APPLICATION

	is is an application for √ (check one): 992476-TX
(x) 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: <u>Example</u> , a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.
N	me of company:
	BUDGET PHONE, INC.
N	me under which the applicant will do business (fictitious name, etc.):
	BUDGET PHONE, INC.
ZI	code):
	910 Pierremont Rd., Suie 348
_	Shreveport, LA 71106
	Shreveport, LA 71106 rida address (including street name & number, post office box, city, state, zip de):
	Shreveport, LA 71106 rida address (including street name & number, post office box, city, state, zip
	Shreveport, LA 71106 rida address (including street name & number, post office box, city, state, zip de):

FPSC RECORDS/FFFORTING

01.701 APR 13 8

Structu	re of organization:
() For	ividual (x) Corporation eign Corporation () Foreign Partnership neral Partnership () Limited Partnership
() Other
<u>If indiv</u>	ridual, provide:
Name:	
Title:_	
Addre	88:
City/St	tate/Zip:
Teleph	none No.: Fax No.:
Interne	et E-Mail Address:
Interne	et Website Address:
If inco	rporated in Florida, provide proof of authority to operate in Florida:
(a)	The Florida Secretary of State corporate registration number:
If forei	gn corporation, provide proof of authority to operate in Florida:
(a)	The Florida Secretary of State corporate registration number:
	F99000001380

FORM PSC/CMU 8 (ALEC) (6/98)
Required by Commission Rule Nos. 25-24.805,
25-24.810, and 25-24.815 Page 2 of 11

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:	-0					
	City/State/Zip:						
	Telephone No.: Fax No.:						
	Internet E-Mail Address:						
	Internet Website Address:	_					
13. Iimi	If a foreign limited partnership, provide proof of compliance with the foreign ted partnership statute (Chapter 620.169, FS), if applicable.						
	(a) The Florida registration number:	_					
14.	Provide F.E. I. Number(if applicable):	_					
	Indicate if any of the officers, directors, or any of the ten largest stockholders have viously been:	0					
	(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of a ne, or whether such actions may result from pending proceedings. Provide lanation.	пу					

	(b) an officer, director, partner or stockholder in any other Florida certificated ohone company. If yes, give name of company and relationship. If no longer ociated with company, give reason why not.					
16.	Who will serve as liaison to the Commission with regard to the following? (a) The application:					
	Name: R. D. (Smokey) Hyde. Jr.					
	Title: President					
	Address: 910 Pierremont Rd., #348					
	City/State/Zip: Shreveport, LA 71106					
	Telephone No.: (318) 869-3878 Fax No.: (318) 219-4080					
	Internet E-Mail Address:					
	Internet Website Address:					
	(b) Official point of contact for the ongoing operations of the company:					
	Name: R. D. (Smokey) Hyde, Jr.					
	Title: President					
	Address: 910 Pierremont Rd., #348					
	City/State/Zip: Shreveport, LA 71106					

FORM PSC/CMU 8 (ALEC) (6/98)
Required by Commission Rule Nos. 25-24.805.
25-24.810, and 25-24.815 Page 4 of 11

1	Telephone No.: (318) 869-3878 Fax No.: (318) 219-4080
	Internet E-Mail Address:
	Internet Website Address:
	(c) Complaints/Inquiries from customers:
	Name: Tony Cason
	Title: Operations Manager
	Address: 910 Pierremont Rd., #348
	City/State/Zip: Shreveport, LA 71106
	Telephone No.: (318) 869-3878 Fax No.: (318) 219-4080
	Internet E-Mail Address:
1	Internet Website Address:
17. I	List the states in which the applicant:
((a) has operated as an alternative local exchange company.
	LOUISIANA
((b) has applications pending to be certificated as an alternative local exchange company. NORTH CAROLINA, TENNESSEE, MISSISSIPPI
((c) is certificated to operate as an alternative local exchange company. LOUISIANA

	(d)	has been denied authority to operate as an alternative local exchange 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
18.	Sub	omit the following:
A. Fi	nanc	cial capability.
most so be	rece	application should contain the applicant's audited financial statements for the nt 3 years. If the applicant does not have audited financial statements, it shall ed.
	utive	unaudited financial statements should be signed by the applicant's chief officer and chief financial officer affirming that the financial statements are true of and should include:
1.	the	balance sheet:
2.	inc	ome statement: and
Requi	red b	MU 8 (ALEC) (6/98) by Commission Rule Nos. 25-24.805, and 25-24.815 Page 6 of 11

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:

- written explanation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
- 2. <u>written explanation</u> 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.
- B. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.
- 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.

APPLICATION

				000000	
Th	is is	s an application for √	(check one):	DEPOSIT	DATE
			,	D126 d	APR 1 4 199
(χ)	Original certificate	(new company).		
()	Example, a non-cert	er of existing certification company purces to retain the original	hases an existing	prity.
()	certificated company	ment of existing cert y purchases an existin certificate of authority	g company and	a
()	purchases 51% of a	er of control: Example certificated company. ew controlling entity.		
Na	ame	of company:			
		BUDGET PHONE, INC.			
No	ame		olicant will do business	(fictitious name, e	(C.):
140	arrico	diad willout ato app			
					(37)
Of	fici	BUDGET PHONE, INC.			
		al mailing address (in ode):	ciuding street name &		
		al mailing address (in ode):	ciuding street name &		
FI	0 00	al mailing address (including	ciuding street name &	number, post offic	e box, city, sta
FI	orid	al mailing address (including	Suie 348 .06 street name & numbe	number, post offic	e box, city, sta
FI	orid	al mailing address (including address (including address (including):	Suie 348 .06 street name & numbe	number, post offic	e box, city, statistical edges of the filling and
FICCO	oridode)	al mailing address (incode): 910 Pierremont Rd. Shreveport, LA 711 da address (including): 1200 S. Pine Islan Plantation, FL 333	Suie 348 .06 street name & numbe	number, post officer, post officer, post office box, continued to the continued of the cont	e box, city, statistical edges of the filling and
FIGO	oridode)	al mailing address (incode): 910 Pierremont Rd. Shreveport, LA 711 da address (including): 1200 S. Pine Islan	Suie 348 .06 street name & numbe	number, post officer, post officer, post office box, concerning to his officer box.	e box, city, state, sta

25-24.810, and 25-24.815

FINANCIAL STATEMENTS

BUDGET PHONE, INC.

UNAUDITED FINANCIAL STATEMENTS

DECEMBER 31, 1997

James N. Rachel

Certified Public Accountant Shreveport, Louisisna BUDGET PHONE, INC.

UNAUDITED FINANCIAL STATEMENTS

DECEMBER 31, 1997

TABLE OF CONTENTS

Accountant's Report

Financial Statements

Balance Sheet

Statement of Income

Statement of Retained Earnings

Statement of Cash Flows

JAMES N. RACHEL

Certified Public Accountant

330 Marshall Street, Suite 940 Shreveport, Louisiana 71101

JAMES N. AACHEL, CPA WILLIAM C. KOSTELKA, CPA TELEPHONE (318) 221-1000 FACSIMES (318) 221-1009

INDEPENDENT ACCOUNTANT'S REPORT

Budget Phone, Inc. Shreveport, Louisiana

I have compiled the accompanying balance sheet of Budget Phone, Inc. as of December 31, 1997, and the related statements of income, retained earnings and cash flows for the year then ended, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them. However, I did become aware of the departures from Generally Accepted Accounting Principles that are described in the following paragraphs.

Management has elected to omit substantially all of the disclosures required by Generally Accepted Accounting Principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the corporation's financial position, results of operation and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Shreveport, Louisiana

June 4, 1998

BUDGET PHONE, INC. BALANCE SHEET DECEMBER 31, 1997

ASSETS

Current Assets:	
Cash	\$ 46,399
Accounts Receivable	61,603
Inventories	_24,860
Total Current Assets	132,862
Fixed Assets:	
Furniture and Fixtures	5,710
Equipment	186,045
Leasehold Improvements	14,228
Vehicles	_16,256
	222,239
Less: Accumulated Depreciation	(43,124)
Net Fixed Assets	179,115
Other Assets:	
Deposits	3,938
Organization Costs, Net	580
Total Other Assets	4,518
TOTAL ASSETS	\$316,495

BUDGET PHONE, INC. BALANCE SHEET DECEMBER 31, 1997

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities:	
Accounts Payable	\$122,794
Taxes Payable	18,259
Current Maturity of Long Term Debt	6,727
Total Current Liabilities	147,780
Long Term Liabilities:	
Long Term Debt	2,180
Loans from Stockholders	357,592
Total Long Term Liabilities	359,772
Total Liabilities	507,552
Stockholder's Equity:	
Stock	1,000
Retained Earnings	(192,057)
Total Stockholder's Equity	(191,057)
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$316,495

BUDGET PHONE, INC. STATEMENT OF INCOME YEAR ENDED DECEMBER 31, 1997

Sales Cost of Sales	\$1,558,487 1,219,183
Cost of Sales	1,612,102
Gross Profit on Sales	339,304
Operating Expenses:	
Salaries	190,208
Commissions	6,380
Repairs and Maintenance	2,580
Advertising	94,452
Office Expense	8,643
Allocated Overhead	62,937
Postage/Mailing	10,076
Telephone	18,735
Auto Expense	6,874
Utilities	6,804
Supplies	3,292
Depreciation	37,301
Amortization	145
Rent	34,625
Rewards	144
Bank Charges	211
Interest Expense	25,189
Meals and Entertainment	587
Computer Expense	237
Subcontracts	944
Promotions	75
Insurance	4,963
Professional Fees	2,804
Security	195
Travel	1,909
Taxes	24,886
Total Expense	545,196
Income (Loss) from Operations	(205,892)
Other Income (Expense):	
Vendor's Compensation	304
Total Other Income (Expens	<u>304</u>
Net Income	\$ <u>(205,588)</u>

BUDGET PHONE, INC. STATEMENT OF RETAINED EARNINGS YEAR ENDED DECEMBER 31, 1997

 Beginning Retained Earnings
 \$ 13,531

 Net Income
 (205,588)

 Ending Retained Earnings
 \$(192,057)

BUDGET PHONE, INC. STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 1997

Cash Flow From Operating Activities: Net income Adjustments to reconcile net income to net cash provided by operating activities:	\$(205,588)
Amortization	145
Depreciation	37,301
(Increase) Decrease in:	
Accounts receivable	(52,302)
Inventory	43,640
Increase (Decrease) in:	
Accounts Payable	122,794
Taxes payable	_13,119
Net Cash Provided (Used) by	
Operating Activities	(40,891)
Cash Flows From Investing Activities: Acquisition of fixed assets	(78,679)
Net Cash Provided (Used) by Investing Activities	(78,679)
Cash Flows From Financing Activities:	
Loan Proceeds from Stockholder	133,260
Long Term Debt Reduction	_(7,349)
Net Cash Provided (Used) by Financing Activities	125,911
I maiong routines	
Net Increase In Cash	6,341
Beginning Cash	40,058
Ending Cash	\$_46,399

BUDGET PHONE, INC.

UNAUDITED FINANCIAL STATEMENTS

DECEMPER 31, 1998

James N. Rachel

Certified Public Accountant Shreveport, Louisiana BUDGET PHONE, INC.

UNAUDITED FINANCIAL STATEMENTS

DECEMBER 31, 1998

TABLE OF CONTENTS

Accountant's Report

Financial Statements

JAMES N. RACHEL

Certified Public Accountant

330 Marshall Street, Suite 940 Shreveport, Louisiana 71101

JAMES N. RACHEL, CPA
WELLIAM C. KOSTELKA, CPA

THLEPHONE (31s) 221-1000 FACEBABLE (318) 221-1009

INDEPENDENT ACCOUNTANT'S REPORT

Budget Phone, Inc. Shreveport, Louisiana

I have compiled the accompanying balance sheet of Budget Phone, Inc. (an S Corporation) as of December 31, 1998, and the related statements of income, retained earnings and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them. However, I did become aware of the departures from generally accepted accounting principles that are described in the following paragraph.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Corporation's financial position, results of operation and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Corporation, with the consent of its shareholders, has elected under the Internal Revenue Code to be an S Corporation. In lieu of corporation income taxes, the shareholders of an S Corporation are taxed on their proportionate share of the corporation's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Sheveport, Louisiana March 1, 1999

BUDGET PHONE, INC. BALANCE SHEET DECEMBER 31, 1998

ASSETS

Current Assets: Cash Accounts Receivable Inventories Prepaid Insurance Prepaid Interest	\$ 404,248 771,622 24,556 1,006 1,663
Total Current Assets	1,203,095
Fixed Assets: Furniture and Fixtures Equipment Leasehold Improvements Vehicles Less: Accumulated Depreciation Net Fixed Assets	40,018 307,226 14,913 16,256 378,413 (92,701) 285,712
Other Assets: Deposits Organization Costs, Net	12,838
Total Other Assets	13.273
TOTAL ASSETS	\$1,502,080

BUDGET PHONE, INC. BALANCE SHEET DECEMBER 31, 1998

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities: Accounts Payable Sales Tax Payable Payroll Liabilities Lease Payable	\$ 896,100 22,481 16,047
Total Current Liabilities	940,515
Long Term Liabilities: Loans from Stockholders	250,000
Total Long Term Liabilities	250,000
Total Liabilities	1,190,515
Stockholder's Equity: Stock Retained Earnings	1,000 _310,565
Total Stockholder's Equity	_311.565
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$1,502,080

BUDGET PHONE, INC. STATEMENT OF INCOME YEAR ENDED DECEMBER 31, 1998

Sales Cost of Sales	\$4,681,052 3,110,060
Gross Profit on Sales	1,570,992
Operating Expenses:	
Salaries	404,340
Commissions	19,629
Contract Labor	83,116
Advertising	89,713
Repairs and Maintenance	11,344
Office Expense	27,455
Computer Expense	6,219
Equipment Rental	48,351
Insurance General	13,449
Insurance Group	11,177
Interest Expense	44,386
Meals	7,883
Postage/Mailing	20,589
Professional Fees	31,801
Telephone	61,719
Auto Expense	25,324
Bank Service Charge	1,378
Utilities	7,906
Supplies	21,720
Depreciation	49,577
Amortization	145
Rent	46,965
Administrative Fees	27,600
Security	333
Taxes	9,112
Payroll Taxes	37,345
Travel	17,309
Total Expense	1.125.885
Income (Loss) from Operations	445,107
Other Income (Expense):	
Vendor's Compensation	922
Interest Income	1,893
Gain on Disposition of Asset	54,700
Total Other Income (Expense)	57,515
Net Income	\$ 502,622

BUDGET PHONE, INC. STATEMENT OF RETAINED EARNINGS YEAR ENDED DECEMBER 31, 1998

 Beginning Retained Earnings
 \$(192,057)

 Net Income
 .502.622

 Ending Retained Earnings
 \$_310,565

BUDGET PHONE, INC. STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 1998

Cash Flow From Operating Activities: \$502,622 Net income \$502,622 Adjustments to reconcise net income to net cash provided by operating activities: 145 Amortization 145 Depreciation 49,577 (Increase) Decrease in: (710,019) Accounts receivable (710,019) Inventory 304 Deposits (8,900) Prepaid Insurance (1,006) Prepaid Interest (1,663) Increase (Decrease) in: 773,306 Accounts Payable 773,306 Sales Tax Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities: 630,522 Cash Flows From Investing Activities: (156,174) Net Cash Provided (Used) by Investing Activities (156,174) Cash Flows From Financing Activities: (107,592) Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (8,907) Net Decrease In Cash 357,849 Beginning Cash 46,399 Feding Cash <th></th> <th></th>		
Adjustments to reconcise net income to net eash provided by operating activities: Amortization 145. Depreciation 49,577 (Increase) Decrease in: Accounts receivable (710,019) Inventory 304 Deposits (8,900) Prepaid Insurance (1,006) Prepaid Interest (1,663) Increase (Decrease) in: Accounts Payable 773,306 Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (156,997) Net Decrease In Cash 357,849 Beginning Cash 46,399		0400 400
income to net cash provided by operating activities:		5502,622
by operating activities:		
Amortization 145 Depreciation 49,577 (Increase) Decrease in: Accounts receivable (710,019) Inventory 304 Deposits (8,900) Prepaid Insurance (1,006) Prepaid Interest (1,663) Increase (Decrease) in: Accounts Payable 773,306 Sales Tax Payable 77,592 AT&T Credit Lease Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities: Acquisition of fixed assets (156,174) Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	income to net cash provided	
Depreciation	by operating activities:	
(Increase) Decrease in: (710,019) Accounts receivable (710,019) Inventory 304 Deposits (8,900) Prepaid Insurance (1,006) Prepaid Interest (1,663) Increase (Decrease) in: 773,306 Accounts Payable 773,306 Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5.887 Net Cash Provided (Used) by Operating Activities 630,522 Cash Flows From Investing Activities: (156,174) Net Cash Provided (Used) by Investing Activities (156,174) Cash Flows From Financing Activities: (107,592) Long Term Debt Reduction (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	Amortization	145
(Increase) Decrease in: (710,019) Accounts receivable (710,019) Inventory 304 Deposits (8,900) Prepaid Insurance (1,006) Prepaid Interest (1,663) Increase (Decrease) in: 773,306 Accounts Payable 773,306 Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5.887 Net Cash Provided (Used) by 630,522 Cash Flows From Investing Activities: (156,174) Net Cash Provided (Used) by (156,174) Cash Flows From Financing Activities: (107,592) Long Term Debt Reduction (8,907) Net Cash Provided (Used) by (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	Depreciation	49,577
Accounts receivable (710,019) 304 Deposits		
Accounts receivable (710,019) 304 Deposits	(Increase) Decrease in:	
Inventory		(710,019)
Deposits (8,900) Prepaid Insurance (1,006) Prepaid Interest (1,006) Prepaid Interest (1,006) Increase (Decrease) in: Accounts Payable 773,306 Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (156,907) Net Cash Provided (Used) by Financing Activities: (156,907) Net Cash Provided (Used) by Financing Activities: (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	그	
Prepaid Insurance (1,006) Prepaid Interest (1,006) Prepaid Interest (1,663) Increase (Decrease) in: Accounts Payable 773,306 Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities 630,522 Cash Flows From Investing Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities (156,174) Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (18,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399		
Increase (Decrease) in: Accounts Payable Sales Tax Payable Sales Tax Payable Payroll Taxes Payable AT&T Credit Lease Payable Net Cash Provided (Used) by Operating Activities: Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Investing Activities: Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities Net Decrease In Cash 357,849 Beginning Cash		
Increase (Decrease) in: Accounts Payable Sales Tax Payable Sales Tax Payable Payroll Taxes Payable AT&T Credit Lease Payable Net Cash Provided (Used) by Operating Activities Cash Flows From Investing Activities: Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities Net Cash Provided (Used) by Activities Obst Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (116.499) Net Decrease In Cash Beginning Cash 46.399	그 그는 그 그는 그는 그 그는 그는 그는 그는 그는 그는 그는 그는 그	
Accounts Payable 773,306 Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities 630,522 Cash Flows From Investing Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities: (156,174) Cash Flows From Financing Activities: (156,174) Cash Flows From Financing Activities: (107,592) Long Term Debt Reduction (107,592) Long Term Debt Reduction (116,499) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	rrepaid interest	(1,005)
Accounts Payable 773,306 Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities 630,522 Cash Flows From Investing Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities: (156,174) Cash Flows From Financing Activities: (156,174) Cash Flows From Financing Activities: (107,592) Long Term Debt Reduction (107,592) Long Term Debt Reduction (116,499) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	Increase (Decrease) in:	
Sales Tax Payable 12,677 Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities 630,522 Cash Flows From Investing Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities (156,174) Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (18,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399		773.306
Payroll Taxes Payable 7,592 AT&T Credit Lease Payable 5,887 Net Cash Provided (Used) by Operating Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (Used) by Financing Activities: Net Cash Provided (Used) by (116,499) Net Cash Provided (Used) by Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399		
Net Cash Provided (Used) by Operating Activities: Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities: Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (156,174) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399		
Net Cash Provided (Used) by Operating Activities: Cash Flows From Investing Activities: Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (107,592) (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash		
Operating Activities 630,522 Cash Flows From Investing Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities (156,174) Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	A1&1 Credit Lease Payable	2,007
Operating Activities 630,522 Cash Flows From Investing Activities: Acquisition of fixed assets (156,174) Net Cash Provided (Used) by Investing Activities (156,174) Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	Net Cash Provided (Used) by	
Cash Flows From Investing Activities: Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (107,592) (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash		630,522
Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities: Debt Reduction + Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (107,592) (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash		
Acquisition of fixed assets Net Cash Provided (Used) by Investing Activities Cash Flows From Financing Activities: Debt Reduction + Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (107,592) (8,907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash	Cash Flows From Investing Activities:	
Net Cash Provided (Used) by Investing Activities (156,174) Cash Flows From Financing Activities: Debt Reduction + Stockholder Loan Long Term Debt Reduction (107,592) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399		(156,174)
Investing Activities (156,174) Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (8.907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399		
Cash Flows From Financing Activities: Debt Reduction - Stockholder Loan (107,592) Long Term Debt Reduction (8.907) Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash 357,849 Beginning Cash 46,399	Net Cash Provided (Used) by	
Debt Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash Beginning Cash (107,592) (8,907) (116,499)	Investing Activities	(156,174)
Debt Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash Beginning Cash (107,592) (8,907) (116,499)		
Debt Reduction - Stockholder Loan Long Term Debt Reduction Net Cash Provided (Used) by Financing Activities (116,499) Net Decrease In Cash Beginning Cash (107,592) (8,907) (116,499)	Cash Flows From Financing Activities:	
Net Cash Provided (Used) by Financing Activities (116.499) Net Decrease In Cash 357,849 Beginning Cash 46.399		(107,592)
Net Cash Provided (Used) by Financing Activities (116.499) Net Decrease In Cash 357,849 Beginning Cash 46.399	Long Term Debt Reduction	(8.907)
Financing Activities (116.499) Net Decrease In Cash 357,849 Beginning Cash 46.399		
Net Decrease In Cash Beginning Cash 357,849 46,399	Net Cash Provided (Used) by	
Beginning Cash46,399	Financing Activities	(116,499)
Beginning Cash46,399		
	Net Decrease In Cash	357,849
		46 200
Ending Cash \$404,248	Beginning Cash	40,399
	Ending Cash	\$404,248

B. MANAGERIAL CAPABILITY:

40% Stockholder: R. Daniel Hyde, Jr., GENERAL MANAGER

R. Daniel Hyde, Jr. became a resident of Louisiana in December of 1971 when he purchased KRMD AM/FM Radio in Shreveport. He operated these stations for 15 years and developed the No. 1 billing and No. 1 rated radio stations in the area for 15 years. When the stations were sold in 1985, it was the largest radio transaction in the history of the state at \$5.5 million dollars. Hyde divested himself of radio stations in Flagstaff, Az. Reno, Nv, and Shreveport, La. and entered the paging business in 1988. He started with zero subscribers and in 10 years developed a subscriber base of 40,000. The company grew to a total of nine retail outlets where prepaid paging, prepaid cellular, prepaid home phone, and prepaid long distance were marketed. The system grew from 3 towers and transmitters to 26 towers and transmitters, serving all of Louisiana north of Opelousas with statewide coverage. After the paging company was sold on May 1, 1998 he now devotes full time effort to Budget Phone Inc. Hyde believes that this experience in servicing 40,000 subscribers in paging and 20,000 customers in prepaid cellular and home phone provides him the experience necessary and the knowledge of the industry necessary to build a strong operation in the four state area of Louisiana, Tennessee, Arkansas and Texas.

30% Stockholder Tony M. Cason, OPERATIONS MANAGER

Tony M. Cason has extensive expertise in telecommunications, system design, and a managerial background. In 1989 Mr. Cason entered into the cellular wireless industry where he owned and operated a successful cellular retail store. Within eight years Mr. Cason's subscriber base had grown to over 10,000. November 7, 1996, Mr. Cason as Budget Phone Inc.'s Operation Manager designed, organized, staffed and successfully developed a prepaid cellular switching system in East and Central Texas, and in South Louisiana.

20% Stockholder R. Daniel Hyde, III, MARKETING AND ACCOUNT EXECUTIVE In 1991 R. Daniel Hyde, III entered the family paging business and managed the Thrifty Paging Division of Stay In Touch. He successfully managed four locations of Thrifty Paging which dominated paging in the credit challenged and lower income market areas. Thrifty Paging is positioned in the market for providing what could be the only communication available to many underprivileged, low income, credit challenged families. He developed the Thrifty Paging subscriber base to more than 20,000 subscribers. At the same time, he marketed in each store the prepaid cellular and prepaid home phones. This experience made R. Daniel Hyde, III very knowledgeable in credit challenged consumer marketing.

10% stockholder, Stephen P. Hyde, ACCOUNT EXECUTIVE AND MARKETING
Five years after graduating from college, Stephen was a successful salesperson in the medical field. For the last 2 years he has been in Sales and Marketing for Budget Phone Inc. throughout Central and East Texas and statewide in Louisiana. He has been solely responsible for establishing over 60 commissioned agents marketing to more than 8,000 subscriberS in just 24 months.

3. C. TECHNICAL CAPABILITY:

For 10 years owned, managed and maintained three paging terminals located in Shreveport, Monroe, and Alexandria, Louisiana. The prepaid paging system involved more than 26 tower and transmitter sites throughout the State of Louisiana and East Texas. The system maintained more than 40,000 subscribers.

Ten years experience with postpaid cellular which serviced more than 10,000 subscribers.

Two years experience in prepaid cellular which presently maintains more than 4,000 subscribers. We own our own switch, housed in Dallas, Texas, which meters the prepaid cellular phones for the areas of Central and East Texas and South Louisiana.

** APPLICANT ACKNOWLEDGEMENT STATEMENT **

- 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.
- 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.
- SALES TAX: I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- APPLICATION FEE: I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

	1 Down	31 MAR 99
Signature	R. D. Hyde Jr.	Date
	President	(318) 869-3878
Title		Telephone No.
Address:	910 Pierremont Rd., #348	(318) 219-4080
		Fax No.
	Shreveport, LA 71106	

ATTACHMENTS:

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

** APPENDIX A **

CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT

I,	(Name)	
(Ti	Title)	of (Name of Company)
an a:	, have reviewed this app	e Commission Certificate Number # plication and join in the petitioner's request for
() sale	
() transfer	
() assignment	
of	the above-mentioned certificate.	
<u>U</u> -	TILITY OFFICIAL:	
Sig	gnature	Date
Tit	tle	Telephone No.
Ad	ddress:	Fax No.
_		

** APPENDIX B **

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.]

		and any open request,
1.	POP: Addresses where located	, and indicate if owned or leased.
	1) 1/1	2)
	1	2)
	3)	4)
	-/	
2.		cated, by type of switch, and indicate if
	owned or leased.	
	1) BellSouth facilities	2)
	,	
	3)	4)
3.		POP-to-POP facilities by type of facilities
	(microwave, fiber, copper, satell	ite, etc.) and indicate if owned or leased.
	POP-to-POP	OWNERSHIP
	11/14	
	1)///	
	2)	
	3)	
	4)	

** APPENDIX C **

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, Fiorida 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 O	FFICIAL:	31 MAK 99
Signature	R. D. Hyde, Jr	Date
	President	(318) 869-3878
Title		Telephone No.
Address:	910 Pierremont Rd., #348	(318) 219-4080
	Shreveport, LA 71106	Fax No.