

ORIGINAL

M E M O R A N D U M

December 20, 1999

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (VACCARO) *OV*

RE: DOCKET NO. 991663-TX - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST C.I.O., INC. FOR APPARENT VIOLATION OF RULE 25-24.805, F.A.C., CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY REQUIRED, SECTION 364.183, F.S., ACCESS TO COMPANY RECORDS AND SECTION 364.185, F.S., INVESTIGATIONS AND INSPECTIONS; POWER OF COMMISSION.

DOCKET NO. 990971-TX - APPLICATION FOR CERTIFICATE TO PROVIDE ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICE BY C.I.O., INC.

DOCKET NO. 991664-TX - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST RICHARD AUSTIN FOR APPARENT VIOLATION OF RULE 25-24.805, F.A.C., CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY REQUIRED.

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Attached are documents to be filed in the above-referenced dockets.

TV/anc  
Attachment

AFA \_\_\_\_\_  
 APP \_\_\_\_\_  
 CAF \_\_\_\_\_  
 CMU \_\_\_\_\_  
 CTR \_\_\_\_\_  
 EAG \_\_\_\_\_  
 LEG \_\_\_\_\_  
 MAS \_\_\_\_\_  
 OPC \_\_\_\_\_  
 RRR \_\_\_\_\_  
 SEC 1 \_\_\_\_\_  
 WAW \_\_\_\_\_  
 OTH 1 *reached ket*

DOCUMENT NUMBER-DATE

15500 DEC 20 99

FPSC-RECORDS/REPORTING

REQUEST THAT ARE LESS SCRUTINIZED. ( PAM  
GOLDSTON 1-205-714-0114 )

OVER THE PAST MONTH, NUMEROUS CUSTOMERS HAVE CALLED OUR OFFICE TO COMPLAIN ABOUT THEFT OF MONEY OR SERVICES BEING SHUT OFF BY TELECONEX ILLEGALLY. THESE COMPLAINTS HAVE BEEN FORWARDED TO YOUR OFFICE. IN RESPONSE WE GET UNFOUNDED ALLEGATIONS BASED SOLE ON A STORY MADE UP BY TELECONEX. WE HAVE CONTINUOUSLY ASKED ANY MEMBER OF THE PUC TO CALL OUR OPERATORS AT ANY RANDOM TIME AND ASK POINTED QUESTIONS. TO THIS DATE IT SEEMS THAT THIS HAS NOT HAPPENED. MAYBE NOW THAT LAW ENFORCEMENT AND BELL SOUTH ITSELF IS INVOLVED THAT THE PUC WILL TAKE OUR ALLEGATIONS AGAINST TELECONEX AND OUR POSITION THAT TELECONEX HAS MADE ALL THIS UP TO PUT PRESSURE ON US SERIOUS.

IT SEEMS IN THE FEW COMPLAINTS WE RECEIVED PEOPLE ARE TELLING YOU WHAT TELECONEX HAS TOLD THEM TO TELL YOU. IN FACT WE HAVE NOT MADE AN ISSUE OUT OF THINGS THAT ARE BEING SAID ABOUT PRE-CELL BY TELECONEX. WE ARE TRYING TO BE ADULTS ABOUT THIS MATTER. FRAUD AND THEFT ARE ANOTHER MATTER AND WILL BE HANDLED BY THE POLICE. THESE ARE NOT OUR ALLEGATIONS THEY ARE CUSTOMERS.

PUC IS GOING TO ALLOW TELECONEX TO CONTINUE TO USE THE PUC AS A TOOL TO SCARE CUSTOMERS, AND TO CONTINUE TO USE YOUR NAME TO PROMOTE THIS DECEPTION THAT WE ARE BEING CLOSED UP BY YOU AND THE CUSTOMERS ARE GOING BE LEFT HOLDING THE BAG. ( S0 TO SPEAK ).

IF WHAT THEY ARE TELLING THE CUSTOMER IS TRUE AND YOU ARE TELLING TELECONEX TO TELL CUSTOMERS THIS AND REQUESTING THE CUSTOMER CALL YOU FOR CONFIRMATION ( AFTER OUR CONVERSATIONS I COULD NOT IMAGINE THAT ) THEN PLEASE CALL ME TO DISCUSS THE PROBLEM.

DICK I THANK YOU FOR YOUR TIME AND I APPRECIATE YOUR POSITION, BUT WE NEED YOU HELP.

IF YOU NEED CONFIRMATION OF THE CALLS PLACE YESTERDAY TO CUSTOMER , KAREN BEECROFT WILL BE GLAD TO HEAR FROM YOU AT 850-265-3062. OR SEAN MAGIO AT 904-511-0809. I COULD GIVE YOU MORE BUT SPEAKING TO THESE PEOPLE MIGHT GIVE YOU A BETTER IDEA JUST WHAT TELECONEX IS TELLING THESE PEOPLE . AND JUST HOW THEY ARE USING THE PUC, AND YOURSELF.

RICK AUSTIN

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12/16/1999 21:57

Name TELECONEX

Company PRE-CELL SOLUTIONS, INC.

Request No. 258139R

Address 5783 GRANDE LAGOON BOULEVARD

Attn. Shannon M. Myers 2581391

By JRD Time 11:52 AM Date 05/12/1999

City/Zip Pensacola 32507-9010 County ESC

Consumer's Telephone # (850)-455-8898

To CO Time FAX Date 05/12/1999

Can Be Reached \_\_\_\_\_

Type S Phone \_\_\_\_\_

Account Number \_\_\_\_\_

Topic \_\_\_\_\_

Category NJ-99

Caller's Name STEVE WATSON

Informal Conf. \_\_\_\_\_ Outreach TELEPHONE DIRECTORY

Instruction \_\_\_\_\_

Closed by NEP Date 07/26/1999

Reply Received L

**CONSUMER REQUEST**

**FLORIDA PUBLIC SERVICE COMMISSION**

2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FL. 32399-0630  
850-413-6100

PLEASE RETURN THIS FORM WITH REPORT OF ACTION TO:

( DICK DURBIN )  
Date: 05/27/1999

Teleconex is an ALEC in Florida. Mr. Watson says he is receiving calls from his customers telling him that Family Phone Company is calling them telling them that Teleconex is bankrupt and going out of business. I spoke with Rick Austin at Family Phone Company and he says he is operating under Pre Cell's certificate. Please respond to Mr. Watson's allegations.

05/21/99 Received return mail inquiry from the Post Office. "Unable to Forward, Return to Sender."

June 15, 1999: This inquiry has been refaxed to the company today per instructions of CMU. Your reply is due by June 30, 1999.

07/26/99 Closed on request by Supervisor Carmen Pena at the request of Rick Moses, CMU, by e-mail stating to Ms. Pena this case is to be closed. eplend

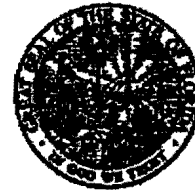
*THIS INDICATES ISSUE with Teleconex HAS been Resolved, AS I STATED*

Request No. 285819C

Name TAYLOR , SHAWN

Business:

FLORIDA PUBLIC SERVICE COMMISSION  
CONSUMER REQUEST  
2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FL. 32399-850  
850-413-6100



# Public Service Commission

PLEASE RETURN THIS FORM  
WITH REPORT OF ACTION TO:

Elsie Akanbi

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Name TAYLOR , SHAWN	Company C.I.O., INC.	Request No. 285819C
Business Name		By EAA Time 10:01 Date 10/25/19
Address 2400 SOUTH GRANT STREET	County	Type IS-29 Phone PHONE
	Consumer's Telephone # (407)-724-0943	
City/Zip Melbourne 32901-	Can be Reached (407)-455-4455	
Account Number	E-Mail Address 407-984-4679 work	Outreach REFERRED BY Public Official N
		Date 10/25/19

Customer reports that her service was improperly disconnected by Jean Francois.

Customer states that she has made previous contact with the company to discuss this issue. Please investigate this matter, contact the customer and provide me with a detailed written report by the date below.

\*\*\*\*NOTE\*\*\*\* Please submit your response to Ms. Elsie Akanbi, Division of Consumer Affairs. Telephone number 850-410-8006 and FAX telephone number 800-511-0809, or you may e-mail your response to [akanbi@psc.state.fl.us](mailto:akanbi@psc.state.fl.us)

*THIS MAN WORKS FOR Pre-Cell  
NOT C.I.O.*

Request No. 285592C

Name ROBERTS , ARMON & SUSANN

Business:



PLEASE RETURN THIS FORM WITH REPORT OF ACTION TO:

Elsie Akanbi

FLORIDA PUBLIC SERVICE COMMISSION  
CONSUMER REQUEST  
2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FL. 32399-850  
850-413-6100

# Public Service Commission

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Name ROBERTS , ARMON & SUSANN

Company C.I.O., INC.

Request No. 285592C

Business Name

Address 527 EAST MICHIGAN STREET

APT 215 - B

City/Zip Orlando

32806-

County

Consumer's Telephone # (407)-426-0522

Can be Reached (407)-426-0522

By EAA Time 10:26 Date 10/22/199

Type IS-25 Phone PHONE

Account Number

E-Mail Address

Outreach TELEPHONE

Date 10/22/19

Public Official N

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10/20/99 THIS CASE WAS ORIGINALLY FILED AS A COMPLAINT AGAINST PRECELL SOLUTIONS. PER INSTRUCTION FROM MANAGEMENT, THIS CASE WAS RELOGGED AS AN INFORMATION REQUEST AGAINST C.I.O., INC. (285260T)

Customer states she has received numerous harassing from a Mr. John Francois from Family Phone Service.

CUSTOMER HAS REQUESTED THAT MR. FRANCOIS CEASE CALLING HER .

*WORKS FOR Pre-Cell - NOT C.I.O.*

Customer states that she has made previous contact with the company to discuss this issue. Please investigate this matter, contact the customer and provide me with a detailed written report by the date below.

\*\*\*\*NOTE\*\*\*\* Please submit your response to Ms. Elsie Akanbi, Division of Consumer Affairs. Telephone number 850-410-8006 and FAX telephone number 800-511-0809, or you may e-mail your response to eakanbi@psc.state.fl.us

10/21/99 Received fax form customer indicating a police report has been filed. Case number 99-386453. A copy of the fax

12/16/1999 21:57

Name REYES, ARMIRA

Company PRE-CELL SOLUTIONS, INC.

Request No. 26524/1

Address 735 TALLAPOOSA ST.

Attn. Shannon M. Myers 2652471

By MSJ Time 3:37 PM Date 06/24/1999

City/Zip West Palm Beach 33405 County PLB

Consumer's Telephone # (561)-655-3601

To CO Time FAX Date 06/24/1999

Account Number \_\_\_\_\_

Can Be Mailed \_\_\_\_\_

Type B Form Phone

Caller's Name ARMIRA REYES

Note MSJ

Category \_\_\_\_\_

Internal Conf. \_\_\_\_\_ Outreach CUSTOMER'S BILL

Information \_\_\_\_\_

Closed by \_\_\_\_\_ Date 1/1

Reply received \_\_\_\_\_

06/24/1999 Customer called and stated she did have Pre-Cell (Family Phone Service) but cancelled the service at the end May. She has Teleconex has her long distance provider. Customer is still being billed by Pre-Cell in the amount of \$58.00.

Please investigate this issue, contact the customer and provide me with a detailed written report.

Inquiry taken by M. Jarvis  
mjarvis@psc.state.fl.us  
Current fax number 800-511-0809

June 25, 1999: This case is being handfaxed to the company today (407) 729-8404.  
C. Pena.

A copy of the updated inquiry along with the fax log verification have been placed in Maggie's mailbox. C. Pena.

07/26/99 Closed on request by Supervisor Carmen Pena at the request of Rick Moses, CMU, by e-mail stating to Ms. Pena this case is to be closed. eplendl

**CONSUMER REQUEST**

**FLORIDA PUBLIC SERVICE COMMISSION**

2540 SEBARD OAK BOULEVARD  
TALLAHASSEE, FL. 32399-0800  
850-413-6100

PLEASE RETURN THIS FORM WITH REPORT OF ACTION TO:

MAGGIE JARVIS

DUE: 07/09/1999

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12/16/1999 21:57

Name WOODS, JANET Company PRE-CELL SOLUTIONS, INC.  
 Address 210 ROCKY AVENUE Attn. Shannon M. Myers 2589421  
 City/Zip Cantonment 32533 County ESC Consumer's Telephone # (850)-968-3664  
 Account Number \_\_\_\_\_ Date \_\_\_\_\_  
 Caller's Name JANET MOODS Informal Conf. Outreach OTHER

Request No. 2589421  
 By JRD File 8:52 AM Date 05/18/1999  
 To CO File MAIL Date 05/19/1999  
 Type S Form Phone  
 Category \_\_\_\_\_  
 Instruction \_\_\_\_\_

Closed by \_\_\_\_\_ Date 1/1  
 Reply Received \_\_\_\_\_

Customer says she received a call from Family Phone Service telling her that her current company, Teleconnex, is going bankrupt and that she would need to switch her service to Family Phone Service. It appears that Family Phone Service is selling Pre-Cell Solutions product. Please provide an explanation of the telemarketer's statements about a competitor.

June 15, 1999: This inquiry has been refaxed to the company today per instructions of CHU. Your reply is due by June 30, 1999.

07/26/99 Closed on request by Supervisor Carmen Pena at the request of Rick Moses, CHU, by e-mail stating to Ms. Pena this case is to be closed. eplend

**CONSUMER REQUEST**

**FLORIDA PUBLIC SERVICE COMMISSION**

2540 SHUMARD OAK BOULEVARD  
 TALLAHASSEE, FL. 32399-0000  
 800-413-6100

PLEASE RETURN THIS FORM WITH REPORT OF ACTION TO:

DICK DURBIN

DUE: 06/03/1999



TO. MS. CALDWELL.

TO:	MR. VACARRO, MS. CALDWELL, MS. BIEGALSKI, PUBLIC SERVICE COMMISSION
FROM:	C.I.O. AND A RICK AUSTIN
DATE:	December 16, 1999
SUBJECT:	RESPONSE TO FAX DATED December 16, 1999 RE DOCKETS #S 991863, 991864, 993071

THANK YOU FOR SENDING ME THE FAX COPIES OF THE EXHIBITS AND EVIDENCE ENCLOSED IN YOUR FILES. LET ME BEGIN BY SAYING THAT FOR WHAT EVER REASON YOUR FILES CONTAIN ONLY ONE SIDED EVIDENCE. YOUR FILES ARE FILLED WITH DOCUMENTATION THE CONTRADICTS MOST OF THE EVIDENCE IN YOUR FAX TRANSMISSION. WHY WAS THE EVIDENCE ALREADY IN YOUR FILES ON MY BEHALF NOT INCLUDED IN YOUR INVESTIGATION. CORRESPONDENCE WITH RICK MOSES, DICK DURBIN, KATE SMITH, MR. CRUZ, MR. GARCIA. CONFIRMATION OF AN ONGOING INVESTIGATION BY THE FLORIDA DEPARTMENT OF LAW ENFORCEMENT INTO TELECONEX ACTIVITIES. PROOF OF AGREEMENT WITH MR. MOSES ON THE TELECONEX ISSUES. STATEMENTS FROM MR. MOSES WITH RESPECT TO CONVERSATIONS HE HAD WITH AUSTIN AS LATE AS SEPTEMBER 1999. COPIES OF THE PROOF OF CONTRACT WITH PRE-CELL, CONVERSATIONS WITH AND FAX TRANSMISSIONS TO TIM WILLIAMS. LETTERS FROM CUSTOMERS WHO HAVE STATED WE DID NOT MAKE FALSE STATEMENTS AGAINST TELECONEX(IN YOUR FILES)ALL THIS SEEMS TO HAVE BEEN ELIMINATED FROM YOUR INVESTIGATION. WHY? I THOUGHT THIS PROCESS WAS TO BE FAIR AND NOT ONE SIDED.? ENCLOSED ARE COPIES OF JUST SOME OF THE DOCUMENTS ALREADY IN YOUR FILES. BELOW IS A SUMMARY RESPONSE TO YOUR ALLEGATIONS THAT CORRESPOND TO YOUR TIME LINE AND SUMMERLANDS LETTER TO THE PSC. PLEASE CONSIDER THIS MY ANSWER TO YOUR ALLEGATIONS ALONG WITH MY COMMENTS AND REQUEST FOR CONTINUES INVESTIGATION INTO THE REAL FACTS BEFORE A SHOW CAUSE ORDER IS CONSIDERED AND A REQUEST FOR A DERRFERAL FROM THE December 21 1999 DOCKET FOR HEALTH REASONS AND THE NEED FOR MORE INVESTIGATION INTO THE FACTS OF THIS ISSUE.

CASE BACKGROUND

AGREED  
 AGREED  
 UNKNOWN  
 DISAGREED, CALLS WERE TAKEN BY BOTH TELECONEX AND THE PSC FROM MAY 6 1999 THROUGH JUNE 20 1999. ABOUT CALLS THAT ALLEGEDLY WERE MADE BY PRE-CELL /FAMILY PHONE SERVICES NOT C.I.O.  
 AGREED, HOWEVER A CONVERSATION TOOK PLACE BETWEEN MYSELF AND RICK MOSES SHORTLY AFTER THE MEETING WITH TELECONEX WHERE MR. MOSES STATED THAT IF THE MATER BETWEEN TELECONEX AND PRE-CELL WAS NOT RESOLVED ASAP HE WOULD SHOW CAUSE BOTH COMPANIES. THE NEXT DAY BY AGREEMENT THE ISSUE OF CONTACT WITH TELECONEX CUSTOMERS WAS

RESOLVED WITH MR. MOSES AND I WAS TOLD THE MATTER WAS CLOSED. AFTER THAT DATE THERE WAS NO FURTHER CONTACT WITH ANY TELECONEX CUSTOMER ON ANY ISSUE.

AGREED

AGREED

AGREED

AGREED

AGREED

DISAGREED, PRE-CELL CANCELLED THEIR AGREEMENT WITH C.I.O.INC BECAUSE IT REQUIRED PAYMENT FOR CUSTOMER SERVICES THAT WERE NO LONGER PRE-CELL CUSTOMERS AND CHARGES WERE DISPUTED WITH BellSouth ACCORDING TO THEIR( BELL SOUTH ) REQUIREMENTS.THESE DISPUTS WERE PREPARED BY MR. PINDER PRE-CELL'S OWN STAFF MEMBER IN CONFORMANCE WITH BELL SOUTH REGULATIONS. BELL SOUTH NEVER DISAGREED WITH THOSE DISPUTED CHARGES > . AT NO TIME DID C.I.O., INC REFUSE TO REEMIT CUSTOMER PAYMENTS TO PRE-CELL, IN FACT OUR ATTORNEY (LISA HARGROVE REQUESTED DAILY THAT PRE-CELL PICK UP THE REMITTED MONIES DAILY AT FIVE P.M. UNDER THE AGREEMENT THAT ANY CUSTOMERS PAYMENT RECEIVED BY PRE-CELL WOULD NOT HAVE THEIR SERVICE INTERRUPTED. PRE-CELL REFUSED TO PICK UP SAID FUNDS AND CONTINUED TO SHUT OFF CUSTOMER SERVICE. IN FACT ONE CUSTOMER TRIED TO GO TO A JUDGE IN DISTRICT COURT TO COMPLAIN ABOUT JOHN FRANCIOS A PRE-CELL EMPLOYEE.(DOCUMENTED )

AGREED

AGREED IN PART, C.I.O., INC, RECEIVED NOTICE OF A REQUEST FOR AUDIT WITH RESPECT TO IT'S REQUEST FOR CERTIFICATION. THE NOTICE WAS TO C.I.O., INC ONLY, NOT TO RICHARD AUSTIN AND THE REQUEST WAS WITH RESPECT TO THE APPLICATION FOR CERTIFICATION AND NO OTHER ISSUES WERE EITHER DISCUSSED OR DISCLOSED.

DISAGREED, C.I.O., INC , DID NOT REFUSE THE AUDIT, AUSTIN WAS UNDER MEDICAL CARE FOR A HEART CONDITION AT THE TIME, AND SO ADVISED THE AUDITOR. THAT AUSTIN WAS WAITING AND WAS SCHEDULED FOR HEART SURGERY. AT THE TIME, AUSTIN'S CONDITION WAS CONSIDERED UNSTABLE AND IN FACT AUSTIN SUFFERED A HEART ATTACK ON NOVEMBER FOURTH AT 10 A.M. PRIOR TO SCHEDULED SURGERY . ( DOCUMENTED )

AGREED. AFTER CONVERSATIONS THAT PRIOR DAY WITH MS. BIEGALSKI & MR. KENNEDY I WAS ADVISED TO STAY OUT OF THE ISSUES BETWEEN CUSTOMERS AND PRE-CELL. AND I QUOTE MS BIEGALLSKI WHEN IN RESPONSE TO MY QUESTION ON WHAT I WAS SUPPOSED TO DO IN ORDER TO PROTECT THE INTERESTS OF THE CUSTOMERS WHO HAD MADE THEIR TELEPHONE PAYMENTS AND WERE HAVING THEIR SERVICE DISCONNECTED! I QUOTE " STAY OUT OF IT WHY ARE YOU INVOLVED IN THE FIRST PLACE ! IF THE CUSTOMER HAS A PROBLEM SEND THEM TO PRE-CELL OR TELL THEM TO CALL THE PSC' WE THEN SHUT THE OFFICE DOWN AND COMPLIED WITH BIEGALSKI'S REQUEST TO SAY OUT OF IT

### LETTER FROM SUZANNE SUMMERLAND TO PSC

I SENT A COPY OF THE LITIGATION AGAINST TELECONEX TO BOTH RICK MOSES AND DICK DURBIN, WHICH CONTRADICTS EVERYTHING IN THE LETTER FROM SUSAN SUMMERLAND.

DID ANYONE AT THE MEETING WITH TELECONEX, OR IN THE LETTER FROM SUSAN SUMMERLAND DISCLOSE THE FACT THAT A CLOSING FOR THE SALE OF TELECONEX WAS SCHEDULED FOR APRIL 30 1999, AND THAT

ON APRIL 29<sup>TH</sup> 1999 AND ALL THROUGH THE PRIOR WEEK THEIR ATTORNEY GEORGE LUMAS ASSURED OUR ATTORNEY, TRACEY HAOUK THAT THE SALE WOULD TAKE PLACE THE NEXT DAY AS SCHEDULED A WRITTEN LETTER OF AGREEMENT TO SELL EXISTS DATED A WEEK PRIOR TO THEIR DISMISSAL OF OUR SERVICE. DID THEY EVER DISCLOSE THAT THE WEEK PRIOR TO THE CLOSING THEY MOVED TO ANOTHER LOCATION, BOUGHT A NEW PHONE SYSTEM, HIRED NEW EMPLOYEES ETC. ALL THIS WHILE LEADING OUR ATTORNEY TO BELIEVE A SALE WAS GOING TO TAKE PLACE. DID ANYONE DISCLOSE TO YOU OR YOUR STAFF THAT CRISS WATSON WAS IN MELBOURNE FLORIDA THAT PRIOR WEEK AND WITH MY ATTORNEY NEGOTIATED THE SALE, PAPERWORK WAS EXCHANGED AND PROMISES MADE. AT NO TIME DID MR. WATSON STATE THEIR WAS A DISPUTE OVER MONEY, OR ANYTHING TO THAT EFFECT, IN FACT WE WERE COMPLAINING THAT TELECONEX WAS BEHIND IN THEIR PAYMENTS TO C.I.O.,INC. SEE ENCLOSED DOCUMENTATION PREPARED BY TELECONEX OFFICIALS. THE LETTER FROM SUMMERLAND IS A SMOKE SCREEN TO COVER UP THE WATSON FRAUD AGAINST C.I.O., INC A MATTER AS I STATED THAT IS CURRENTLY IN LITIGATION.

A BRIEF COMMENT ABOUT THE LETTER FROM SHARON FAULKNER NOTED IN SUMMERLANDS LETTER ACCORDING TO THE EXHIBITS YOU ENCLOSED IN YOUR FAX THE CALLS WERE ALLEGEDLY MADE, IN MAY, ACCORDING TO YOUR EXHIBIT. NOT IN JUNE OF 1999 WHICH WAS PRIOR TO OUR RESOLVING THE MATTER BY AGREEMENT WITH MR. MOSES. IN ADDITION, NO CALLS COULD HAVE BEEN LOGGED ON A CALLER ID IN JUNE OF 1999 AS CUSTOMER STATED , SINCE THAT HAD BEEN RESOLVED BY BELLSOUTH AND IS EASILY CHECKED BY CALLING BELLSOUTH TO SEE WHEN THE CHANGE ORDER TOOK EFFECT. IT MIGHT ALSO BE NOTED THAT TELECONEX WAS THE ORIGINATOR OF THE REQUEST TO HAVE TELECONEX SHOW UP ON THE CALLER ID.THEY ALSO PLACE THE ADDS IN THE YELLOW PAGES (DOCUMENTED) THEY NOW COMPLAIN OF THE EFFECT THEIR OWN ACTIONS TO THE PSC.

SINCE THE ISSUES STATED IN THE SUMMERLAND LETTER ARE NOT PROVEN FACTS, MERELY THEIR SIDE OF THE COMPLICATED ISSUE AND A MATTER FOR THE COURTS TO DECIDE. THE LETTER SHOULD BE DISREGARDED AS UNSUBSTANTIATED ALLEGATIONS AND HEARSAY PLEASE ALSO NOTE FOR AS MANY LETTERS A TELECONEX MAY SUPPLY SAYING WE MADE FALSE STATEMENTS ABOUT THEM WE CAN ALSO SUPPLY SAYING THEY MADE FALSE STATEMENTS ABOUT US AND THAT WE SAID NOTHING BAD ABOUT TELECONEX IN OUR CONTACT WITH THE CUSTOMER IN FACT THOSE LETTERS ARE ALREADY ON FILE WITH MR. MOSES AND MR. DURBIN. ( SEE LETTERS FROM SEAN MAGIO, KAREN BEECROFT ETC.

#### BellSouth ISSUE

I AGREE THAT I PLACED ONE ORDER FOR SERVICE WITH BellSouth, FOR SERVICE ON BEHALF OF A CUSTOMER IN ANOTHER STATE WHO WAS A FLORIDA RESIDENT BUT SERVICED BY BellSouth IN ANOTHER STATE. SHE

WAS A PRE-CELL CUSTOMER WHO LOST HER SERVICE AND ADVISED US THAT SHE WAS UNDER A MEDICAL CONDITION AND NEEDED HER SERVICE RESTORED SINCE WE WERE IN A DISPUTE WITH PRE-CELL AND STILL TRYING TO RESOLVE THE ISSUES AT HAND I DECIDED TO ACCOMMODATE THE CUSTOMER, I DISCUSSED THE ISSUE WITH BellSouth AND ADVISED THEM I DID NOT LIVE AT THAT LOCATION AND THEY TOOK THE ORDER ANYWAY. AS FAR AS THE REST OF THE ORDERS THAT WERE PLACED TO BellSouth WE NEVER CLAIMED TO BE A CERTIFIED COMPANY TO THEM WE ASKED IF WERE COULD PROVIDE CUSTOMERS WITH TEMP DIAL TONE WHILE THEIR SERVICE WAS PLACED WITH SECOND CHANCE PHONES. THIS WAS DONE TO EXPEDITE THE ORDERS THAT WERE BACK LOGGED WHEN THE PRE-CELL DISPUTE AROSE. AS SOON AS DIAL TONE WAS ACQUIRED, SERVICE WAS TRANSFERRED TO SECOND CHANCE. BellSouth IS THE ONE WHO ADVISED ME THAT IT WAS OK TO DO IT THE WAY I WAS DOING IT, SINCE STRAIGHT DIAL UP REQUESTS FOR SERVICE RESULTED IN FASTER ACQUISITION OF DIAL TONE FOR THE CUSTOMERS. SECOND CHANCE THEN BILLED THE CUSTOMER FOR THE SERVICE NOT, C.I.O.INC. BellSouth IS THE ONE WHO CALLED DAILY FOR ORDERS, WE DID NOT CALL THEM, AND A SUPERVISOR WHO ASSURED US IT WAS OK TOOK ORDERS. THIS WENT ON FOR APPROX. 2 WEEKS. ONCE WE WERE ADVISED THAT THINGS COULD NOT BE DONE THIS WAY SO WE STOPPED. IN ADDITION, BellSouth SUPERVISORS AND THEIR STAFF APOLOGIZED FOR THE BAD- INFORMATION AS THEY TERMED IT THAT WAS GIVEN BY THEIR OWN EMPLOYEES. HOWEVER, IT STILL SHOULD BE NOTED THAT I ONLY PLACED ONE ORDER FOR SERVICE. ANOTHER EMPLOYEE TOOK IT UPON THEMSELVES TO WORK OUT THE SPECIFICS WITH BellSouth, FOR THE OTHER ORDERS PLACED (THAT SHOULD ALSO EASILY VERIFIED BY BellSouth). WE DID NOT BILL THESE PEOPLE FOR SERVICE TO THE BEST OF MY KNOWLEDGE.

#### **DENIAL OF CERTIFICATION**

I AM AWARE THAT BEING UNABLE TO COMPLY WITH THE REQUEST FOR AUDIT IN ORDER TO SECURE MY CERTIFICATION WOULD MORE LIKELY THAN NOT , RESULT IN A DENIAL OF THE CERTIFICATION. HOWEVER I DO NOT AGREE THE NOT HAVING COMPLIED WITH THAT REQUEST WOULD SUBJECT ME TO A SHOW CAUSE ORDER . I SEE IN THE RULES THAT PSC HAS THE POWER TO REQUIRE AND AUDIT FOR CERTIFIED COMPANIES ( WITH PROPER NOTICE AND THE ABILITY FOR REPRESENTATION) THE NOTICE I RECEIVED DEALT ONLY WITH THE APPLICATION. HOWEVER I DO NOT SEE HOW THAT POWER EXTENDS TO NON CERTIFIED COMPANIES, WHO ARE GOING THROUGH THE APPLICATION PROCESS. FAILURE TO COMPLY WITH THE REQUEST FOR A NON CERTIFIED COMPANY RESULTS IN THE APPLICATION BEING DENIED, NOT A FINE IMPOSED. AT LEAST THAT IS MY UNDERSTANDING ACCORDING TO THE RULES.

#### **INTENT**

AT NO TIME DID I INTEND TO BREAK ANY RULES ESTABLISHED BY THE PSC, I AT NO TIME DID I WILLFULLY BREAK ANY RULES ESTABLISHED BY

THE PSC. IF ANYTHING, IF THERE WERE ANY INFRACTIONS OF PSC RULES THEY WERE UNINTENTIONAL DUREING A TIME OF STRESS AND POOR HEALTH. MY ACTIONS SHOULD BE CONSIDERED AS AN ERROR IN JUDGEMENT. DURING THE MONTHS OF SEPTEMBER, OCTOBER, AND NOVEMBER 1999, I WAS UNDER HEAVY SEDATION BECAUSE OF MY HEART CONDITION. I WAS HOSPITALIZED 3 TIMES. DURING THAT TIME PERIOD I WAS ORDERED TO TAKE 3 SEPARATE HEART MEDICATIONS, AS WELL AS TRAMADOL, MORPHINE AND VALIUM FOUR TIMES PER DAY, TOGETHER WITH A SLEEPING MEDICATION. DURING THAT TIME PERIOD I WAS UNDER HEAVY SEDATION AND I THINK THAT WOULD ACCOUNT FOR SOME OF MY ERRORS IN JUDGEMENT OR MY IRRATIONAL BEHAVIOR, IN FACT MY HEART CONDITION WAS CONSIDERED SO UNSTABLE AT THE TIME THAT BESIDES GETTING MY WILL PREPARED AND MEETING WITH FAMILY TO GET MY AFFAIRS IN ORDER A VIDEO DEPOSITION WAS ORDERED AS A LAST STATEMENT AND TESTIMONY FOR THE COURT RECORD. MY CONDITION IS STILL CONSIDERED UNSTABLE AT THIS TIME AND I AM STILL UNDER THE SAME HEAVY MEDICATIONS AND DOCTORS CARE BECAUSE OF MY CONTINUING HEART PROBLEMS AND THE NATURE AND STRESS ASSOCIATED WITH THIS TYPE OF BUSINESS I NO LONGER BELIEVE I AM ABLE TO BE INVOLVED IN THIS BUSINESS. THE COMPANY IS CLOSED DOWN, THE EMPLOYEES DISMISSED ETC.

**I NOW FORMALLY REQUEST THAT THE MEETING THAT WAS TO TAKE PLACE IN YOUR OFFICES ON DECEMBER 15 1999 BE RESCHEDULED IN MELBOURNE FLORIDA SO THAT I MIGHT ADDRESS THESE ISSUES IN MORE DETAIL AND PROVIDE DOCUMENTATION TO PROVE MY INNOCENCE. I AWAIT YOUR DECISIONS IN THIS MATTER**

I ASSURE ALL MEMBERS OF YOUR STAFF THAT THERE IS MORE THAN ONE SIDE TO THIS MATTER AND ALTHOUGH ISSUES SEEM TO BE STACKED AGAINST ME AT THIS TIME I CAN AND WILL PROVE THAT I DID NOT DO ANYTHING INTENTIONAL TO BREAK ANY RULES QUITE TO THE CONTRARY I THINK I TRIED TO GO OUT OF MY WAY TO ACT RESPONSIBLY I ASK FOR THAT CHANCE, IF IT WAS NOT FOR MY HEALTH I WOULD BE CLINGING TO YOUR DOORSTEPS. I ALWAYS KEPT IN CONTACT WITH MR. MOSES JUST TO MAKE SURE WE HAD COMPLIED TO OUR AGREEMENT WITH HIM WITH RESPECT TO THE TELECONEX ISSUES, AND ALSO WITH HIS DIRECTIVES ON THE PRE-CELL AGREEMENT. AS OF EARLY SEPTEMBER, HE GAVE NO INDICATION OF ANY NON COMPLIANCE ISSUES.

WERE YOU ALSO AWARE THAT I WAS AN OFFICER IN PRE-CELL? MR. MOSES WAS SO ADVISED. WERE YOU ALSO AWARE THAT TELECONEX WAS THE ONE WHO WALKED AWAY WITH FIVE THOUSAND CUSTOMERS THAT WE WERE TO BE PAID \$ 8.00 PER MONTH RESIDUALS ON ? OR THAT WE HAD NOT RECEIVED PAYMENT FROM THEM FOR FEBRUARY, MARCH OR APRIL OF 1999 IN AN AMOUNT IN EXCESS OF \$48,000.00. THERE ARE ALSO DOCUMENTS THE WERE SIGNED BY STEVE WATSON REQUESTING US TO DEPOSIT FUNDS INTO OUR ACCOUNTS AND THEN FORWARD THOSE FUNDS TO TELECONEX, HOW ABOUT WRITTEN REQUESTS FROM STEVE

WATSON AND SUPPORTING DOCUMENTS THAT SHOW STEVE REQUESTING OUR COMPANY TO NOT ONLY HIRE ATTORNEYS IN ANOTHER STATE BUT ALSO ASKING US TO ADVANCE THE MONEYS FOR RETAINER ON THEIR BEHALF WHICH WERE NEVER RE-PAID. HOW ABOUT THE ISSUE OF PRE-CELLS NON COMPLIANT STATUS WITH THE PSC AT THE TIME WHEN THEY SUCKED US INTO THE BUSINESS ARRANGEMENT WITH THEM. ( SEE MR .WILLIAMS LETTER TO PRE-CELL ) THAT LETTER LED OUR COMPANY TO BELIEVE THAT WE WERE DEFRAUDED BECAUSE IT STATE PRE-CELL WAS NOT ALLOWED TO PROVIDE DIAL TONE IN FLORIDA SINCE IT HAD NOT FILED A PRICE LIST AND ALSO HAD NOT FILED FOR THEIR NAME CHANGE. I COULD GO ON BUT MY REQUEST STANDS PLEASE GIVE ME THE OPPORTUNITY TO PROVE THERE IS MORE TO THIS THAN MEETS THE EYE.

**PLEASE FORWARD COPIES OF THIS RESPONSE TO INTERESTED PARTIES AT THE PSC.**

FROM : PRE-PAID SOLUTIONS, INC.

PHONE NO. : 4077298484

Sep. 26 1999 01:44PM P3

### Letter of Intent

**Whereas** PreCell Solutions, Inc. of 255 East Drive, Suite C., Melbourne, Florida, hereinafter "PCS" is a CLEC with the state of Florida licensed to resale dial tone service, and

**Whereas** PCS has a contract with Bell South, Inc. to purchase home dial tone service for resale, and

**Whereas** CIO/Rick Austin of 3150 S. Babcock Street, Melbourne, Florida 32901 herein after "CIO" is in the business of selling to retail customers home dial tone.

**Whereas**, Rick Austin represents that CIO is fully experience and familiar with Bell South Lens access or any system certified by Bell South Inc. and is proficient in activating and deactivating customers, customer service, customer management, calling features, customer billing and familiar with the Bell South tariffs and otherwise very experienced with all aspects of home phone resale, and

**Whereas**, the parties wish to set forth an agreement with the following minimum parameters:

1. CIO is responsible for 100% of the financial liability associated with all customers sold by CIO.
2. CIO is responsible for all Bell South Lens access associated with the CIO customers.
3. CIO will timely and accurately complete all paperwork associated with each transaction which is required by PCS, Bell South or any regulatory agency.
4. PCS will develop an activation and tracking system, which must be accurately followed by CIO.
5. CIO will determine the retail price to be charged the customer as outlined in the tariff. CIO will be responsible for all charges associated with the sales to customers.

EXHIBIT "D"

FROM : PRE-PAID SOLUTIONS, INC.

PHONE NO. : 4077298484

Sep. 26 1999 01:44PM P4

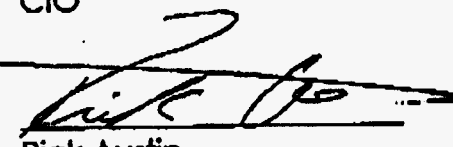
- 6. CIO will pay to PCS a flat fee of \$10.00 for each month of service being charged by Bell South or prorated portion thereof for each customer
- 7. CIO is responsible for all bad debts associated with CIO's customers.
- 8. CIO will pay PCS the estimated Bell South bill and the PCS \$10.00 fee within 3 days incurring of bills from Bell South.
- 9. PCS and CIO will settle any difference between the actual Bell South Inc. bill and the estimated Bell South Inc. bill paid as set forth in Sections 8 and 9 within 3 days of the Bell South Inc. bill being issued.
- 10. All checks will be made to PCS.
- 11. CIO will (within 3 days of written notice by PPS) place a letter of credit in the amount sufficient to cover 2 months estimated billing in the event CIO fails to pay any invoice from Bell South within 3 days of the bill being due. If CIO fails to place the required letter of credit, than PPS will begin billing customers directly and receive 100% of the income.

Accepted this 6<sup>th</sup> day of May 1999.

PreCell Solutions, Inc.

CIO

  
 \_\_\_\_\_  
 Thomas E. Biddix  
 President

  
 \_\_\_\_\_  
 Rick Austin  
 Title:



AMENDMENT TO LETTER OF INTENT


# 6 SHALL BE AMENDED TO READ: C.I.O. INC WILL PAY PCS A FLAT FEE OF \$ 10.00 FOR EACH CUSTOMER THAT HAS RENEWED SERVICE EACH MONTH. PAYMENT TO PCS SHALL BE MADE AT THE TIME THE BELL SOUTH BILL IS PAID TO PCS.

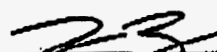
# 8 SHALL BE DELETED

# 9 SHALL BE DELETED

# 11 SHALL BE AMENDED AS FOLLOWS C.I.O. WILL WITHIN 10 BUSINESS DAYS SETTLE THE BELLSOUTH BILL AND PAY TO PCS BY CHECK THE AMOUNT DUE TO BELLSOUTH LESS ANY DEDUCTIONS AGREED TO BY BELLSOUTH.

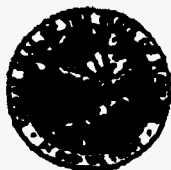
THE ABOVE SHALL BECOME PART OF THE LETTER OF INTENT SIGNED AND DATED MAY 5 1999.

  
\_\_\_\_\_  
RICK AUSTIN  
Dated July 08 - 1998

  
\_\_\_\_\_  
TOM BIDDIX  
Dated July 08, 1998

STATE OF FLORIDA

Commissioners:  
JOE GARCIA, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
RUTH L. JOHNSON  
E. LEON JACOBS, JR.



DIVISION OF  
TELECOMMUNICATIONS  
WALTER D'HAESELEER  
DIRECTOR  
(850) 413-6600

**Public Service Commission**

October 11, 1999

Mr. Thomas Biddix, President  
Pre-Cell Solutions, Inc.  
255 East Drive, Suite C  
Melbourne, FL 32904-1032

Re: RE: Price List

Dear Mr. Biddix:

On November 11, 1997, Pre-Cell Solutions, Inc. became certificated as an alternative local exchange company in Florida. Further, in a letter dated April 14, 1998, Pre-Cell Solutions, Inc. (PCS) was notified that a price list must be submitted to this Commission at least one day prior to offering service in Florida.

On July 9, 1999, this Commission received a proposed price list containing 42 pages. However, this price list needed corrections and was mailed back to PCS on July 29, 1999. In several telephone calls to PCS, the company has informed this Commission that the price list is being corrected and will be forwarded as soon as these corrections are made. As of this date, no price list has been forwarded to this Commission.

On October 8, 1999, this Commission became aware that PCS is and has been providing alternative local telephone service to residents of Florida (Attachment A). Since PCS has not complied with Rule 25-24.825, Price List, Florida Administrative Code, PCS cannot provide alternative local service within the State of Florida. In addition, according to the Secretary of State/Division of Corporations, it appears that PCS is operating under a new name other than what PCS was originally certificated to operate under in Florida (Attachment B).

Therefore, PCS has 15 days from the receipt of this letter to forward a request for a name change along with a price list. Failure to do so will result in staff recommending that PCS be required to show cause in writing as to why PCS should not be subject to a fine of up to

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850  
As Affirmative Action/Equal Opportunity Employer

EXHIBIT "C"

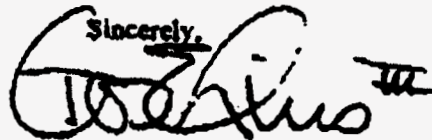
Mr. Thomas Biddix, President

Page 2

October 11, 1999

\$25,000.00 for each offense pursuant to Section 364.285, Florida Statutes, for every day it was in violation.

This correspondence is for informational purposes and is not a formal decision by the Commission. Any formal determination of your substantial interests regarding matters within the jurisdiction of this Commission will be made pursuant to the provisions of Chapter 120, Florida Statutes and Chapter 25-22, Florida Administrative Code. If you should have any questions regarding this matter, please do not hesitate to contact me at (850) 413-6586

Sincerely,  


Thomas E. Williams, III  
Engineer IV  
Certification and Tariff Administration

TEW:rew

attachments

TO : TOM BIDDIX

FROM : C.L.O.,INC

SUBJECT : CUSTOMER TRUST

DATE : October 20, 1999

ENCLOSED PLEASE FIND PROOF OF THE CUSTOMER TRUST ACCOUNT THAT WE SET UP IN ORDER TO PROTECT THE CUSTOMER TELEPHONE SERVICE.

SINCE WE ARE UNABLE TO RESOLVE THE DISPUTE BETWEEN COMPANIES AT THIS TIME AND SINCE THE CUSTOMER IS OUR MAIN INTEREST WE ARE DEPOSITING THE APPROPRIATE CUSTOMER FUNDS INTO THE TRUST ACCOUNT UNTIL RESOLUTION OF THIS DISPUTE IS ATTAINED. WE HAVE MADE MANY PROPOSALS TO RESOLVE THIS MATTER THAT TO DATE HAVE GONE UNANSWERED.

YOU NOW HAVE NO REASON TO INTERRUPT PAID CUSTOMERS SERVICE.

*MR Williams*

*While We Are Trying  
To Resolve Our Dispute with  
Pro-Cell This is What We Are  
Doing To protect customers*

EXHIBIT "G"



# PRE-CELL

# FAMILY PHONE

255 East Drive, Suite C., Melbourne, FL (407) 729-7374 FAX (407) 729-8484

Dear Valued Customer:

We are no longer working with the company that was collecting our payments.

Please make sure all payments are made.

By money order to:

PRECELL / FAMILY PHONE  
255 East Drive, Suite C  
Melbourne, FL 32904

OR

To Western Union. You can call 1-800-325-6000 to find the payment center nearest to you. The code is "Family Phone".

We will be sending you a bill in the next few days for October. If you have paid us at the above address, thank you and your November bill will reflect that payment. If you have paid CIO you must send us a copy of that payment, either cancelled check, money order receipt or credit card receipt, along with a copy of CIO's bill.

**THIS IS VERY IMPORTANT. WE CAN NOT GUARANTEE THAT YOU WILL RECEIVE CREDIT IF YOU PAY THE OLD COMPANY OR MAKE A PAYMENT TO ANY OTHER PAYMENT CENTER THAN THOSE LISTED HERE. PLEASE CALL AT YOUR EARLIEST CONVENIENCE SHOULD YOU HAVE ANY QUESTIONS. WE HAVE ENCLOSED A COPY OF OUR PUBLIC UTILITY COMMISSION LICENSE TO CONFIRM TO YOU OUR LICENSE.**

**PRECELL / FAMILY PHONE GENERAL PRICING: ( Does not include taxes)**

Basic Plan w/ call waiting	\$ 44.95
Basic Plan w/ Call Waiting & LD access	\$ 49.95
Family Fun Package Complete	\$ 54.95

We look forward to serving you and we apologize for any inconvenience this may have caused.

Sincerely,

Thomas E. Biddix  
CEO

EXHIBIT, "H"

**TO DICK DURBIN**

**FROM RICK AUSTIN**

**SUBJECT: DISPUTE BETWEEN TELECONEX & C.I.O. INC**

**MR. DURBIN YOU AND I HAVE NOT YET HAD A CHANCE TO SPEAK. I GOT YOUR NAME FROM YET ANOTHER CUSTOMER WHO HAS CALLED AND TOLD US THAT TELECONEX HAS TOLD THEM WE WERE GOING TO STEAL THEIR MONEY AND WE WERE RUNNING A SCAM ON THEM, AND THAT WE WERE UNDER INVESTIGATION BY YOUR DEPT. AND THAT WERE WE GOING TO BE FINE FIVE THOUSAND DOLLAR A CUSTOMER FOR OUR ACTIONS.**

**LET ME BEGIN BY SAYING THAT WE WERE THE PROCESSING COMPANY FOR TELECONEX SINCE AUGUST 1998, IN APRIL 1999 A DISPUTE AROSE BETWEEN OUR RESPECTIVE COMPANIES AND WE WERE ASKED NOT TO PROCESS FOR THEM ANY LONGER (SEE ENCLOSED NOTE TO OUR CORPORATE ATTORNEY)**

**IN ORDER TO CONTINUE TO EXIST UNTIL ALL MATTERS WERE SETTLED IN LITIGATION, (SEE ENCLOSED COMPLAINT FILED IN COURT) WE BEGAN PROCESSING FOR ANOTHER COMPANY ( PRECELL SOLUTIONS). SINCE WE BEGAN PROCESSING FOR PRECELL WE HAVE BEEN GETTING A TREMENDOUS AMOUNT OF CALLS FROM TELECONEX CUSTOMERS TELLING US THAT THEY HAD MADE THEIR PAYMENTS AND THEIR SERVICE HAD BEEN SHUT OFF. WHEN THEY CALLED TELECONEX THEY WERE TOLD WE STOLE THEIR MONEY, AND TELECONEX DID NOT RECEIVE THEIR PAYMENT. THEY WERE INSTRUCTED TO CALL THE PUC.**

**MR. DURBIN IT IS QUITE INTERESTING THAT THE CUSTOMERS THAT WERE CALLING US WERE TELLING US THAT THE PAYMENT WAS MAILED TO PENSACOLA AND WE ARE HERE IN MELBOURNE. IF THE PAYMENTS WERE GIVEN TO AGENTS TELECONEX BY THEIR OWN ADMISSION CALLED EACH AGENT**

**JOHN,**

**HERE ARE OUR ANSWERS TO THE SUMMONS AND COMPLAINT.**

**ON APRIL 29 1999 AT APPROX. 6.P.M. I WAS ADVISED THAT TRACY HAD RECEIVED A FAX TRANSMISSION FROM GEORGE LOMIS, ATTORNEY FOR TELECONEX. (A COPY OF THAT FAX IS IN YOUR OFFICE.) NO ACTION WAS TAKEN ON THE FAX SINCE OUR COMPANY DOES NOT OPERATE OVER THE WEEKEND. AT THAT TIME, WE WERE TO THE BEST OF OUR KNOWLEDGE PREPARING FOR THE SALE OF TELECONEX TO C.I.O.**

**AT THE TIME WE WERE ADVISED THAT THE SALE WAS NOT GOING TO TAKE PLACE, AND THE TELECONEX/C.I.O. RELATIONSHIP HAD FALLEN APART WE WERE ACTING ON THE GOOD FAITH REPRESENTATIONS THAT INDEED THE SALE WAS GOING TO, PROCEED. ADVERTISING WAS ALREADY IN PLACE FOR THE FIRST WEEK OF MAY AS WERE THE AGENTS. ON SUCH SHORT NOTICE ( 24 HOURS) THERE WAS NO WAY TO PREVENT THE ADDS FROM RUNNING, NOR STOP THE AGENTS FROM DOING WAS THEY WERE CONTRACTED TO DO FROM THE BEGINNING OF THE C.I.O./ TELECONEX RELATIONSHIP.**

**AS SUCH AND THE WAY THINGS TURNED OUT TELECONEX, DIVERTED THE TELEPHONE CALLS, AND ALL FAX TRANSMISSIONS FROM OUR NUMBERS TO THEIR NUMBER ON APRIL 30 1999 THEREFOR ELIMINATING OUR CONTACT WITH THE NEW OR EXISTING CUSTOMER BASE. ALL NEW ORDER REQUESTS FROM AGENTS WERE DIVERTED TO TELECONEX BOTH THEN AND NOW.**

**AS FOR THE FICTITIOUS NAME USE, WE DID NOT DEVELOP THE PAPERWORK THAT SAID TELECONEX/C.I.O. NOR WAS THAT A DAB. TELECONEX DEVELOPED THAT AND IT WAS TELECONEX THAT PLACE IT THAT WAY IN THE TELEPHONE BOOK.**

**AS FAR AS USING A SIMILAR TRADEMARK IN OUR NEW COMPANY, LOOK AT THE FIRST ADD TO RUN BY OUR COMPANY SINCE THE BREAKUP OF TELECONEX/C.I.O. NOT EVEN CLOSE. ALL PAPERWORK ASSOCIATED WITH TELECONEX HAS BEEN DESTROYED.**

**WE HAVE COLLECTED NO TELECONEX MONEY SINCE THE BREAKUP, ONCE AGAIN BECAUSE TELECONEX ACCORDING TO THE FAX SENT TO TRACY AND THEIR FOLLOW-UP ACTION, STATED THEY WERE TAKING OVER THE AGENTS AND INSTRUCTING THEM NOT TO SENT MONEY TO C.I.O. WHICH THEY DID.**

**THERE IS NO ACCOUNTING TO PROVIDE TO TELECONEX, BECAUSE THERE WAS NO BUSINESS BE DONE ON THEIR BEHALF.**

**LASTLY.**

**THE OPERATION OF THE NEW COMPANY.**

**WE HAVE NOT IN ANY WAY DEGRADED TELECONEX TO ANY CUSTOMER, OR AGENT. IN FACT ANY AGENT THAT HAS CALLED US ABOUT THE BREAKUP HAS BEEN TOLD TO DO WHAT WAS IN THEIR BEST INTERESTS.**

**AS FOR CUSTOMERS WE ARE NOT TELLING THEM ANYTHING OTHER THAN WE DO NOT PROCESS FOR TELECONEX ANY LONGER AND THAT IF THEY WOULD LIKE TO CONVERT THEIR SERVICE WE WOULD BE GLAD TO DO SO FOR A LESSER RATE. THAT IS ALL. WE HAVE NOT TAKEN ANY ACTION TO CONFUSE THE CUSTOMER, OR MAKE THE COMPANIES SOUND SIMILAR. IN FACT, WE HAVE GONE OUT OF OUR WAY TO**

AND TOLD THEM TO SEND ALL PAYMENTS AND ADVICE OF PAYMENTS TO TELECONEX DIRECTLY. ALSO PLEASE NOTE THAT TELECONEX HAD ALL CALLS TO OUR TELEPHONES ROUTED TO THEIR OFFICE AS OF APRIL 31 1999. AS WELL AS ALL FAX TRANSMISSIONS.

THIS IS VERIFIED BY TALKING WITH KATE SMITH IN THE PUC. WE HAVE BEEN IN TOUCH WITH HER AND DISCUSSED THIS MATTER FROM THE DAY OF THE BREAKUP TO PRESENT.

WE HAVE NOTHING BAD TO SAY ABOUT TELECONEX TO THE PUBLIC, SINCE THE PUBLIC HAS NO PART IN THE COMPANIES DISPUTE WITH EACH OTHER. UNFORTUNATELY, I CAN NOT SAY THE SAM ABOUT THEM.

I RECEIVED CALLS FROM OTHER CLEC'S TELLING US THE TELECONEX VERSION OF OUR BEING CROOKS ( CHARLIE AT ALTERNATIVE PHONES IN OCALA ) ( 353-622-4949 )

I COULD SUPPLY YOU WITH A LIST OF CUSTOMERS WHO HAVE BEEN TOLD A VERY NASTY STORY ABOUT US, BUT THAT WOULD BE UPON YOUR REQUEST.

I WOULD BE GLAD TO SPEAK WITH YOU AT ANY TIME ABOUT THIS MATTER, AND I CAN ASSURE YOU THAT IF I FIND ANY EMPLOYEE NO MATTER HOW FRUSTRATED THEY ARE WITH THE STORIES THEY ARE HEARING ABOUT TELECONEX COMMENTS ABOUT OUR COMPANY SAYING ANYTHING BAD ABOUT TELECONEX THEY WILL BE DISMISSED AT ONCE..

I DO NOT BELIEVE THE CUSTOMER SHOULD BE PUT IN THE MIDDLE OF THIS AND I BELIEVE TELECONEX IS DOING JUST THAT BY GIVING OUT YOUR NUMBER AND ASKING THE CUSTOMER TO COMPLAIN TO YOU ABOUT THING THEY ARE TELLING THE CUSTOMER WE ARE NOT DOING.



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CLARA PRIDGEN	4077992071	DISCONNECTED
LEONARD HOLMES	4077844931	DISCONNECTED
JAMES PAIGE	5613880755	DISCONNECTED
GLORIA BASALDU	9047571258	TELECONEX CALLED THIS CUSTOMER TOLD HER WE DID AN ILLEGAL TRANSFER.
LEONARD HOLMES	4077844931	DISCONNECTED
BETHANY WALKER	9048219324	TELECONEX CALLED CUSTOMER ON 6-23-99 ASKED HER IF SHE CHANGED SERVICE SHE SAID YES, THEY SAID THAT'S GREAT AND HUNG UP PHONE WAS DISCONNECTED THE NEXT DAY.
RHONDA FISHER	9047380865	DISCONNECTED
SHANE BORDON	9049086031	DISCONNECTED
ROBERT BANDERGRAFF	9043539443	DISCONNECTED
CHARLIE BROWN	3523382737	DISCONNECTED
CAROL ADAMS	9042134908	TELECONEX CALLED THIS CUSTOMER TOLD HER THEY WERE CUTTING OFF HER SERVICE
DENISE BENNETT	4077681372	TELECONEX CALLED THIS CUSTOMER TOLD HER THEY WERE DISCONNECTING HER.
ROBERTA BROWN	4077289419	DISCONNECTED
DAVID COX	9047341442	CALLED BY TELECONEX
CORIOCA CRAIG	9048059742	CALLED BY TELECONEX ASKED IF SWITCHED THEN DISCONNECTED
TRINA DENMARK	3057560182	CALLED BY TELECONEX TOLD TO PAY BILL OR WOULD BE DISCONNECTED
CATRINA EDGE	8504297412	DISCONNECTED
SHAWN HAGER	9046931990	DISCONNECTED
VANESSA HENRY	4076391565	CALLED BY TELECONEX SERVICE WAS THREATENED
LEONARD HOLMES	4077844931	DISCONNECTED
ROSA HOWEY	9047669155	CALLED BY TELECONEX THEN DISCONNECTED
KENNETH MOORE	4074826588	DISCONNECTED
BARBARA MORRIS	4077524750	CALLED BY TELECONEX SPOKE TO FAMILY MEMBER WAS RECORDED
JOANN POUNCEY	4076901763	CALLED BY TELECONEX SERVICE WAS THREATENED
BETHANY WALKER	9048219324	CALLED BY TELECONEX ASKED IF SHE SWITCHED SHE SAID YES THEY HUNG UP PHONE NOW
BOBBY WILLIAMS	3052474785	DISCONNECTED
DENISE BENNETT	4077681372	TELECONEX CALLED FOUR TIMES TO THIS CUSTOMER THREATING SERVICE
RHONDA HENDERSON	4074558204	CALLED BY TELECONEX SERVICE WAS THREATENED
RHONDA FLEMING	9046321227	DISCONNECTED
BRENDA MITCHELL	9043539432	DISCONNECTED
SHAMIKA MOORE	9043530612	DISCONNECTED
KIMBERLY KEARSE	9048242358	DISCONNECTED
TERREE GREGG	9047376178	DISCONNECTED
MICHELLE KELLY	9044485325	DISCONNECTED
SHERYL ANN FOREHAND	4073833187	DISCONNECTED
GAIL MORSE	9047511023	DISCONNECTED
ALBERT HANKERSON	4079539874	WAS DISCONNECTED BST STATES OTHER CLEC TOOK CUSTOMER JUST PRIOR TO DISCONNECT
MARY WORTHEN	9042470134	CUSTOMER HAD CALLED OUR OFFICE FOR A REPAIR ISSUE DATE SHE GOT SLAMMED.
JAMES WILHIDE	4078983075	DISCONNECTED
CHARLIE GEORGE JR	4077237601	DISCONNECTED
EVELYN PARKER	4075740840	DISCONNECTED

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KIMBERLY KEARSE	9048242358	DISCONNECTED
MARY GREENE	4077331897	DISCONNECTED
KAREN GOTWALT	4079519071	DISCONNECTED
VONCIE ROSS	3524724597	DISCONNECTED
CHERYL HARDEMAN	4074459972	DISCONNECTED
ROBERT CROSSLEY	9042157923	DISCONNECTED
SCHREE GARY	9043569704	DISCONNECTED
ARVIA JOHNSON	9047139063	DISCONNECTED
BRENDA MITCHELL	9043539432	DISCONNECTED
JERRY DRAKE	9045732960	DISCONNECTED
SHANE BORDON	9049086031	DISCONNECTED
WILHELMINA MURCHINSON	9049085280	DISCONNECTED
SUSAN SWEAT	9043120452	DISCONNECTED
CATRINA EDGE	8504297412	DISCONNECTED
TRINA DENMARK	3057560182	TELECONEX CALLED CUSTOMER WOULD DISCONNECT IF DIDN'T PAY WOULD BE DISCONNECTED
FREDRICK MOHR	9046157307	TELECONEX CALLED CUSTOMER ASKED IF FPS WAS PROVIDER, DISCONNECTED THE FOLLOWING DAY
HARRIETT COWART	9048804712	DISCONNECTED
ELIZABETH WILLIAMS	5616160934	DISCONNECTED
KENNETH MOORE	4074826588	DISCONNECTED
CINDY BAXTOR	9045733674	DISCONNECTED
ROBERTA BROWN	4077289419	DISCONNECTED
ARNISSA BOATWRIGHT	9047439429	DISCONNECTED
LATONYA JAMES	9047447438	CALLED BY TELECONEX ON 6-23 TOLD TO PAY BILL. WAS DISCONNECTED ON 6-24

**COSTS INVOLVED**

PHONE CALLS TO OUR 800# BY CUSTOMER TELLING US PHONE HAS BEEN DISCONNECTED.  
OPERATORS UNABLE TO TAKE NEW SERVICE CALLS BECAUSE OF BEING TIED UP WITH THESE CALLS ESPECIALLY AD TIME  
PROCESSORS UNABLE TO PROCESS BECAUSE OF GETTING THESE LINES TURNED BACK ON

ESTIMATE 150-200 CUSTOMERS THAT HAVE BEEN DISCONNECTED  
OUR CREDIBILITY WITH THESE CUSTOMERS  
ESTIMATE TIME PER CUSTOMER 10-15 MINUTES WITH CUSTOMER CALL  
10-15 MINUTES VERIFYING WITH LENS WHOSE CUSTOMER  
15-20 MINUTES CALLING BST WITH COMPLAINT  
30 MINUTES FOLLOW UP CALL WITH BST AND PROCESSING

COST OF GOING THRU BST BILL TO ENSURE CHARGES FOR RECONNECTING CUSTOMER ISN'T PLACED ON BILL  
ISDN LINE CHARGES?????????  
MANY COMMENTS FROM CUSTOMERS STATING IF THEY KNEW THEIR NUMBERS WOULD BE DISCONNECTED OR GET CALLS FROM TELECONEX THEY  
WOULDN'T HAVE OUR SERVICE WE HAVE LOST SOME OF THIS CUSTOMER BASE POSSIBLY DUE TO THEIR NOT HAVING CONFIDENCE IN OUR  
COMPANY

FEB.

3/3/99 STW

850  
550  
541  
550

TOTAL NEW ORDERS

$$548 \times 18.00 = \cancel{9,864.00}$$

$$546 \times 18.00 = 9,828.00$$

TOTAL RENEWS

$$893 \times 8.00 = \cancel{7,144.00}$$

$$894 \times 8.00 = 7,152.00$$

$$LO \ 68 \times 10.00 = 680.00$$

TOTAL NEW ORDERS FOR TELECOMEX (FEB)

$$25 \times 8.00 = \cancel{200.00}$$

$$22 \times 8.00 = 176.00$$

$$TOTAL \quad \cancel{17,888.00}$$

$$17,836.00$$

NOT PAID

Prepared by Steve Watson  
of Teleconex

money owed TO C.I.O. NOT  
PAID

To Ed Hudson

April 8, 1999

To: CIO

From: TeleConex

Subject: March 99 Commission

Prepared by  
Teleconex

Total New Orders	586 times	18.00 =	10,548.00
Total Renewals	1269 times	8.00 =	10,152.00
Total New Orders ( TeleConex )	53 =		424.00
Total Long Distance Orders	54 =		540.00
Total Commission Due			21,664.00

NOT PAID

= MONEY OWED by  
Teleconex AND NOT PAID

# Prepared by TeleCono x

## MARCH

16,983.99	CHECKS	
9,986.88	W/U	} 16,680.78
245.85	MASTER/CIO	
6,448.05	VISA/CIO	
8,734.32	MONEY ORDER/CIO	
<u>41,578.19</u>	CASH/CIO	
83,977.28	TOTAL SALES	LSP
<u>59,723.06</u>	OUTSTANDING BALANCE	
24,204.22	TOTAL DEPOSITS	% 28

MAIN { 21,664.00 TOTAL COMMISSION PAID MARCH  
 2,065.92 25% COMMISSION DUE  
 NOT PAID

## APRIL

7,840.60	CHECKS	
9,787.80	W/U	} 14,189.51
4,401.71	VISA	
11,096.26	MONEY ORDER	
<u>35,909.47</u>	CASH	
68,985.84	TOTAL SALES	LSP
<u>14,189.51</u>	OUTSTANDING BALANCE	% 20
54,796.33		

114,569.39  
 APRIL { 19,700.00 COMMISSION (COGS & O. SERVICE)  
 3,940.00 COMMISSION DUE 5/7/99  
 NOT PAID

Money owed TO C.I.O. NOT PAID

TO : MR. DURBIN  
FROM : RICK AUSTIN

I AM FAXING YOU THIS MORNING BECAUSE I THOUGHT WE HAD COME TO AN END WITH THE TELECONEX ISSUES.

THIS MORNING I RECEIVED YET ANOTHER CALL FROM A PANICKED CUSTOMER. IT SEEMS THAT TELECONEX IS NOW TELLING CUSTOMERS THAT YOU PERSONALLY ARE IN THE PROCESS OF HAVING PRE-CELLS CERTIFICATION PULLED. THAT WE ARE DEFRAUDING THE CUSTOMERS ETC.

DICK, PLEASE WE NEED SOME TYPE OF LETTER FROM YOUR DEPT. THAT STATES THAT TO DATE WE ARE CERTIFIED, WE HAVE NOT TO DATE DEFRAUDED ANY CUSTOMERS, AND THAT YOU ARE NOT IN THE PROCESS OF TAKING AWAY THE CERTIFICATION OF PRECELL.

TELECONEX IS USING YOUR NAME TO PROMOTE A DECEPTION. THEY ARE CREATING AN ILLUSION OF A FRAUD BY SAYING PEOPLE SHOULD CALL YOU. THE CUSTOMER IS TAKING THAT AS A WELL WHY WOULD THEY TELL ME TO CALL THIS GUY IF WHAT THEY ARE SAYING IN NOT TRUE.

I THINK SOME TYPE OF ACTION NEEDS TO BE TAKEN TO STOP THIS . WE HAVE INVITED YOUR DEPT. TO CALL ANY HOUR OF THE DAY OR NIGHT AND SEE IF WE ARE DOING ANYTHING WRONG. WE HAVE ASKED FOR ANY

AT THIS POINT WE HAVE INITIATE LITIGATION TO RESOLVE THE DISPUTE BETWEEN OUR RESPECTIVE COMPANIES, HOWEVER THE ISSUE AT HAND IS, IF THE

PUC IS GOING TO ALLOW TELECONEX TO CONTINUE TO USE THE PUC AS A TOOL TO SCARE CUSTOMERS, AND TO CONTINUE TO USE YOUR NAME TO PROMOTE THIS DECEPTION THAT WE ARE BEING CLOSED UP BY YOU AND THE CUSTOMERS ARE GOING BE LEFT HOLDING THE BAG. ( SO TO SPEAK ).

IF WHAT THEY ARE TELLING THE CUSTOMER IS TRUE AND YOU ARE TELLING TELECONEX TO TELL CUSTOMERS THIS AND REQUESTING THE CUSTOMER CALL YOU FOR CONFIRMATION ( AFTER OUR CONVERSATIONS I COULD NOT IMAGINE THAT ) THEN PLEASE CALL ME TO DISCUSS THE PROBLEM.

DICK I THANK YOU FOR YOUR TIME AND I APPRECIATE YOUR POSITION, BUT WE NEED YOU HELP.

IF YOU NEED CONFIRMATION OF THE CALLS PLACE YESTERDAY TO CUSTOMER , KAREN BEECROFT WILL BE GLAD TO HEAR FROM YOU AT 850-265-3062. OR SEAN MAGIO AT 904-511-0809. I COULD GIVE YOU MORE BUT SPEAKING TO THESE PEOPLE MIGHT GIVE YOU A BETTER IDEA JUST WHAT TELECONEX IS TELLING THESE PEOPLE . AND JUST HOW THEY ARE USING THE PUC, AND YOURSELF.

RICK AUSTIN

TO: RICK MOSES

FROM: RICK AUSTIN

TELECONEX/PRE-CELL RESOLUTION

RICK I ENJOYED SPEAKING WITH YOU THIS MORNING AND I THINK WE ARE OF THE SAME RESOLVE.

AS I TOLD YOU THIS MORNING WE ARE NOT CONTACTING EXISTING TELECONEX CUSTOMERS AND HAVE NOT DONE SO FOR AT LEAST 30 DAYS. HOWEVER, IN ORDER TO SOLVE ANY FURTHER MISUNDERSTANDINGS OR CONFUSION, I HAVE ENCLOSED A COMPLETE LIST OF OUR EXISTING CUSTOMERS.

I HAVE LISTED THEM BY LAST NAME, FIRST NAME, and PAY THROUGH DATE AND CUSTOMER NUMBER. ALL BLANK THE SPACES IN THE PAY THROUGH DATE AREA INDICATES THAT THEY ARE NO LONGER OUR CUSTOMER. THE P IN THE PAY THROUGH DATE AREA INDICATES THE CUSTOMER IS A NEW SERVICE AND IS IN PROCESSING. NONE OF THE CUSTOMERS IN THE PAY THROUGH AREA WITH THE LETTER P ARE TELECONEX CONVERSIONS. THEY ARE COMPLETE NEW SERVICE REQUESTS.

I PROPOSE THAT YOU FURNISH THIS LIST TO TELECONEX WITH EXPRESS UNDERSTANDING THAT THEY BEING ADVISED OF THE CUSTOMERS THAT BELONG TO US AND THAT THEY REFRAIN FROM TURNING THEIR TELEPHONE SERVICE OFF, OR CONTACTING THE CUSTOMER REGARDING BILLING OR FOR ANY REASON AT ALL. THEY CAN NOW EASILY UPDATE THEIR BILLING RECORDS, WHICH OF COURSE WOULD ELIMINATE ANY FURTHER CONFUSION.

I THINK THAT THIS PROPOSAL IS FAIR, IT WILL ELIMINATE ANY FURTHER CONFUSION AS TO WHO IS THE LEC FOR THE CUSTOMER. **WE WILL NOT CONTACT ANY CUSTOMER THAT IS NOW WITH TELECONEX.**

FROM THIS POINT ON AND IF YOU AGREE THIS SHOULD RESOLVE ANY FURTHER PROBLEM WITH OUR RESPECTIVE COMPANIES, AND TAKE THE CUSTOMER OUT OF THE ISSUES BETWEEN OUR COMPANIES. WE MAKE THIS OFFER AS A STEP TOWARDS SHOWING THE PSC WE ARE COOPERATIVE. ANY FURTHER PROBLEMS WILL NOT BE CAUSED OR GENERATED BY ANY ACTIONS OF PRE-CELL

**RICK I OF COURSE WOULD ASK THAT BEFORE THIS LIST IS SUPPLIED TO TELECONEX THEY HAVE A CLEAR UNDERSTANDING WITH YOU THAT THIS LIST IS ONLY TO UPDATE THEIR RECORDS AND NOTHING ELSE**



**TO DICK DURBIN**

**FROM : PRE-CELL SOLUTIONS**

**RE : TELECONEX**

**TELECONEX STATES THAT PRE-CELL IS CALLING CUSTOMERS AND TELLING THEM THAT TELECONEX IS GOING OUT OF BUSINESS.**

**PRE-CELL AT NO TIME CALLED ANY CUSTOMER AND TOLD THEM THAT TELECONEX IS GOING OUT OF BUSINESS. TELECONEX HAS FABRICATED THIS STORY IN ORDER TO CREATE A PUC FILE.**

**THIS MATTER HAS BEEN BY PREVIOUS FAX TRANSMISSIONS AS WELL A CALLS TO MR. DURBIN.**

**IN FACT, AT PRESENT TIME TELECONEX IS CURRENTLY UNDER INVESTIGATION FOR THEFT AND FRAUD BY THE FLORIDA DEPT. OF LAW ENFORCEMENT DET. ED. HUDSON. 1-800-226-8574.**

**IT SEEMS TELECONEX HAS BEEN COLLECTING MONEY FROM CUSTOMERS IT KNOWS ARE NOT THEIRS. THEY ARE CALLING CUSTOMERS AND THREATENING TO TURN THEIR PHONES OFF IF THE CUSTOMER DOES NOT PAY THEM. TELECONEX KNOWS THAT THESE CUSTOMERS ARE NOT THEIRS. THE DETECTIVE HAS GOTTEN NUMEROUS CALL FROM THESE PEOPLE WHOM TELECONEX HAD COLLECTED MONEY FOR.**

**ALSO BELL SOUTH HAS CAUGHT TELECONEX TURNING OFF CUSTOMERS TELEPHONES WHO THEY KNOW ARE NOT THEIR CUSTOMERS BY BYPASSING THE LENS SYSTEM AT BELL SOUTH AND SENDING IN FAX**