

TELECOM  
**FP**  
PROFESSIONALS, INC.

DISTRIBUTION CENTER  
07 JUL 24 AM 11:52

Judith A. Riley, J.D.

5909 Northwest Expressway, Suite 403  
Oklahoma City, OK 73132

July 23, 2007

070500-TX

**Overnight Delivery**

**ORIGINAL**

RECEIVED-PPSC  
07 JUL 24 PM 3:36  
COMMISSION  
CLERK

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

**RE:** Application of Dialtone & More, Inc. for Approval of Authority to Offer  
Competitive Local Exchange Services to the Public in the State of Florida.

Dialtone & More, Inc. hereby submits the enclosed Application, seeking authority to offer  
Competitive Local Exchange Services to the public in the state of Florida. An original  
and two (2) copies are provided. Also enclosed please find a check in the amount of  
\$400.00 for the required filing fee.

Should there be any questions or additional information required, please do not hesitate to  
contact me at (405) 755-8177, Ex.24.

Sincerely,

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

CMP 

COM \_\_\_\_\_ Chris Collier

CTR \_\_\_\_\_ Enclosures

ECR \_\_\_\_\_

GCL \_\_\_\_\_

OPC \_\_\_\_\_

RCA \_\_\_\_\_

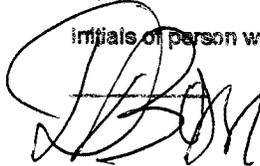
SCR \_\_\_\_\_

SGA \_\_\_\_\_

SEC \_\_\_\_\_

OTH CLK

Initials of person who forwarded check:



DOCUMENT NUMBER - DATE  
06315 JUL 24 07  
FPSC - COMMISSION CLERK

FLORIDA PUBLIC SERVICE COMMISSION  
DIVISION OF COMPETITIVE MARKETS AND ENFORCEMENT

APPLICATION FORM  
for  
AUTHORITY TO PROVIDE COMPETITIVE LOCAL EXCHANGE  
TELECOMMUNICATIONS COMPANY SERVICE  
WITHIN THE STATE OF FLORIDA

ORIGINAL

Instructions

- A. This form is used as an application for an original certificate and for approval of sale, assignment or transfer of an existing certificate. In the case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Page 8).
- B. Print or type all responses to each item requested in the application. If an item is not applicable, please explain.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. Once completed, submit the original and two (2) copies of this form along with a non-refundable application fee of **\$400.00** to:

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

- E. A filing fee of **\$400.00** is required for the sale, assignment or transfer of an existing certificate to another company (Chapter 25-24.815, F.A.C.).
- F. If you have questions about completing the form, contact:

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

DOCUMENT NUMBER-DATE

06315 JUL 24 20

FPSC-COMMISSION CLERK

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 rather than apply for a new certificate.

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

2. Name of company: DialTone & More, Inc.

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

4. Official mailing address:

Street/Post Office Box: 6784 West Broad Street  
City: Douglasville  
State: GA  
Zip: 30134

5. Florida address:

Street/Post Office Box:  
City:  
State:  
Zip:

6. Structure of organization:

Individual  
 Foreign Corporation  
 General Partnership  
 Other,

Corporation  
 Foreign Partnership  
 Limited Partnership

7. **If individual**, provide:

Name:  
Title:  
Street/Post Office Box:  
City:  
State:  
Zip:  
Telephone No.:  
Fax No.:  
E-Mail Address:  
Website Address:

8. **If incorporated in Florida**, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is:

9. **If foreign corporation**, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is: Attached as EXHIBIT A, F05000003816

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

11. **If a limited liability partnership**, please proof of registration to operate in Florida. The Florida Secretary of State registration number is:

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

Name:  
Title:  
Street/Post Office Box:  
City:  
State:  
Zip:  
Telephone No.:  
Fax No.:  
E-Mail Address:  
Website Address:

13. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable. The Florida registration number is:

14. Provide **F.E.I. Number**(if applicable): 58-2353220

15. Who will serve as liaison to the Commission in regard to the following?

(a) The application:

Name: Chris Collier  
Title: Regulatory Consultant  
Street name & number: 5909 Northwest Expressway, Suite 403  
Post office box:  
City: Oklahoma City  
State: OK  
Zip: 73132  
Telephone No.: 405-755-8177  
Fax No.: 405-755-8377  
E-Mail Address: ccollier@telecompliance.net  
Website Address: www.telecompliance.net

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

Name: Kim Smith  
Title: CEO/Vice-President  
Street name & number: 6784 West Broad Street  
Post office box:  
City: Douglasville  
State: GA  
Zip: 30134  
Telephone No.: (888) 494-9440  
Fax No.: (678) 715-6459  
E-Mail Address: ksmith@dtmphone.com  
Website Address: http://www.dtmphone.com

(c) Complaints/Inquiries from customers:

Name: Kim Smith  
Title: CEO/Vice-President  
Street/Post Office Box: 6784 West Broad Street  
City: Douglasville  
State: GA  
Zip: 30134  
Telephone No.: (888) 494-9440  
Fax No.: (678) 715-6459  
E-Mail Address: ksmith@dtmphone.com  
Website Address: http://www.dtmphone.com

16. List the states in which the applicant:

(a) has operated as a Competitive Local Exchange Telecommunications Company.

GA and SC

(b) has applications pending to be certificated as a Competitive Local Exchange Telecommunications Company.

NC, KY, and TN

(c) is certificated to operate as a Competitive Local Exchange Telecommunications Company.

GA and SC

(d) has been denied authority to operate as a Competitive Local Exchange Telecommunications Company and the circumstances involved.

None

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

None

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

None

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

(a) adjudged bankrupt, mentally incompetent (and not had his or her competency restored), or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, provide explanation.

No

(b) granted or denied a competitive local exchange certificate in the State of Florida (this includes active and canceled competitive local exchange certificates). If yes, provide explanation and list the certificate holder and certificate number.

No

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

No

18. Submit the following:

(a) Managerial capability: resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

(b) Technical capability: 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: applicant's audited financial statements for the most recent three (3) years. If the applicant does not have audited financial statements, it shall so be stated. 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.

**THIS PAGE MUST BE COMPLETED AND SIGNED**

**REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee. Regardless of the gross operating revenue of a company, a minimum annual assessment fee, as defined by the Commission, is required.

**RECEIPT AND UNDERSTANDING OF RULES:** I acknowledge receipt and understanding of the Florida Public Service Commission's rules and orders relating to the provisioning of competitive local exchange telecommunications company (CLEC) service in Florida.

**APPLICANT ACKNOWLEDGEMENT:** 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 competitive local exchange telecommunications 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.**"

Company Owner or Officer

Print Name: Kim Smith  
Title: CEO/Vice-President  
Telephone No.: (888) 494-9440  
E-Mail Address: ksmith@dtmphone.com

Signature: Kim M Smith

Date: 07/09/07

## **LIST OF EXHIBITS**

**EXHIBIT A**            2007 For Profit Corporation Reinstatement  
Electronically File with the Florida Secretary of State

**EXHIBIT B**            Biographies of the Principal Officers

**EXHIBIT C**            Financial Statement Including

INCOME STATEMENT YEAR END 2005  
BALANCE SHEET YEAR END 2005

INCOME STATEMENT YEAR END 2006  
BALANCE SHEET YEAR END 2006

INCOME STATEMENT THROUGH APRIL 30, 2007  
BALANCE SHEET THROUGH MARCH 31, 2007

NOTARIZED STATEMENT AFIRMING THE  
FINANCIAL STATEMENTS ARE TRUE AND  
CORRECT

**EXHIBIT A**

2007 For Profit Corporation Reinstatement  
Electronically File with the Florida Secretary of State

**2007 FOR PROFIT CORPORATION REINSTATEMENT**

**FILED  
Apr 13, 2007  
Secretary of State**

DOCUMENT# F05000003816

Entity Name: DIALTONE & MORE, INC.

**Current Principal Place of Business:**

6784 WEST BROAD STREET  
DOUGLASVILLE, GA 30134

**New Principal Place of Business:**

**Current Mailing Address:**

6784 WEST BROAD STREET  
DOUGLASVILLE, GA 30134

**New Mailing Address:**

P.O. BOX 5307  
DOUGLASVILLE, GA 30154

FEI Number: 58-2353220      FEI Number Applied For ( )      FEI Number Not Applicable ( )      Certificate of Status Desired ( )

**Name and Address of Current Registered Agent:**

C T CORPORATION SYSTEM  
1200 SOUTH PINE ISLAND ROAD  
PLANTATION, FL 33324 US

**Name and Address of New Registered Agent:**

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: KIM SMITH  
Electronic Signature of Registered Agent      Date

In accordance with s. 607.193(2)(b), F.S., the corporation did not receive the prior notice.  
Election Campaign Financing Trust Fund Contribution ( ).

**OFFICERS AND DIRECTORS:**

Title: P      ( ) Delete  
Name: JOHNS, PHILIP  
Address: 6784 WEST BROAD STREET  
City-St-Zip: DOUGLASVILLE, GA 30134

**ADDITIONS/CHANGES TO OFFICERS AND DIRECTORS:**

Title:      ( ) Change ( ) Addition  
Name:  
Address:  
City-St-Zip:

Title: V      ( ) Delete  
Name: SMITH, KIM  
Address: 6784 WEST BROAD STREET  
City-St-Zip: DOUGLASVILLE, GA 30134

Title:      ( ) Change ( ) Addition  
Name:  
Address:  
City-St-Zip:

I hereby certify that the information supplied with this filing does not qualify for the for the exemption stated in Chapter 119, Florida Statutes. I further certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 607, Florida Statutes; and that my name appears above, or on an attachment with an address, with all other like empowered.

SIGNATURE: KIM SMITH      VP      04/13/2007  
Electronic Signature of Signing Officer or Director      Date

**EXHIBIT B**

Biographies of the Principal Officers

## Phillip E. Johns

Admitted to Georgia Bar 1977

### Education

Received J.D. degree from University of Georgia, 1977; GPA 3.68; Class Standing: 4th

Activities and Honors: Magna Cum Laude; Order of the Coif; Phi Beta Kappa; Phi Kappa Phi; Managing Editor of Georgia Law Review; Woodruff Scholarship; Phi Alpha Delta Law Fraternity-Athletic Chairman, Treasurer and Justice; Outstanding Active Award and Scholastic Achievement Award.

Received B.A. degree in Mathematics from University of Tennessee at Chattanooga, 1974, GPA 4.0, Class Standing 1<sup>st</sup>

Activities and Honors: Summa Cum Laude with highest honors in Mathematics; Alpha (Senior Honor Society); Pi Beta Phi Alumnae Award for graduating senior with highest average; Dalye May Award for senior athlete with highest average; Winston L. Massey Mathematics Award; D. H. Overmeyer Scholarship; Who's Who in American Universities and Colleges; Blue Key; Circle K; Sigma Chi; Varsity Football-3 letters.

### Experience

- 1996-Present Johns & Johns, LLC; Partner  
Appointed General Counsel to Georgia Association of Mortgage Brokers in 1997
- 1982 - 1996 General Real Estate Department; Partner  
McCalla, Raymer, Patrick, Cobb, Nichols & Clark
- 1981 - 1982 General Real Estate Department; Associate  
Stuzin & Cramner
- 1977 - 1981 General Real Estate Department; Associate  
Hansell, Post, Brandon & Dorsey
- 1975 - 1977 Law Clerk  
Fortson, Bentley, & Griffin

### Representation of Purchasers/Developers

Preparation of condominium declarations & planned unit development covenants including compliance with FNMA,

FHLMC, FHA and VA guidelines,

Obtained an on-the-site exemption for developers from the Interstate Land Sales Full Disclosure Act,

Acquisition of apartment complexes using owner financing including wrap-around financing

Conversion of apartments to condominiums  
Acquisition of acreage tracts for subdivisions

Acquisition of Timberland and Tinker Leases

#### Representation of Seller

Representation of sellers in liquidating large acreage tracts and existing subdivisions and sale of apartments

#### Present and Former Memberships

American Bar Association; Georgia Bar Association; Mortgage Bankers Association of Georgia; Georgia Association of Mortgage Brokers; Trustee for the School of Mortgage Lending of the Georgia Association of Mortgage Brokers; Education Committee of the Georgia Association of Mortgage Brokers; Mortgage Bankers Association of Georgia Loan Servicing Clinic Committee; Greater Atlanta Home Builders Association

#### Speaking Engagements

Mortgage Bankers Association of Georgia Servicing Clinic, 1980 and 1981  
State Bar of Georgia-Residential Real Estate, 1981  
State Bar of Georgia-New Residential Loan Programs, 1982  
State Bar of Georgia-Computerization of the Law Office, 1985  
Moderator of Condominium, PUD and Subdivision Panel for the School of Mortgage Lending of the Georgia Association of Mortgage Brokers, 1990 and 1991  
Moderator of Panel on the Olympic Games for 1990 Loan Servicing Clinic Invited as expert to testify on Georgia foreclosure procedures before the Governor's Commission studying reform of Florida's foreclosure procedures (September 23, 1991)

#### Publications

Edited Georgia section of Residential Mortgage Lending: State Regulations Manual (1990), Andrea Lee Negroni and Laurence E. Platt.  
Program Materials, Real Property Law Institute, Residential Real Estate, 1981.  
Program Materials, Georgia Institute of Continuing Legal Education, New Residential Loan Programs, 1982  
Program Materials, Georgia Institute of Continuing Legal Education, Computerization of the Law Office, 1985

## Experience Overview

### Representation of permanent construction lenders on the following:

Closing of residential loans and loan assumptions  
Truth-in-lending & RESPA, federal and state regulatory compliance  
Drafting and review of new forms for residential loan programs including residential wraparounds, balloon programs, variable rate programs, negotiable rate programs, and various special and executive loan programs  
Negotiating and review of participation agreements  
Transfer of servicing rights  
Acquisition and development loans for subdivisions  
Commercial construction and permanent loans secured by apartments, warehouses, strip shopping centers with leases, and medical office buildings  
Multi-State Transactions  
Wrote numerous computer programs for residential practice  
Responsible for "doing business" opinion letters

### Foreclosure and Bankruptcy Experience:

Residential, construction and commercial foreclosures  
Wrote computer programs for foreclosure and bankruptcy department  
Correction of title defects associated with foreclosures  
Handled Chapter 11 bankruptcy proceedings on office building and construction loans

### Loss Mitigation Experience

Asset swap and settlement between the Federal Deposit Insurance Corporation and Hamilton Mortgage Corporation  
Asset swap and settlement between Manufacturers Hangover Trust and Hamilton Mortgage  
Workouts on commercial, construction and residential loans  
FNMA loss mitigation programs

### Legislation

Researched and drafted Georgia's floating interest usury bill  
Researched and drafted proposed amendments to due on sale clause bill  
Researched and revised numerous bills affecting the mortgage industry and generally assisted the lobbyist for the Mortgage Bankers Association of Georgia

## **David W. Smith**

David Smith is Vice President of Dialtone & More, Inc. and the Secretary of AmericaSouth Communications, Inc. and is currently the President of Ren-Tel Communications, Inc. Mr. Smith oversees all provisioning, marketing, strategic planning and repair. Mr. Smith- was the Chief Executive Officer and Owner of EZ Rent to Own in Carrollton, Georgia. Mr. Smith sold his company in 2001. In his capacity as Owner of EZ, Mr. Smith manages operations and oversees sales, marketing, collections, service, billing and finances.

Mr. Smith began his career in the rent to own business as the Network Rental Operations Manager for six stores in Chicago, Illinois and five stores in St. Louis, Missouri. In this capacity, Mr. Smith was responsible for over \$7 million annually, inventory control, budgeting, site selection and new store openings both within and without his territory.

## **Kimberly M. Smith**

Kim Smith is Vice President of DialTone & More, Inc. (DTM), a Georgia-based pre-pay CLEC currently serving Georgia and South Carolina. She and fellow investors acquired DTM in December, 2004 with the goal of making it a major player in the pre-pay segment. The company is currently expanding its operations to all 9 states in the BellSouth footprint in the southeast.

Kim is a veteran and seasoned entrepreneur in the industry. In 1997 she was a co-founder and became President of Rentel, Inc., a pre-pay CLEC headquartered in St. Louis, MO. They served customers in the state of Missouri and built a reputation for integrity in dealing both with its customers and agents.

In addition to her current responsibilities with DTM, Kim is a co-founder and Vice President of AmericaSouth Communications, Inc. a nationwide ISP. AmericaSouth is one of the few ISPs in the country that offer pre-pay internet service.

At DTM, Kim is ultimately responsible for all facets of the company's operations including Regulatory reporting/compliance, Operations, Vendor Relations and Sales/Marketing. DTM is a small but rapidly growing firm, and Kim remains very close to both strategy development as well as everyday operational issues.

A characteristic of any operation that Kim has been involved with is the strong integrity she brings to an industry that sometimes suffers from a negative image. Her track record of regulatory compliance and ethical operations at Rentel is evident and easily verified with the regulators in the Midwest.

**EXHIBIT C**

Financial Statement Including

INCOME STATEMENT YEAR END 2005  
BALANCE SHEET YEAR END 2005

INCOME STATEMENT YEAR END 2006  
BALANCE SHEET YEAR END 2006

INCOME STATEMENT THROUGH APRIL 30, 2007  
BALANCE SHEET THROUGH MARCH 31, 2007

NOTARIZED STATEMENT AFIRMING  
THE FINANCIAL STATEMENTS ARE TRUE AND CORRECT

DialTone & More, Inc.  
Balance Sheet  
December 31, 2005

ASSETS

Current Assets		
Checking - WGNB	\$	(3,384.12)
Checking - BB&T		3,009.89
Escrow - HomeTown		51,095.86
Accounts Receivable - Agents		<u>6,936.94</u>
 Total Current Assets		 57,658.57
Property and Equipment		
Furniture & Fixtures		1,007.03
Accum. Depr. - Furn & Fixtures		(59.94)
Computers & Equipment		34,353.54
Accum. Depr. - Comp 7 Equip		<u>(1,213.81)</u>
 Total Property and Equipment		 34,086.82
Other Assets		
Web Development		8,899.00
Accum Depreciation Other		<u>(148.32)</u>
 Total Other Assets		 <u>8,750.68</u>
 Total Assets	\$	 <u><u>100,496.07</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	3,343.61
Loan - Smith		47.60
Hometown Bank LOC		189,000.00
First Commerce - Loan		<u>26,820.00</u>
 Total Current Liabilities		 219,211.21
Long-Term Liabilities		
 Total Long-Term Liabilities		 <u>0.00</u>
 Total Liabilities		 219,211.21
Capital		
Paid in Capital		129,634.53
Additional Paid In Capital		4,000.00
Retained Earnings		(1,976.47)
Net Income		<u>(250,373.20)</u>
 Total Capital		 <u>(118,715.14)</u>
 Total Liabilities & Capital	\$	 <u><u>100,496.07</u></u>

DialTone & More, Inc.  
Income Statement  
For the Twelve Months Ending December 31, 2005

	Year to Date	
Revenues		
Phone Service - BellSouth - GA	\$ 36,764.64	7.53
Phone Service BellSouth - SC	950.98	0.19
Phone Service - AllTel - GA	276,173.03	56.54
Phone Service - AllTel - SC	12,934.27	2.65
LifeLine - GA	34,256.84	7.01
LifeLine - SC	26.49	0.01
Call Waiting - BS	1,516.85	0.31
Call Waiting - AllTel	10,269.80	2.10
Call Waiting - AllTel - SC	293.49	0.06
Call Forwarding - BS	25.00	0.01
Call Forwarding - AllTel - SC	37.79	0.01
Call Return - BS	125.17	0.03
Call Return - AllTel	346.91	0.07
Package of Three - BS	521.20	0.11
Package of Three - AllTel	986.06	0.20
Package of Three - AllTel - SC	91.00	0.02
Non-Published Number - BS	287.00	0.06
Non-Published Number - AllTel	1,150.44	0.24
Call ID - BS	3,402.34	0.70
Call ID - AllTel	10,191.93	2.09
Call ID - AllTel - SC	489.86	0.10
New Activation Fee - BS	78.55	0.02
New Activaton Fee - AllTel SC	4,636.65	0.95
Change Telephone - AllTel	45.00	0.01
Change Order - AllTel - GA	750.00	0.15
Restorals - AllTel	9,120.00	1.87
Inside Wire Repair	596.63	0.12
Late Fee - GA	20.00	0.00
BellSouth EDI Payments	529.00	0.11
ACH Income	1,084.00	0.22
Return Item Charges NSF	100.00	0.02
Interest Income	1,010.93	0.21
atHome Premium (38) GA	5,445.11	1.11
atHome Plus (39) GA	2,999.32	0.61
atHome (40) GA	7,666.60	1.57
atHome LifeLine (41) GA	18,214.65	3.73
Voice Mail (90) GA	120.93	0.02
Voice Mail (90) SC	20.07	0.00
Call Forwarding (91) GA	13.78	0.00
3-Way Calling (92) GA	47.92	0.01
Non-Pulbished (95) GA	114.78	0.02
Call Waiting (96) GA	1,159.66	0.24
Call Waiting (96) SC	5.99	0.00
Caller ID (97) GA	2,144.14	0.44
Caller ID / CW (98) GA	207.04	0.04
Maintenance Dial Up (127) GA	1.99	0.00
Advantage Dial-Up (117)	9.95	0.00
Advantage Dial Up (117) GA	165.51	0.03
Advantage Plus Dial Up (118)GA	74.75	0.02
Advantage Pro Dial Up (119) GA	75.16	0.02
Application Fee (103) GA	1,960.00	0.40
Application Fee (103) SC	140.00	0.03
Application Fee Dial Up (116)	120.00	0.02
Activation Fee Full (106) GA	7,114.81	1.46
Activation Fee Full (106) SC	26.55	0.01
Activation LifeLine (104) GA	7,877.00	1.61
Restoral Fee (110) GA	3,330.00	0.68
Move Order (109) GA	2,752.50	0.56
Move Order (109) SC	112.50	0.02

For Management Purposes Only

DialTone & More, Inc.  
Income Statement  
For the Twelve Months Ending December 31, 2005

	Year to Date	
Non Prod Trip (108) GA	635.00	0.13
Change Feature (112) GA	932.99	0.19
Change Name (113) GA	15.00	0.00
WRAP (111) GA	47.96	0.01
LD 100 Mins (99) GA	487.90	0.10
FCC Authorized Line Fee	14,837.91	3.04
Number Portability Fee	798.84	0.16
	<hr/>	
Total Revenues	488,488.16	100.00
	<hr/>	
Cost of Sales		
BellSouth	94,926.00	19.43
BS 706Q84-2752-752	5,654.93	1.16
BS - 770Q84-2752-752	1,880.32	0.38
AllTel	275,510.70	56.40
Toll Free	300.00	0.06
Long-Distance	3,914.87	0.80
Voice Mail	571.54	0.12
Dial-Up Internet	2,784.82	0.57
	<hr/>	
Total Cost of Sales	385,543.18	78.93
	<hr/>	
Gross Profit	102,944.98	21.07
	<hr/>	
Expenses		
Application Printing	300.00	0.06
ACH Charges	923.68	0.19
Bank Charges	886.05	0.18
Advertising	8,700.55	1.78
Casual Labor	1,658.00	0.34
Employee Lease	92,412.94	18.92
Dues & Subscriptions	30.00	0.01
Database	9,561.50	1.96
Call Center	57,067.27	11.68
Consulting Services	17,172.80	3.52
Entertainment /Meals	791.18	0.16
GA Dept of Rev	10.00	0.00
Taxes & Licenses	2,613.31	0.53
Interest & Penalties	3,781.93	0.77
Internet	6,478.56	1.33
Merchanct Services - Credit Ca	345.07	0.07
Legal & Accounting	19,977.76	4.09
Licenses & Permits /Fees	97.00	0.02
Office Expense	6,715.66	1.37
Postage	1,931.40	0.40
Postage & Printing	10,645.44	2.18
Loan Closing Cost	2,743.66	0.56
Refund Customer	1,333.41	0.27
Rent	6,765.80	1.39
Returns - NSF	14,043.67	2.87
Repairs - Office Equipment	2,773.00	0.57
Tariff Applications & Modifica	2,985.75	0.61
Statutory Representation	6,266.94	1.28
Telephones	2,847.16	0.58
Cellular Phones	483.45	0.10
Long-Distance - Office	602.03	0.12
Utilities	52.41	0.01
Agent Commission	42,328.32	8.67
Sales Force Commission	90.00	0.02

For Management Purposes Only

DialTone & More, Inc.  
Income Statement  
For the Twelve Months Ending December 31, 2005

	Year to Date	
Sales Force Travel/Lodge	8,035.42	1.64
Promotional Materials Printing	14,579.89	2.98
Research Development	1,800.00	0.37
Misc. Employment Ads	1,065.10	0.22
Depreciation - Furn. & Fixture	59.94	0.01
Depreciation - Comp & Equip	1,213.81	0.25
Depreciation Other	148.32	0.03
Verification Expense	1,000.00	0.20
	<u>353,318.18</u>	
Total Expenses		72.33
	<u><u>\$ (250,373.20)</u></u>	<u>(51.25)</u>

DialTone & More, Inc.  
Balance Sheet  
December 31, 2006

ASSETS

Current Assets		
Checking - WGNB	\$	14,428.32
Checking - BB&T		2,909.89
Escrow - HomeTown		51,624.33
First Bank - Escrow		87,238.26
Hometown Bank - LOC		80,000.00
Accounts Receivalbe - Agents		12,613.31
		<hr/>
Total Current Assets		248,814.11
Property and Equipment		
Furniture & Fixtures		1,007.03
Accum. Depr. - Furn & Fixtures		(203.80)
Computers & Equipment		34,353.54
Accum. Depr. - Comp 7 Equip		(8,084.52)
		<hr/>
Total Property and Equipment		27,072.25
Other Assets		
Web Development		10,471.96
Accum Depreciation Other		(1,928.12)
		<hr/>
Total Other Assets		8,543.84
		<hr/>
Total Assets	\$	<u><u>284,430.20</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	8,118.97
Loan - Smith		361.20
Loan - BLC		19,346.99
Hometown Bank LOC		189,000.00
First Commerce - Loan		19,482.97
Sales Tax Payable - GA		(39.45)
		<hr/>
Total Current Liabilities		236,270.68
Long-Term Liabilities		
		<hr/>
Total Long-Term Liabilities		0.00
		<hr/>
Total Liabilities		236,270.68
Capital		
Paid in Capitol		181,634.53
Additional Paid In Capitol		35,437.10
Retained Earnings		(172,349.67)
Net Income		3,437.56
		<hr/>
Total Capital		48,159.52
		<hr/>
Total Liabilities & Capital	\$	<u><u>284,430.20</u></u>

DialTone & More, Inc.  
Income Statement  
For the Twelve Months Ending December 31, 2006

	Year to Date	
Revenues		
Package of Three - BS	\$ 239.00	0.02
New Activation Fee - BS	70,684.61	6.86
Change Telephone	675.00	0.07
Late Fee	35,900.00	3.49
BellSouth EDI Payments	3,006.75	0.29
ACH Income	675.76	0.07
Return Item Charges NSF	480.00	0.05
Cabs Revenue	5,703.08	0.55
Interest Income	528.47	0.05
Home Phone Service	799,146.20	77.59
Voice Mail (91)	2,891.00	0.28
Call Forwarding (91)	401.54	0.04
3-Way Calling (92)	1,055.42	0.10
Call Return ( 94)	376.55	0.04
Non-Published (95)	1,068.42	0.10
Call Waiting (96)	12,712.04	1.23
Caller ID (97)	5,552.19	0.54
Caller ID / CW (98)	16,006.83	1.55
Maintenance Dial Up (127)	481.89	0.05
Advantage Dial-Up (117)	3,268.24	0.32
Advantage Plus Dial Up (118)	1,612.13	0.16
Advantage Pro Dial Up (119)	550.19	0.05
Application Fee (103)	1,497.00	0.15
Restoral Fee (110)	20,730.00	2.01
Move Order (109)	6,870.00	0.67
Non Prod Trip (108)	2,430.00	0.24
Change Feature ( 112)	5,425.00	0.53
Change Name (113)	180.00	0.02
WRAP (111)	1,394.50	0.14
LD 100 Mins (99)	6,707.47	0.65
FCC Authorized Line Fee	14,184.69	1.38
Number Portability Fee	7,549.63	0.73
	<hr/>	
Total Revenues	1,029,983.60	100.00
Cost of Sales		
BellSouth	895.40	0.09
BS 706Q82-2878-878 GA OUT	231,861.53	22.51
BS 770Q82-2878-878 GA	85,273.82	8.28
BS 706Q84-2752-752	113,689.55	11.04
BS - 770Q84-2752-752	26,942.08	2.62
AllTel	84,227.21	8.18
Long-Distance	40,937.95	3.97
Voice Mail	1,632.80	0.16
Rural Cabs	21.39	0.00
	<hr/>	
Total Cost of Sales	585,481.73	56.84
	<hr/>	
Gross Profit	444,501.87	43.16
Expenses		
Toll Free	1,907.71	0.19
Dial-Up Internet	7,498.99	0.73
ACH Charges	443.77	0.04
Bank Charges	1,722.24	0.17
Advertising	15,702.80	1.52
Casual Labor	3,768.92	0.37
Employee Lease	249,119.35	24.19

For Management Purposes Only

DialTone & More, Inc.  
Income Statement  
For the Twelve Months Ending December 31, 2006

	Year to Date	
Database	20,211.90	1.96
Entertainment /Meals	708.17	0.07
Cabs Billing	3,642.55	0.35
Interest & Penalties	18,129.84	1.76
Insurance	813.50	0.08
Internet	9,224.80	0.90
Merchanct Services - Credit Ca	4,475.34	0.43
Labor	18.00	0.00
Legal & Accounting	3,827.31	0.37
Licenses & Permits /Fees	2,178.88	0.21
Office Expense	14,824.55	1.44
Postage	3,559.22	0.35
Postage & Printing	15,462.22	1.50
Refund Customer	1,052.70	0.10
Returns - NSF	27,594.19	2.68
Repairs - Office Equipment	2,730.00	0.27
Telephones	1,621.77	0.16
Cellular Phones	2,959.22	0.29
Long-Distance - Office	2,647.45	0.26
Utilities	2,337.03	0.23
Sales Force Commission	500.00	0.05
Sales Force Travel/Lodge	3,116.75	0.30
Material Development	1,000.00	0.10
Website Development	2,300.00	0.22
Promotional Materials Printing	3,099.02	0.30
WRAP CCS Expense	980.00	0.10
Loyalty Program	200.00	0.02
Depreciation - Furn. & Fixture	143.86	0.01
Depreciation - Comp & Equip	6,870.71	0.67
Depreciation Other	1,779.80	0.17
Verification Expense	2,866.75	0.28
Wash Account	25.00	0.00
	<hr/>	
Total Expenses	441,064.31	42.82
	<hr/>	
Net Income	\$ 3,437.56	0.33
	<hr/> <hr/>	

DialTone & More, Inc.  
Balance Sheet  
March 31, 2007

ASSETS

Current Assets		
Checking - WGNB	\$	17,026.47
Checking - BB&T		2,909.89
Escrow - HomeTown		51,624.33
First Bank - Escrow		28,130.22
First Citizens National		66,347.81
Hometown Bank - LOC		80,000.00
Accounts Receivable - Agents		12,613.31
		<hr/>
Total Current Assets		258,652.03
Property and Equipment		
Furniture & Fixtures		1,007.03
Accum. Depr. - Furn & Fixtures		(203.80)
Computers & Equipment		34,353.54
Accum. Depr. - Comp 7 Equip		(8,084.52)
		<hr/>
Total Property and Equipment		27,072.25
Other Assets		
Web Development		10,471.96
Accum Depreciation Other		(1,928.12)
		<hr/>
Total Other Assets		8,543.84
		<hr/>
Total Assets	\$	<u><u>294,268.12</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	7,618.97
Loan - Smith		361.20
Loan - BLC		19,346.99
Hometown Bank LOC		189,000.00
First Commerce - Loan		17,493.77
Sales Tax Payable - GA		(39.45)
		<hr/>
Total Current Liabilities		233,781.48
Long-Term Liabilities		
		<hr/>
Total Long-Term Liabilities		0.00
		<hr/>
Total Liabilities		233,781.48
Capital		
Paid in Capital		181,634.53
Additional Paid In Capital		35,437.10
Retained Earnings		(168,912.11)
Net Income		12,327.12
		<hr/>
Total Capital		60,486.64
		<hr/>
Total Liabilities & Capital	\$	<u><u>294,268.12</u></u>

DialTone & More, Inc.  
Income Statement  
For the Four Months Ending April 30, 2007

	Year to Date	
Revenues		
Direct Customer Payments	\$ 107,415.96	29.91
Customer Agent Payments	160,513.85	44.70
Credit Card Payments	90,883.86	25.31
BellSouth EDI Payments	295.02	0.08
	<hr/>	
Total Revenues	359,108.69	100.00
	<hr/>	
Cost of Sales		
BellSouth	1,233.59	0.34
BS 706Q82-2878-878 GA OUT	138,082.85	38.45
BS 770Q82-2878-878 GA	30,035.65	8.36
BS 706Q84-2752-752	34,619.93	9.64
BS - 770Q84-2752-752	6,255.08	1.74
AllTel	10,017.19	2.79
Long-Distance	9,129.48	2.54
Voice Mail	4,066.78	1.13
	<hr/>	
Total Cost of Sales	233,440.55	65.01
	<hr/>	
Gross Profit	125,668.14	34.99
	<hr/>	
Expenses		
Toll Free	1,266.35	0.35
ACH Charges	769.99	0.21
Bank Charges	529.00	0.15
Casual Labor	2,199.50	0.61
Employee Lease	47,426.47	13.21
Database	11,326.00	3.15
Federal Excise Deposits - 720	95.12	0.03
Taxes & Licenses	237.00	0.07
Interest & Penalties	7,225.05	2.01
Internet	433.20	0.12
Legal & Accounting	300.00	0.08
Licenses & Permits /Fees	215.00	0.06
Office Expense	32.09	0.01
Postage	433.12	0.12
Refund Customer	289.07	0.08
Returns - NSF	15,741.52	4.38
Repairs - Office Equipment	485.00	0.14
Telephones	1,854.59	0.52
Cellular Phones	304.81	0.08
Long-Distance - Office	2,294.86	0.64
Agent Commission	282.62	0.08
WRAP CCS Expense	935.00	0.26
Verification Expense	3,565.42	0.99
	<hr/>	
Total Expenses	98,240.78	27.36
	<hr/>	
Net Income	\$ 27,427.36	7.64
	<hr/> <hr/>	

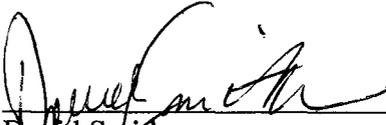
May 17, 2007

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

Re: Dialtone & More, Inc. Financial Statements

The financial statements attached as exhibits to our Florida Public Service Commission applications for authority to provide competitive local exchange telecommunications company service within the State of Florida are correct to the best of our knowledge. Dialtone & More, Inc. is a privately held company. We are the two highest active ranking company officers.

Sincerely,

  
\_\_\_\_\_  
David Smith  
President Sales & Marketing

  
\_\_\_\_\_  
Kim M. Smith  
CEO / Vice-President



