-2010
Title	Telephone No.
Address: 201 Skyline Drive	615-446-9207
Dickson, TN 37055	Fax No.

**EXHIBIT A**

4

**Certificate of Authority to Transact Business**

# State of Florida



## Department of State

I certify from the records of this office that TENNESSEE TELEPHONE SERVICE, LLC on April 27, 2004, is a Tennessee limited liability company authorized to transact business in the State of Florida, qualified on April 27, 2004.

The document number of this limited liability company is M04000001692.

I further certify that said limited liability company has paid all fees due this office through December 31, 2004, and its status is active.

I further certify that said limited liability company has not filed a Certificate of Withdrawal.

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Fourth day of May, 2004



CR2EO22 (2-03)

*Glenda E. Hood*

Glenda E. Hood  
Secretary of State



APPLICATION BY FOREIGN LIMITED LIABILITY COMPANY FOR AUTHORIZATION TO  
TRANSACTION BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 608.503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN  
LIMITED LIABILITY COMPANY TO TRANSACT BUSINESS IN THE STATE OF FLORIDA:

1. TENNESSEE TELEPHONE SERVICE, LLC  
(Name of foreign limited liability company)

2. Tennessee 3. 62-1810922  
(Jurisdiction under the law of which foreign limited liability company is organized) (FEI number, if applicable)

4. February 8, 2000 5. perpetual  
(Date of Organization) (Duration: Year limited liability company will cease to exist or "perpetual")

6. Upon qualification  
(Date first transacted business in Florida. (See sections 608.501, 608.502, and 817.155, F.S.))

7. 201 Skyline Drive, Dickson, TN 37055  
(Street address of principal office)

8. If limited liability company is a manager-managed company, check here

9. The usual business addresses of the managing members or managers are as follows:  
Bart W. Howard, 201 Skyline Drive, Dickson, TN 37055

FILED  
2004 APR 27 PM 4:47  
DIVISION OF CORPORATIONS  
TALLAHASSEE, FLORIDA

10. Attached is an original certificate of existence, no more than 90 days old, duly authenticated by the official having custody of records in the jurisdiction under the law of which it is organized. (A photocopy is not acceptable. If the certificate is in a foreign language, a translation of the certificate under oath of the translator must be submitted.)

11. Nature of business or purposes to be conducted or promoted in Florida: To provide  
telecommunication services

Matthew T. Davis  
Signature of a member or an authorized representative of a member.  
(In accordance with section 608.408(3), F.S., the execution of this document constitutes an affirmation under the penalties of perjury that the facts stated herein are true.)  
MATTHEW T. DAVIS  
Typed or printed name of signee

**CERTIFICATE OF DESIGNATION OF  
REGISTERED AGENT/REGISTERED OFFICE**

PURSUANT TO THE PROVISIONS OF SECTION 608.415 or 608.507, FLORIDA STATUTES,  
THE UNDERSIGNED LIMITED LIABILITY COMPANY SUBMITS THE FOLLOWING  
STATEMENT TO DESIGNATE A REGISTERED OFFICE AND REGISTERED AGENT IN THE  
STATE OF FLORIDA.

1. The name of the Limited Liability Company is:

TENNESSEE TELEPHONE SERVICE, LLC

2. The name and the Florida street address of the registered agent and office are:

Edwin F. Blanton

(Name)

825 Thomasville Road

Florida street address (P.O. Box **NOT** ACCEPTABLE)

Tallahassee

FL

32303

City/State/Zip

FILED  
2004 APR 27 PM 4:47  
DIVISION OF CORPORATIONS  
TALLAHASSEE, FLORIDA

*Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, F.S..*



(Signature)

\$ 100.00 Filing Fee for Application  
\$ 25.00 Designation of Registered Agent  
\$ 30.00 Certified Copy (optional)  
\$ 5.00 Certificate of Status (optional)

FILED  
May 24, 2004 8:00 am  
Secretary of State

05-24-2004 90571 046 \*\*\*\*60.00  
G04145700054

APPLICATION FOR REGISTRATION OF FICTITIOUS NAME

Note: Acknowledgements/certificates will be sent to the address in Section 1 only.

Section 1

1. FREEDOM COMMUNICATIONS USA, LLC  
Fictitious Name to be Registered

2. 201 Skyline Drive  
Mailing Address of Business

Dickson, TN 37055  
City State Zip Code

3. Florida County of principal place of business: Leon

4. FEI Number: 62-1810922

433604

This space for office use only

Section 2

A. Owner(s) of Fictitious Name if Individual(s): (Use an attachment if necessary):

1. Last First M.I. Address City State Zip Code SS# (optional)

2. Last First M.I. Address City State Zip Code SS# (optional)

B. Owner(s) of Fictitious Name if other than Individual(s): (Use attachment if necessary):

1. TENNESSEE TELEPHONE SERVICE, LLC  
Entity Name  
201 Skyline Drive  
Address  
Dickson, TN 37055  
City State Zip Code  
Florida Registration Number M04D00001092  
FEI Number: 62-1810922  
 Applied for  Not Applicable

2. Entity Name Address City State Zip Code Florida Registration Number FEI Number:  Applied for  Not Applicable

Section 3

I (we) the undersigned, being the sole (all the) party(ies) owning interest in the above fictitious name, certify that the information indicated on this form is true and accurate. I (we) understand that the signature(s) below shall have the same legal effect as if made under oath. (At Least One Signature Required)

[Signature] Date 4/1/04 Signature of Owner Date  
Phone Number: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Section 4

FOR CANCELLATION COMPLETE SECTION 4 ONLY:  
FOR FICTITIOUS NAME OR OWNERSHIP CHANGE COMPLETE SECTIONS 1 THROUGH 4:

I (we) the undersigned, hereby cancel the fictitious name \_\_\_\_\_ which was registered on \_\_\_\_\_ and was assigned registration number \_\_\_\_\_

Signature of Owner Date Signature of Owner Date

Mark the applicable boxes  Certificate of Status - \$10  Certified Copy - \$30  
Filing Fee: \$50

CR4E-001(6/01)

**EXHIBIT B**



**Financial Capability**

**TTS**  
**Profit & Loss**  
January through December 2003

	<u>Jan 03</u>	<u>Feb 03</u>	<u>Mar 03</u>	<u>Apr 03</u>	<u>May 03</u>
<b>Income</b>					
Activation	2,150.00	3,445.93	2,584.35	3,624.45	4,343.90
Basic Serv w/Extended Area	1,248.00	1,222.00	1,014.00	936.00	858.00
Basic Service	42,225.02	41,790.81	37,602.39	35,746.48	35,996.77
Call Forwarding	26.01	26.01	26.01	32.14	20.00
Call Return	154.23	139.60	156.01	144.19	70.19
Call Tracing	0.00	0.00	0.00	0.00	7.40
Call Waiting	1,558.84	1,499.48	1,339.16	1,292.48	1,287.64
Caller ID	2,870.39	2,831.02	2,681.65	2,352.12	2,212.75
Convenience Charge	0.00	0.00	0.00	0.00	0.00
Directory Assistance	0.00	4.86	243.90	87.99	67.84
Freedom Standard Service	0.00	0.00	0.00	538.65	0.00
Inside Wiring	66.58	61.59	46.62	46.05	45.48
Internet Svc.	0.00	63.30	86.40	36.13	-36.13
Late Fee	4,840.00	3,225.00	4,450.00	3,400.00	4,730.00
Line Fees	8,098.02	8,250.89	7,412.28	7,198.22	7,234.86
Long Distance	13.24	144.58	79.47	0.00	73.31
Other Income	0.04	0.00	-0.13	0.00	0.00
Repeat Dialing	2.25	2.25	3.38	5.63	0.00
Sales Tax Collected	6,487.99	6,601.36	5,851.51	5,694.41	5,740.55
Speed Dial	0.00	0.00	0.00	5.00	5.00
Three Way Calling	90.00	70.00	65.00	70.47	40.00
Unpublished Number	185.00	175.00	160.00	150.00	165.00
Voice Mail	0.00	0.00	0.00	78.71	-69.66
<b>Total Income</b>	<u>70,015.61</u>	<u>69,553.68</u>	<u>63,802.00</u>	<u>61,439.12</u>	<u>62,792.90</u>
<b>Cost of Goods Sold</b>					
Activation COG	6,576.40	8,840.38	2,072.82	1,997.55	1,931.00
Basic Serv w/Extended Area COG	1,491.30	1,380.08	1,369.96	1,156.85	1,216.28
Basic Service COG	10,793.37	12,144.08	11,749.88	11,178.85	10,646.35
Call Forwarding COG	15.12	18.48	19.38	20.48	18.48
Call Return COG	134.83	154.82	163.30	127.32	126.04
Call Waiting COG	1,132.16	1,129.60	1,101.22	1,002.54	1,058.46
Caller ID COG	1,755.82	1,869.70	1,762.04	1,703.84	1,642.31
Inside Wiring COG	152.00	147.25	133.00	114.90	117.52
Internet COG	19.95	19.95	19.95	0.00	0.00
Line Fee COG	7,219.00	7,511.54	7,218.28	6,638.26	6,401.21
Long Distance COG	50.76	45.03	39.74	1,280.75	3,299.84
Memory Call COG	0.00	0.00	0.00	0.00	0.00
Sales Tax Payable	4,860.66	5,382.90	5,438.49	4,845.28	4,875.14
Speed Dial COG	3.15	3.15	3.15	3.15	3.15
Three Way Calling COG	60.48	60.48	41.58	45.36	30.24
Unpublished Number COG	121.06	119.23	117.00	119.17	111.59
<b>Total COGS</b>	<u>34,386.06</u>	<u>38,826.67</u>	<u>31,249.79</u>	<u>30,234.30</u>	<u>31,477.61</u>
<b>Gross Profit</b>	35,629.55	30,727.01	32,552.21	31,204.82	31,315.29
<b>Expense</b>					
<b>Advertising</b>					
Freedom	0.00	0.00	0.00	3,027.04	8,042.00
Advertising - Other	85.43	3,460.00	33.00	217.50	33.00

**TTS**  
**Profit & Loss**  
January through December 2003

	<u>Jan 03</u>	<u>Feb 03</u>	<u>Mar 03</u>	<u>Apr 03</u>	<u>May 03</u>
Total Advertising	85.43	3,460.00	33.00	3,244.54	8,075.00
Agent Commission	7,290.00	6,668.00	6,807.00	6,082.00	5,864.00
Bad Debts	-623.86	7,091.52	7,975.11	8,485.07	8,342.34
Bank Charges	0.00	0.00	0.00	0.00	0.00
Bank Service Charges	77.21	70.37	143.24	132.93	148.50
Bellsouth Diskette Analyzer	35.00	35.00	35.00	35.00	35.00
Computer Services	462.05	425.00	533.75	440.00	440.00
Contests	0.00	0.00	0.00	0.00	0.00
Direct Deposit Fees	0.00	0.00	0.00	15.00	27.00
Donations	0.00	0.00	0.00	0.00	0.00
Dues & Subscriptions	288.00	300.00	0.00	0.00	0.00
Employment Education	0.00	0.00	320.00	0.00	0.00
Gifts	0.00	0.00	0.00	0.00	0.00
Insurance					
Automobile	127.80	0.00	0.00	0.00	0.00
Health	294.56	220.92	137.42	68.71	798.65
Insurance - Other	0.00	0.00	0.00	0.00	0.00
Total Insurance	<u>422.36</u>	<u>220.92</u>	<u>137.42</u>	<u>68.71</u>	<u>798.65</u>
Internet Service	23.58	53.53	53.53	53.53	53.53
Meals & Entertainment	0.00	0.00	68.23	0.00	0.00
Office Maintenance	16.69	208.69	16.69	16.69	16.69
Office Supplies	0.00	107.96	2,015.02	102.00	0.00
Payroll	6,802.96	6,435.68	6,031.66	7,978.32	7,613.75
Payroll Bonus	0.00	0.00	0.00	0.00	0.00
Payroll Taxes	703.73	659.10	619.69	309.78	1,102.66
Postage	617.80	550.24	984.58	658.65	716.88
Professional Services					
Freedom	0.00	0.00	0.00	3,950.00	0.00
Professional Services - Other	0.00	0.00	0.00	0.00	300.00
Total Professional Services	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,950.00</u>	<u>300.00</u>
Rent	400.00	400.00	400.00	400.00	400.00
Supplies					
Freedom	0.00	0.00	0.00	455.46	0.00
Supplies - Other	2,196.82	347.29	211.58	1,166.91	220.25
Total Supplies	<u>2,196.82</u>	<u>347.29</u>	<u>211.58</u>	<u>1,622.37</u>	<u>220.25</u>
Taxes & License	80.98	103.41	1,377.56	198.39	60.39
Telephone	623.09	418.12	250.00	408.04	1,539.03
Unknown Deposit	0.00	0.00	0.00	0.00	0.00
Total Expense	<u>19,501.84</u>	<u>27,554.83</u>	<u>28,013.06</u>	<u>34,201.02</u>	<u>35,753.67</u>
Net Income	<u>16,127.71</u>	<u>3,172.18</u>	<u>4,539.15</u>	<u>-2,996.20</u>	<u>-4,438.38</u>

**TTS**  
**Profit & Loss**  
January through December 2003

	<u>Jun 03</u>	<u>Jul 03</u>	<u>Aug 03</u>	<u>Sep 03</u>	<u>Oct 03</u>
<b>Income</b>					
Activation	5,669.70	9,419.56	7,049.45	6,289.27	6,460.28
Basic Serv w/Extended Area	962.00	702.00	728.00	534.53	508.53
Basic Service	36,679.27	35,753.03	32,475.57	25,041.89	23,318.15
Call Forwarding	25.00	25.00	20.00	20.00	25.00
Call Return	265.87	114.41	86.53	104.51	69.88
Call Tracing	0.00	7.59	0.00	0.00	0.00
Call Waiting	1,289.96	1,102.28	1,143.24	1,085.00	950.00
Caller ID	2,241.49	1,946.85	1,996.85	2,028.11	1,828.11
Convenience Charge	0.00	0.00	0.00	0.00	0.00
Directory Assistance	90.79	55.39	32.19	14.55	6.99
Freedom Standard Service	0.00	0.00	4,947.60	13,297.20	14,220.30
Inside Wiring	45.48	40.49	35.50	40.49	19.96
Internet Svc.	0.00	0.00	44.86	0.00	0.00
Late Fee	3,980.00	3,180.00	2,780.00	4,458.83	4,323.18
Line Fees	7,353.75	7,344.63	7,965.75	8,507.93	7,902.89
Long Distance	68.02	124.22	90.00	94.25	81.63
Other Income	0.00	0.00	0.00	0.00	1.91
Repeat Dialing	1.12	0.00	0.00	1.26	1.26
Sales Tax Collected	5,993.51	6,245.30	6,170.14	6,179.98	5,945.91
Speed Dial	0.00	0.00	0.00	0.00	0.00
Three Way Calling	50.00	45.00	80.00	0.00	0.00
Unpublished Number	170.00	155.00	150.00	170.00	155.00
Voice Mail	20.01	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>64,905.97</b>	<b>66,260.75</b>	<b>65,795.68</b>	<b>67,867.80</b>	<b>65,818.98</b>
<b>Cost of Goods Sold</b>					
Activation COG	1,530.64	4,271.34	9,486.58	9,507.72	4,332.82
Basic Serv w/Extended Area COG	1,146.56	1,342.28	3,060.08	656.00	1,837.88
Basic Service COG	10,277.96	10,233.93	9,874.59	10,693.36	10,628.22
Call Forwarding COG	18.48	23.84	23.42	19.64	27.20
Call Return COG	136.72	142.46	119.45	124.52	172.80
Call Waiting COG	1,083.24	1,367.25	835.94	2,519.31	2,545.29
Caller ID COG	1,527.91	1,448.65	1,649.92	2,532.92	1,934.71
Inside Wiring COG	104.50	99.75	85.50	66.50	47.50
Internet COG	0.00	0.00	0.00	0.00	0.00
Line Fee COG	6,207.52	6,211.92	6,635.91	7,351.42	7,361.24
Long Distance COG	2,145.23	170.28	5,191.43	2,085.13	4,630.46
Memory Call COG	0.00	0.00	0.00	645.74	0.00
Sales Tax Payable	4,766.74	4,936.76	5,221.34	5,182.77	5,149.44
Speed Dial COG	3.15	3.15	6.72	6.72	12.72
Three Way Calling COG	22.68	26.46	37.35	44.80	47.20
Unpublished Number COG	37.00	119.62	109.09	117.62	137.05
<b>Total COGS</b>	<b>29,008.33</b>	<b>30,397.69</b>	<b>42,337.32</b>	<b>41,554.17</b>	<b>38,864.53</b>
<b>Gross Profit</b>	<b>35,897.64</b>	<b>35,863.06</b>	<b>23,458.36</b>	<b>26,313.63</b>	<b>26,954.45</b>
<b>Expense</b>					
Advertising					
Freedom	2,944.00	5,729.47	6,388.00	7,885.63	6,365.90
Advertising - Other	3,287.00	3,761.56	2,985.00	33.00	0.00

**TTS**  
**Profit & Loss**  
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	<u>Jun 03</u>	<u>Jul 03</u>	<u>Aug 03</u>	<u>Sep 03</u>	<u>Oct 03</u>
Total Advertising	6,231.00	9,491.03	9,373.00	7,918.63	6,365.90
Agent Commission	4,686.00	5,163.49	4,278.00	4,226.00	3,848.00
Bad Debts	7,002.34	8,040.28	8,155.43	6,907.89	8,507.93
Bank Charges	0.00	0.00	0.00	0.00	0.00
Bank Service Charges	179.89	159.39	214.02	285.23	407.50
Bellsouth Diskette Analyzer	35.00	35.00	35.00	35.00	0.00
Computer Services	445.00	445.00	445.00	607.50	445.00
Contests	0.00	0.00	0.00	0.00	0.00
Direct Deposit Fees	9.00	0.00	0.00	0.00	0.00
Donations	100.00	0.00	0.00	0.00	0.00
Dues & Subscriptions	20.00	790.00	20.00	25.00	95.00
Employment Education	0.00	0.00	0.00	0.00	0.00
Gifts	0.00	0.00	0.00	0.00	43.90
Insurance					
Automobile	0.00	0.00	0.00	-414.20	0.00
Health	702.54	702.54	702.54	735.54	735.54
Insurance - Other	0.00	0.00	0.00	0.00	0.00
Total Insurance	<u>702.54</u>	<u>702.54</u>	<u>702.54</u>	<u>321.34</u>	<u>735.54</u>
Internet Service	53.53	8.67	53.53	53.53	53.53
Meals & Entertainment	0.00	46.52	84.93	0.00	0.00
Office Maintenance	16.69	16.69	16.69	16.69	16.69
Office Supplies	0.00	21.92	0.00	54.19	0.00
Payroll	7,970.91	7,433.97	8,591.91	8,462.16	8,325.91
Payroll Bonus	0.00	0.00	50.00	159.34	0.00
Payroll Taxes	655.13	573.62	654.27	642.73	627.41
Postage	336.85	119.40	418.86	1.00	833.38
Professional Services					
Freedom	0.00	0.00	1,075.00	4,954.51	4,063.05
Professional Services - Other	0.00	0.00	0.00	0.00	0.00
Total Professional Services	<u>0.00</u>	<u>0.00</u>	<u>1,075.00</u>	<u>4,954.51</u>	<u>4,063.05</u>
Rent	400.00	400.00	400.00	400.00	400.00
Supplies					
Freedom	0.00	0.00	0.00	0.00	0.00
Supplies - Other	292.49	188.06	106.15	25.00	280.90
Total Supplies	<u>292.49</u>	<u>188.06</u>	<u>106.15</u>	<u>25.00</u>	<u>280.90</u>
Taxes & License	61.93	58.29	1,987.88	124.28	80.66
Telephone	429.02	387.00	409.55	250.00	540.78
Unknown Deposit	0.00	0.00	471.20	0.00	0.00
Total Expense	<u>29,627.32</u>	<u>34,080.87</u>	<u>37,542.96</u>	<u>35,470.02</u>	<u>35,671.08</u>
Net Income	<u>6,270.32</u>	<u>1,782.19</u>	<u>-14,084.60</u>	<u>-9,156.39</u>	<u>-8,716.63</u>



**TTS**  
**Profit & Loss**  
January through December 2003

	<u>Nov 03</u>	<u>Dec 03</u>	<u>TOTAL</u>
<b>Income</b>			
Activation	4,459.65	3,820.32	59,316.86
Basic Serv w/Extended Area	520.00	416.00	9,649.06
Basic Service	34,765.97	24,538.63	405,933.98
Call Forwarding	15.00	10.00	270.17
Call Return	61.14	58.76	1,425.32
Call Tracing	0.00	0.00	14.99
Call Waiting	890.00	835.00	14,273.08
Caller ID	1,530.00	1,320.00	25,839.34
Convenience Charge	336.00	366.00	702.00
Directory Assistance	0.00	0.00	604.50
Freedom Standard Service	0.00	8,409.55	41,413.30
Inside Wiring	9.98	14.97	473.19
Internet Svc.	0.00	0.00	194.56
Late Fee	2,900.00	4,000.97	46,267.98
Line Fees	7,612.89	6,642.94	91,525.05
Long Distance	174.90	169.58	1,113.20
Other Income	0.00	0.00	1.82
Repeat Dialing	0.00	1.13	18.28
Sales Tax Collected	5,423.77	5,035.20	71,369.63
Speed Dial	0.00	5.00	15.00
Three Way Calling	5.00	10.00	525.47
Unpublished Number	140.00	130.00	1,905.00
Voice Mail	0.00	15.00	44.06
<b>Total Income</b>	<u>58,844.30</u>	<u>55,799.05</u>	<u>772,895.84</u>
<b>Cost of Goods Sold</b>			
Activation COG	2,665.33	1,848.95	55,061.53
Basic Serv w/Extended Area COG	1,847.96	1,821.92	18,327.15
Basic Service COG	10,351.04	9,382.72	127,954.35
Call Forwarding COG	27.20	13.86	245.58
Call Return COG	263.76	146.62	1,812.64
Call Waiting COG	2,532.82	2,540.56	18,848.39
Caller ID COG	1,837.91	1,753.68	21,419.41
Inside Wiring COG	38.00	47.50	1,153.92
Internet COG	0.00	0.00	59.85
Line Fee COG	7,269.36	7,030.23	83,055.89
Long Distance COG	5,494.15	7,274.95	31,707.75
Memory Call COG	0.00	0.00	645.74
Sales Tax Payable	4,957.29	4,589.31	60,206.12
Speed Dial COG	12.72	10.92	71.85
Three Way Calling COG	47.65	38.00	502.28
Unpublished Number COG	147.22	150.15	1,405.80
<b>Total COGS</b>	<u>37,492.41</u>	<u>36,649.37</u>	<u>422,478.25</u>
<b>Gross Profit</b>	21,351.89	19,149.68	350,417.59
<b>Expense</b>			
Advertising			
Freedom	10,225.21	4,342.00	54,949.25
Advertising - Other	33.00	33.00	13,961.49

**TTS**  
**Profit & Loss**  
January through December 2003

	<u>Nov 03</u>	<u>Dec 03</u>	<u>TOTAL</u>
Total Advertising	10,258.21	4,375.00	68,910.74
Agent Commission	4,334.00	3,520.00	62,766.49
Bad Debts	8,148.11	5,807.08	83,839.24
Bank Charges	0.00	99.00	99.00
Bank Service Charges	508.78	872.48	3,199.54
Bellsouth Diskette Analyzer	0.00	0.00	315.00
Computer Services	520.00	445.00	5,653.30
Contests	50.00	50.00	100.00
Direct Deposit Fees	0.00	0.00	51.00
Donations	0.00	0.00	100.00
Dues & Subscriptions	0.00	0.00	1,538.00
Employment Education	0.00	0.00	320.00
Gifts	0.00	0.00	43.90
Insurance			
Automobile	0.00	0.00	-286.40
Health	735.54	735.54	6,570.04
Insurance - Other	250.00	0.00	250.00
Total Insurance	<u>985.54</u>	<u>735.54</u>	<u>6,533.64</u>
Internet Service	63.48	53.53	577.50
Meals & Entertainment	0.00	0.00	199.68
Office Maintenance	16.69	16.69	392.28
Office Supplies	0.00	0.00	2,301.09
Payroll	8,670.73	8,500.37	92,818.33
Payroll Bonus	0.00	375.00	584.34
Payroll Taxes	666.24	642.52	7,856.88
Postage	475.21	644.75	6,357.60
Professional Services			
Freedom	3,856.51	21,692.51	39,591.58
Professional Services - Other	0.00	0.00	300.00
Total Professional Services	<u>3,856.51</u>	<u>21,692.51</u>	<u>39,891.58</u>
Rent	400.00	400.00	4,800.00
Supplies			
Freedom	2,181.41	249.91	2,886.78
Supplies - Other	220.33	0.00	5,255.78
Total Supplies	<u>2,401.74</u>	<u>249.91</u>	<u>8,142.56</u>
Taxes & License	68.48	84.18	4,286.43
Telephone	373.54	369.26	5,997.43
Unknown Deposit	0.00	0.00	471.20
Total Expense	<u>41,797.26</u>	<u>48,932.82</u>	<u>408,146.75</u>
Net Income	<u><u>-20,445.37</u></u>	<u><u>-29,783.14</u></u>	<u><u>-57,729.16</u></u>

1. Applicant has sufficient financial capability to provide the requested service in the geographic areas proposed to be served. Applicant's operating revenue will provide Applicant with sufficient financial resources to provide service in the proposed areas.
2. Applicant has sufficient financial capability to maintain the requested service in the geographic areas proposed to be served. Applicant's operating revenue will provide Applicant with sufficient financial resources to maintain service in the proposed areas.
3. Applicant will operate as a resold provider. Applicant has sufficient financial capability to meet lease or ownership obligations in the geographic areas proposed to be served. Applicant's operating revenue will provide Applicant with sufficient financial resources to meet lease or ownership obligations in the proposed areas.

## **EXHIBIT C**



### **Management Resumes**

## Management

**Bart Howard- Owner/President.** Mr. Howard has over 30 years experience starting, owning, and operating businesses primarily in the credit and collection business. Notably, Bart started National Check Network, Inc. in 1994 with nine other investors, which is currently the 5<sup>th</sup> largest check verification company in the nation and subsequently sold his shares in the company in 2001 to Electronic Clearing House (ECHO-NASDAQ). Mr. Howard founded Tennessee Telephone Service in 1998.

**Matt Davis- CEO.** Mr. Davis has over ten years experience in the financial services industry during which time he served as an officer with PFIC Securities Corporation. PFIC was purchased during Mr. Davis's tenure and is now Union Planters Financial Services. In May of 2000, Mr. Davis started EruComp, Inc. which hosts a web-based subscription service that gives 3<sup>rd</sup> thru 8<sup>th</sup> grade students practice for the year-end tests federally mandated by the No Child Left Behind Act. Mr. Davis received his B.A. in Finance from the University of Notre Dame.

**Janice Cauthern- COO.** Ms. Cauthern is a telecommunications veteran, having spent over twenty-five years in the industry. Twenty-two of those years were spent with BellSouth where Ms. Cauthern's responsibilities included customer service, directory assistance, and training. Ms. Cauthern received numerous customer service awards during her time with BellSouth and extensive certification in different operational areas.