SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

WASHINGTON OFFICE 3000 K STREET, NW, SUITE 300 WASHINGTON, DC 20007-5116 TELEPHONE (202) 424-7500 FACSIMILE (202) 424-7647

February 15, 2000

NEW YORK OFFICE 919 THIRD AVENUE NEW YORK, NY 10022-9998 TELEPHONE (212) 758-9500 FACSIMILE (212) 758-9526

VIA OVERNIGHT DELIVERY

Blanca S. Bayó, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak, Blvd. Tallahassee, Florida 32399-0870

- 000194-TI

Re:

Applications of OnSite Access Local, LLC, for Authority to

Provide Alternative Local Exchange Service and

Interexchange Telecommunications Service in Florida

Dear Ms. Bayó:

On behalf of OnSite Access Local, LLC ("OnSite"), please find an original and six (6) copies of OnSite's above-referenced applications. Also enclosed are two checks in the amount of \$250.00 each (total of \$500.00) to cover the application filing fees for both applications.

Please date-stamp the extra copy and return it to the undersigned in the enclosed self-addressed, stamped envelope. Should you have any questions concerning this filing, please do not hesitate to contact the undersigned at (202) 424-7798.

Respectfully submitted,

Russell M. Blau Tony S. Lee

Counsel for OnSite Access Local, LLC

Enclosures

cc:

Brian M. Benz Lisa Evans

RECEIVED & PILED

FPSC-BUREAU OF MECORDS

Check received with filing and forwarded to Plansi for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who foppprove consider DATE

02044-00020 48 FEB 168

FPSC-RECORDS/REPORTING

** FLORIDA PUBLIC SERVICE COMMISSION **

DIVISION OF TELECOMMUNICATIONS OR SUREAU OF CERTIFICATION AND SERVICE EVALUATION

Application Form for Authority to Provide Interexchange Telecommunications Service Between Points Within the State of Florida

00019\$TI

Instructions

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

Florida Public Service Commission Division of Records and Reporting 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6770

Note: **No filing fee is required** for an assignment or transfer of an existing certificate to another certificated company.

If you have questions about completing the form, contact:

Florida Public Service Commission Division of Telecommunications Bureau of Certification and Service Evaluation 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6600

FORM PSC/CMU 31 (12/96)
Required by Commission Rules Nos. 25.24-470,
25-24.471, and 25-24.473, 25-24.480(2). Page 1 of 16

DOCUMENT NUMBER-DATE

02048 FEB 168

FPSC-RECORDS/REPORTING

 This is an application for √ (check one): 		an application for √ (check one):			
	()	()	Original certificate (new company).		
	()	Approval of transfer of existing certificate: Example, a certificated company purchases an existing certificated company and desires to retain the authority of both certificates.		
	()	Approval of assignment of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.		
	()	Approval of transfer of control: Example, a company purchases 51 % of a certificated company. The Commission must approve the new controlling entity.		
2.	Na	ame	of company:		
	<u>O</u> 1	nSit	e Access Local, LLC		
3.	. Name under which applicant will do business (fictitious name, etc.):		under which applicant will do business (fictitious name, etc.):		
	<u>O</u> 1	<u>nSit</u>	e Access Local, LLC		
4. Official mailing address (including street name & number, post official state, zip code):		al mailing address (including street name & number, post office box, city, zip code):			
	1372 Broadway, Second Floor				
	New York, NY 10018				
5.		Florida address (including street name & number, post office box, city, state, zip code):			
	OnSite Access Local, LLC ("OAL"), does not currently have a mailing				
	address in Florida.				

6. Select type of business your company will be conducting $\sqrt{\ }$ (check all the			t type of business your company will be conducting $\sqrt{\ }$ (check all that apply):			
	()	Facilities-based carrier - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.			
	()	Operator Service Provider - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.			
	(X)	Reseller - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.			
()	Switchless Rebiller - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.			
	 () Multi-Location Discount Aggregator - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-locati discount plans from certain underlying carriers, then offers resold ser by enrolling unaffiliated customers. 					
	()	Prepaid Debit Card Provider - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.			
7. Structure of organization;		cure of organization;				
	((())) X)	Individual () Corporation Foreign Corporation () Foreign Partnership General Partnership () Limited Partnership Other Foreign Limited Liability Company			
8.	lf	indi	vidual. provide:			

Name	: <u>Not A</u>	Applicable.		
Title:				
Addr	ess:			
		Fax No.:		
Interr	net E-Mail Ad	ddress:		
Interr	net Website	Address:		
9.	If incorpora	ated in Florida, provide proof of authority to operate in Florida:		
	(a)	The Florida Secretary of State Corporate Registration number:		
		Not Applicable.		
10.	<u>If foreign c</u> (a)	orporation, provide proof of authority to operate in Florida: A copy of OAL's authority to transact business is attached as Exhibit A. The Florida Secretary of State Corporate Registration number: M00000000199		
11.	<u>If using fictitious name-d/b/a</u> , provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:			
	(a) number: _	The Florida Secretary of State fictitious name registration Not Applicable.		
12.	If a limited Florida:	liability partnership, provide proof of registration to operate in		
	(a)	The Florida Secretary of State registration number: Not Applicable.		
13.	If a partner the partners	ship, provide name, title and address of all partners and a copy of ship agreement.		
	Name:	Not Applicable.		
	Title:			
	Address:			

	City/State/Zip:		
	Telephone No.: Fax No.:		
	Internet E-Mail Address:		
	Internet Website Address:		
14.	If a foreign limited partnership, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.		
	(a) The Florida registration number: Not Applicable.		
15.	Provide F.E.I. Number (if applicable): 13-3969910		
16.	Provide the following (if applicable):		
	(a) Will the name of your company appear on the bill for your services?		
	(X) Yes () No		
	(b) If not, who will bill for your services?		
	Name:		
	Title:		
	Address:		
	City/State/Zip:		
	Telephone No.: Fax No.:		
	(c) How is this information provided?		
17.	Who will receive the bills for your service?		
	 () Residential Customers () PATs providers () Hotels& motels () Hotel & motel guests 		
FORM	PSC/CML 31 (12/96)		

	() Univ () Othe	versities () Universities dormitory residents er: (specify)
18.	Who will se	erve as liaison to the Commission with regard to the following?
	(a)	The application:
	Name:	Tony S. Lee, Esq.
	Title:	Attorney
	Address:	3000 K Street, N.W.; Suite 300
	City/State	Zip: Washington, DC 20007
	Telephone	e No.:(202) 424-7798 Fax No.:(202) 424-7645
	Internet E	-Mail Address: TSLee@swidlaw.com
	Internet W	/ebsite Address: <u>www.swidlaw.com</u>
	(b)	Official point of contact for the ongoing operations of the company:
	Name:	Brian Benz
		Vice President, Finance
	Address:	1372 Broadway, Second Floor
	City/State	/Zip: New York, NY 10018
	Telephone	e No.:(212) 324-1500 Fax No.:(212) 324-1550
	Internet E	-Mail Address: bbenz@onsiteaccess.net
		/ebsite Address:www.onsiteaccess.net
		Complaints/Inquiries from customers:
	. ,	Lou Martinez
	.141116	Lou Mai HHCL
	Title:	Vice President of Operations

Add	ress: 1372 Broadway, Second Floor
City	/State/Zip: New York, NY 10018
Tele	ephone No.: (212) 324-1500 Fax No.: (212) 324-1550
Inte	rnet E-Mail Address: <u>lmartinez@onsiteaccess.net</u>
Inte	rnet Website Address: <u>www.onsiteaccess.net</u>
List	the states in which the applicant:
(a)	has operated as an interexchange telecommunications company.
<u>OA</u> 1	has operated as an interexchange telecommunications company in
New	York, Connecticut, and New Jersey.
(b)	has applications pending to be certificated as an interexchange telecommunications company. Lhas applications pending in Georgia
(c)	is certificated to operate as an interexchange telecommunications company.
<u>OAI</u>	L is certificated to operate as an interexchange telecommunications
com	pany in California, Connecticut, Illinois, Massachusetts, New Jersey,
and	New York.
(d)	has been denied authority to operate as an interexchange telecommunications company and the circumstances involved.
<u>OAI</u>	has not been denied authority to operate as an interexchange
carr	ier in any iurisdiction.

	(e)	has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.			
	<u>OAI</u>	has never had any regulatory penalties imposed for violations			
	of te	lecommunications statutes.			
	(f)	has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.			
	OAI	has not been involved in any civil court proceedings as described above.			
20.		Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:			
	(a)	adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.			
<u>None</u>	of OA	AL's officers, directors, or any of its ten largest stockholders have been adjudged			
<u>bank</u>	rupt, 1	nentally incompetent, or found guilty of any felony or of any crime that materially			
impa	cts on	OAL's ability to provide high quality telecommunications service in Florida.			
	(b)	an officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.			
	Non	e			
21.	The applicant will provide the following interexchange carrier services, \checkmark (check all that apply):				
	a	MTS with distance sensitive per minute rates			

		Method of access is FGA
		Method of access is FGB
		Method of access is FGD
		Method of access is 800
b.	X	MTS with route specific rates per minute
		Method of access is FGA
		Method of access is FGB
		X Method of access is FGD
		X Method of access is 800
c.	X	MTS with statewide flat rates per minute (i.e. not distance sensitive)
		Method of access is FGA
		Method of access is FGB
		X Method of access is FGD
	***********	X Method of access is 800
	***************************************	Metriod of access is doo
d.	<u>X</u>	MTS for pay telephone service providers
e.	X	Block-of-time calling plan (Reach Out Florida, Ring America, etc.).
f.	X	800 service (toll free)
g.	X	WATS type service (bulk or volume discount)
		X Method of access is via dedicated facilities X Method of access is via switched facilities
h.		Private line services (Channel Services) (For ex. 1.544 mbs., DS-3, etc.)
i.	X	Travel service
		Method of access is 950
		X Method of access is 950 Method of access is 800

j.		900 service
k.	X	Operator services

	X	Available to presubscribed customers Available to non presubscribed customers (for example to patrons of hotels, students in universities, patients in hospitals). Available to inmates
١.	Services includ	led are:
	X	Station assistance
	X	Person-to-person assistance
	X	Directory assistance
	X	Operator verify and interrupt
	X	Conference calling

22. Submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

See Exhibit B.

23. Submit the following:

A. Financial capability.

The application <u>should contain</u> the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated. See Exhibit C.

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

- 1. the balance sheet;
- 2. income statement; and
- 3. statement of retained earnings.

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

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

- 1. A written explanation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

 See Exhibit C.
- 2. <u>A written explanation</u> that the applicant has sufficient financial capability to maintain the requested service. See Exhibit C.
- 3. A written explanation that the applicant has sufficient financial capability to meet its lease or ownership obligations. See Exhibit C.
- **B.** Managerial capability; give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

See Exhibit D.

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

See Exhibit D.

** APPLICANT ACKNOWLEDGMENT STATEMENT **

- 1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .1<u>5 of one</u> percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
- 2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two <u>and one-half percent</u> on all intra and interstate business.
- SALES TAX: I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- 4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

73	<u> </u>
ent of Finance	(212) 324-1500 Telephone No.
72 1327 Broadway, Second Floor	(212) 324-1550
New York, NY 10018	Fax No.

ATTACHMENTS:

- A CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT
- **B CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**
- C CURRENT FLORIDA INTRASTATE NETWORK
- D AFFIDAVIT FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES
 - GLOSSARY

CERTIFICATE TRANSFER, OR ASSIGNMENT STATEMENT

1, (Narrie) Not Applicable.	
(Title)	of
(Name of Company)	
and current holder of Florida Public Service Co	ommission Certificate Number
# have reviewed this request for a:	s application and join in the petitioner's
() transfer	
() assignment	
of the above-mentioned certificate.	
UTILITY OFFICIAL:	
Signature	Date
Title	Telephone No.
Address:	Fax No.

** APPENDIX B **

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be provided in one of the following ways (applicant, please check one):

- (X) The applicant will **not** collect deposits nor will it collect payments for service more than one month in advance.
- () The applicant intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month. (The bond must accompany the application.)

UTILITY OFFICIAL:

	23	2/1/00
Signature		Date
	ent of Finance	(212) 324-1500
Title	41	Telephone N o.
Address:	132 Broadway, Second Floor	(212) 324-1550
	New York, NY 10018	Fax No.

CURRENT FLORIDA INTRASTATE SERVICES

Applicant ha	\mathbf{s} () or \mathbf{has} \mathbf{not} (\mathbf{X}) previously provide	d intrastate telecommunications in Florida.
If the answe	r is <u>has,</u> fully describe the following:	
a)	What services have been provided and w	hen did these services begin?
b)	If the services are not currently offered, w	hen were they discontinued?
	-	
UTILITY OF	FICIAL:	2/1/00
Signature		Date
Vice Presider Title Address:	nt of Finance 72- 132/ Broadway, Second Floor	(212) 324-1500 Telephone No.
	New York, NY 10018	(212) 324-1550 Fax No.

AFFIDAVIT

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

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

UTILITY OFFICIAL:

Date
(212) 324-1500
Telephone No.
(212) 324-1550
Fax No.
_

FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES

ORIGINATING SERVICE: Provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate.

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

FLORIDA EAS FOR MAJOR EXCHANGES

Extended Service Area

in These Exchanges

PENSACOLA:

Cantonment, Gulf Breeze,

Milton, Holley-Navarre. Pace

PANAMA CITY:

Lynn Haven, Panama City Beach,

Youngstown-Fountain, Tyndall AFB.

TALLAHASSEE:

Crawfordville, Havana, Monticello, Panacea, Sopchoppy, St. Marks.

JACKSONVILLE:

Baldwin, Ft. George,

Jacksonville Beach, Callahan, Maxville, Middleburg, Orange Park, Ponte Vedra, Julington.

GAINESVILLE:

Alachua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry,

Waldo.

OCALA:

Belleview, Citra, Dunnellon, Forest, Lady Lake, McIntosh, Oklawaha, Orange Springs, Salt Springs, Silver Springs Shores. Extended Service Area

in These Exchanges

DAYTONA BEACH:

New Smyrna Beach

TAMPA:

Central

None

East

North South West Plant City Zephyrhills Palmetto Clearwater

CLEARWATER:

St. Petersburg, Tampa-West,

Tarpon, Springs.

ST. PETERSBURG:

Clearwater.

LAKELAND:

Bartow, Mulberry, Plant City Polk City, Winter Haven.

ORLANDO:

Apopka, East Orange, Lake Buena Vista, Orlando, Oviedo, Sanford, Windermere, Winter Garden, Oviedo-Winter Springs,

Reedy Creek, Geneva,

Monteverde.

TITUSVILLE:

Cocoa and Cocoa Beach.

COCOA:

Cocoa Beach, Eau Gallie, Melbourne, Titusville.

Meidourne, Husv

MELBOURNE:

Cocoa, Cocoa Beach, Eau

Gallie, Sebastian

SARASOTA:

Bradenton, Myakka, Venice

Extended Service Area in These Exchanges

FT. MYERS: Cape Coral, Ft. Myers Beach,

North Cape Coral, North Ft. Myers, Pine Island, Lehigh Acres, Sanibel-Captiva

Islands.

NAPLES: Marco Island and North Naples.

WEST PALM BEACH: Boynton Beach and Jupiter.

POMPANO BEACH: Boca Raton, Coral Springs, Deerfield Beach,

Ft. Lauderdale.

FT. LAUDERDALE: Coral Springs, Deerfield Beach, Hollywood, Pompano

Beach.

HOLLYWOOD: Ft. Lauderdale and North Dade.

NORTH DADE: Hollywood, Miami, Perrine.

MIAMI: Homestead, North Dade,

Perrine

GLOSSARY

ACCESS CODE: A uniform four- or seven-digit code assigned to an individual IXC. The five-digit code has the form 1 OXXX and the seven-digit code has the form 950-XXXX.

BYPASS: Transmission facilities that go direct from the local exchange end user to an IXC point of presence, thus bypassing the local exchange company.

CARRIERS CARRIER: An IXC that provides telecommunications service, mainly bulk transmission service, to other IXCs only.

CENTRAL OFFICE: A local operating unit by means of which connections are established between subscribers' lines and trunk or toll lines to other central offices within the same exchange or other exchanges. Each three-digit central office code (NXX) used shall be considered a separate central office unit.

CENTRAL OFFICE CODE: The first three digits (NXX) of the seven-digit telephone number assigned to a customer's telephone exchange service.

COMMISSION: The Florida Public Service Commission.

COMPANY, TELEPHONE COMPANY, UTILITY: These terms are used interchangeably herein and refer to any person, firm, partnership or corporation engaged in the business of furnishing communication service to the public under the jurisdiction of the Commission.

DEDICATED FACILITY: A transmission circuit which is permanently for the exclusive use of a customer or a pair of customers.

END USER: Any individual, partnership, association, corporation, governmental agency or any other entity which (A) obtains a common line, uses a pay telephone or obtains interstate service arrangements in the operating territory of the company or (13) subscribes to interstate services provided by an IXC or uses the services of the IXC when the IXC provides interstate service for its own use.

EQUAL ACCESS EXCHANGE AREAS (EAEA): A geographic area, configured based on 1987 planned toll ceriter/access tandem areas, in which local exchange companies are responsible for providing equal access to both carriers and customers of carriers in the most economically efficient manner.

EXCHANGE: The entire telephone plant and facilities used in providing telephone service to subscribers located in an exchange area. An exchange may include more than one central office unit.

EXCHANGE (SERVICE) AREA: The territory, including the base rate suburban and rural areas served by an exchange, within which local telephone service is furnished at the exchange rates applicable within that area.

EXTENDED AREA SERVICE: A type of telephone service furnished under tariff provision whereby subscribers of a given exchange or area may complete calls to, and receive messages from, one or more other contiguous exchanges without toll charges, or complete calls to one or more other exchanges without toll message charges.

FACILITIES BASED: An IXC that has its own transmission and/or switching equipment or other elements of equipment and does not rely on others to provide this service.

FOREIGN EXCHANGE SERVICES: A classification of exchange service furnished under tariff provisions whereby a subscriber may be provided telephone service from an exchange other than the one from which he would normally be served.

FEATURE GROUPS: General categories of unbundled tariffs to stipulate related services.

Feature Group A: Line side connections presently serving specialized Common carriers.

Feature Group B: Trunk side connections without equal digit or code dialing.

Feature Group C: Trunk side connections presently serving AT&T-C.

Feature Group D: Equal trunk access with prescription.

INTEREXCHANGE COMPANY (IXC): Any telephone company, as defined in Section 364.02(4), F.S. (excluding Payphone Providers), which provides telecommunications service between exchange areas as those areas are described in the approved tariffs of individual local exchange companies.

INTER-OFFICE CALL: A telephone call originating in one central office unit or entity but terminating in another central office unit or entity, both of which are in the same designated exchange area.

INTRA-OFFICE CALL: A telephone call originating and terminating within the same central office unit or entity.

INTRASTATE COMMUNICATIONS: Any communications in Florida subject to oversight by the Florida Public Service Commission as provided by the laws of the State.

INTRA-STATE TOLL MESSAGE: Those toll messages which originate and terminate within the same state.

LOCAL ACCESS AND TRANSPORT AREA (LATA): The geographic area established for the administration of communications service. It encompasses designated exchanges, which are grouped to serve common social, economic and other purposes

LOCAL EXCHANGE COMPANY (LEC): Any telephone company, as defined in Section 364.02(4), F.S., which, in addition to any other telephonic communication service, provides telecommunications service within exchange areas as those areas are described in the approved tariffs of the telephone company.

OPTIONAL CALLING PLAN: An optional service furnished under tariff provisions which recognizes a need of some subscribers for extended area calling without imposing the cost on the entire body of subscribers.

900 SERVICE: A service similar to 800 service, except this service is charged back to the customer based on first minute plus additional minute usage.

PIN NUMBER: A group of numbers used by a company to identify its customers.

PAY TELEPHONE SERVICE COMPANY: Any telephone company, other than a LEC, which provides pay telephone service as defined in Section 364.335(4), F.S.

POINT OF PRESENCE (POP): Bell-coined term which designates the actual (physical) location of an IXC's facility. Replaces some applications of the term "demarcation point."

PRIMARY SERVICE: Individual line service or party line service.

RESELLER: An IXC that does not have certain facilities but purchases telecommunications service from an IXC and then resells that service to others.

STATION: A telephone instrument consisting of a transmitter, receiver, and associated apparatus so connected as to permit sending and/or receiving telephone messages.

SUBSCRIBER, CUSTOMER: Terms used interchangeably to mean any person, firm, partnership, corporation, municipality, cooperative organization, or governmental agency supplied with communication service by a telephone company.

SUBSCRIBER LINE: The circuit or channel used to connect the subscriber station with the central office equipment.

SWITCHING CENTER: Location at which telephone traffic, either local or toll, is switched or connected from one circuit or line to another. A local switching center may be comprised of several central office units.

TRUNK: A communication channel between central office units or entities, or private branch exchanges.

EXHIBITS

Exhibit A Certificate of Authority to Transact Business

Exhibit B Proposed Interexchange Tariff

Exhibit C Financial Qualifications

Exhibit D Managerial and Technical Qualifications

EXHIBIT A

Certificate of Authority to Transact Business



Bepartment of State

I certify the attached is a true and correct copy of the application by ONSITE ACCESS LOCAL LLC, a New York limited liability company, authorized to transact business within the state of Florida on January 31, 2000, as shown by the records of this office.

The document number of this limited liability company is M00000000199.

Given under my hand and the Great Seal of the State of Florida at Tallahassee, the Capitol, this the First day of February, 2000



CR2EO22 (1-99)

K**atherine Harris** Katherine Harris Secretary of State

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

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

Onsite Acces	s Local LLC				
***	(Name	e of foreign lin	nited liability company) .		
New York		3.	13-3969910		
Jurisdiction u company is or	nder the law of which foreign limit ganized)	ed liability	(FEI number, if applicable)		_
2/7/97		5.	Perpetual		_
	(Date of Organization)		(Duration: Year limited liability company exist or "perpetual")	will cease to	
upon qualific	cation				
	(Date first transacted business in	Florida. (See s	sections 608.501, 608.502, and 817.155, F.S.)		
1372 Broady	vay			***************************************	_
New York, N	JV 10018				
11011 1011, 1		treet address o	f principal office)		-
TC11144-1	·		· · · · · · · · · · · · · · · · · · ·		
If limited I	iability company is a manage	r-managed o	company, check here	-	==:
The usual l	ousiness addresses of the mar	naging memi	bers or managers are as follows:	**	:
			-		-
13/2 Broad	way, New York, N.Y. 10018				- :
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phone service	(in accordance with section	n 608,408(3) .	S., the execution of this document constitutes		
phone service	(in accordance with section	n 608,408(3) .			

CERTIFICATE OF DESIGNATION OF REGISTERED AGENT/REGISTERED OFFICE

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

1. The name of the Limited Liability Compa	any is:	
Onsite Access Lo	ocal LLC	
2. The name and the Florida street address of	of the registered agent and office are:	
CT Corporation System		
	(Name)	
1200 South Pine Island	Road	* .*
Florida street addre	ress (P.O. Box NOT ACCEPTABLE)	
Plantation	733324 FL	
	City/State/Zip	
Having been named as registered agent and to liability company at the place designated in the agent and agree to act in this capacity. I furth relating to the proper and complete performan obligations of my position as registered agent (Signature)	is certificate, I hereby accept the appoint ner agree to comply with the provisions of nce of my duties, and I am familiar with a as provided for in Chapter 608, F.S	ment as registered Call statutes
Connie Bryan Special Asst. Secy	у.	
\$ 100.00	Filing Fee for Application	
\$ 25.00	Designation of Registered Agent	

\$ 30.00 Certified Copy (optional)\$ 5.00 Certificate of Status (optional)

EXHIBIT B

Proposed Interexchange Tariff

ONSITE ACCESS LOCAL, LLC

REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES

APPLYING TO INTEREXCHANGE TELECOMMUNICATIONS SERVICES

WITHIN THE STATE OF FLORIDA

This tariff applies to the resold and facilities-based long distance intrastate interexchange telecommunications services furnished by OnSite Access Local, LLC ("Carrier") between one or more points in the State of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at Carrier's principal place of business, 1372 Broadway, Second Floor, New York, New York 10018.

Issued: February 16, 2000 Effective:

Issued by: Brian M. Benz, Senior Vice President, Finance

OnSite Access Local, LLC 1372 Broadway, Second Floor

CHECK SHEET

The sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

SHEET	REVISION	<u>SHEET</u>	REVISION
Title Sheet			
1	Original	19	Original
2	Original	20	Original
3	Original	21	Original
4	Original	22	Original
5	Original	23	Original
6	Original	24	Original
7	Original	25	Original
8	Original	26	Original
9	Original	27	Original
10	Original	28	Original
11	Original	29	Original
12	Original	30	Original
13	Original	31	Original
14	Original	32	Original
15	Original	33	Original
16	Original	34	Original
17	Original	35	Original
18	Original	36	Original

Issued: February 16, 2000 Effective:

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OnSite Access Local, LLC 1372 Broadway, Second Floor

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Section 2 - Rules and Regulations	7
Section 3 - Description of Services	26
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SYMBOLS

The following are the only symbols used for the purposes indicated below:

- D Delete or Discontinue
- I Change Resulting In An Increase to A Subscriber's Bill
- M Moved From Another Tariff Location
- N New Rate or Regulation
- R Change Resulting In A Reduction to A Subscriber's Bill
- T Change In Text or Regulation But No Change In Rate or Charge

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TARIFF FORMAT

- A. <u>Sheet Numbering</u> Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the Commission follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect.
- C. <u>Paragraph Numbering Sequence</u> There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

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2.

2.1.

2.1.1.

2.1.1.A.

2.1.1.A.1.

2.1.1.A.1.(a).

2.1.1.A.1.(a).I.

2.1.1.A.1.(a).I.(i).

2.1.1.A.1.(a).I.(i).
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D. <u>Check Sheets</u> - When a tariff filing is made with the Commission, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on the check sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the Commission.

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SECTION 1. TECHNICAL TERMS AND ABBREVIATIONS

<u>Access Line</u> - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Subscriber's location to Carrier's location or switching center.

<u>Authorization Code</u> - A numerical code, one or more of which may be assigned to a Subscriber, to enable Carrier to identify the origin of service User so it may rate and bill the call. All authorization codes shall be the sole property of Carrier and no Subscriber shall have any property or other right or interest in the use of any particular authorization code. Automatic numbering identification (ANI) may be used as or in connection with the authorization code.

<u>Automatic Numbering Identification (ANI)</u> - A type of signaling provided by a local exchange telephone company which automatically identifies the local exchange line from which a call originates.

<u>Calling Card</u> - A postpaid or prepaid calling card issued by Carrier which allows Subscribers and/or Users to make telephone calls and charge the calls to a postpaid or prepaid account. Calls charged to a Carrier-issued postpaid Calling Card will appear on the Subscriber's regular monthly bill. Calls charged to a Carrier-issued prepaid Calling Card will be charged against the debit account.

Carrier or Company - Refers to OnSite Access Local, LLC

Commission - Refers to the Florida Public Service Commission.

<u>Common Carrier</u> - A company or entity providing telecommunications services to the public.

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SECTION 1. TECHNICAL TERMS AND ABBREVIATIONS (Cont'd)

<u>Local Access and Transport Area</u> (<u>LATA</u>) - The term "Local Access Transport Area" denotes a geographical area established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192, within which a local exchange company provides communications services.

<u>Measured Charge</u> - A charge assessed on a per minute basis in calculating a portion of the charges due for a completed interexchange call.

<u>Subscriber</u> - The person or legal entity which enters into arrangements for Carrier's telecommunications services and is responsible for payment of Carrier's services.

<u>Telecommunications</u> - The transmission of voice communications or, subject to the transmission capabilities of the service, the transmission of data, facsimile, signaling, metering, or other similar communications.

<u>Term</u> - The timeframe by which the Subscriber agrees to be served by the Carrier.

<u>User</u> - The person(s) utilizing Carrier's services.

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SECTION 2. RULES AND REGULATIONS

2.1 Application of Tariff

- 2.1.1 This tariff contains the regulations and rates applicable to intrastate resale telecommunications services provided by Carrier for telecommunications between points within the State of Florida. Carrier's services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff.
- 2.1.2 The rates and regulations contained in this tariff apply only to the services furnished by Carrier and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carrier for use in accessing the services of Carrier.
- 2.1.3 The Subscriber is entitled to limit the use of Carrier's services by Users at the Subscriber's facilities, and may use other common carriers in addition to or in lieu of Carrier.
- 2.1.4 At the option of the Company, service may be offered on a contract basis to meet specialized requirements of the Subscriber not contemplated in this tariff as approved by the Florida Public Service Commission. The terms of each contract shall be mutually agreed upon between the Subscriber and Company and may include discounts off of rates contained herein, waiver of recurring or nonrecurring charges, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type of originating or terminating access, mixture of services or other distinguishing features. Service shall be available to all similarly situated Subscribers for a fixed period of time following the initial offering for the first contract Subscriber as specific in each individual contract.

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2.2 Use of Services

- 2.2.1 Carrier's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services.
- 2.2.2 The use of Carrier's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- 2.2.3 The use of Carrier's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.2.4 Carrier's services are available for use twenty-four (24) hours per day, seven (7) days per week.
- 2.2.5 Carrier does not transmit messages pursuant to this tariff, but its services may be used for that purpose.
- 2.2.6 Carrier's services may be denied for nonpayment of charges or for other violations of this tariff.
- 2.2.7 Carrier's services may be denied for any use by Subscriber which is illegal, or poses an undue risk or liability to Carrier, or is obtained through fraud or willful misrepresentation.

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2.3 Liability of Carrier

- 2.3.1 Except as otherwise stated in this section, the liability of Carrier for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services, or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Subscriber for interruptions in service as set forth in Section 2.5.
- 2.3.2 Except for the extension of allowances to the Subscriber for interruptions in service as set forth in Section 2.5, Carrier shall not be liable to a Subscriber or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.
- 2.3.3 The liability of Carrier for errors in billing that result in overpayment by the Subscriber shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

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2.3 <u>Liability of Carrier</u> (Cont'd)

- 2.3.4 Carrier shall not be liable for any claims for loss or damages involving:
 - A. Any act or omission of: (1) the Subscriber, (2) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by Carrier; or (3) common carriers or warehousemen;
 - B. Any delay or failure of performance or equipment due to causes beyond Carrier's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotion; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against Carrier; unavailability, failure or malfunction of equipment or facilities provided by the Subscriber or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
 - C. Any unlawful or unauthorized use of Carrier's facilities and services;

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2.3 <u>Liability of Carrier</u> (Cont'd)

- 2.3.4 D. Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the transmission of communications by means of Carrier-provided facilities or services; or by means of the combination of Carrier-provided facilities or services with Customer-provided facilities or services;
 - E. Breach in the privacy or security of communications transmitted over Carrier's facilities;
 - F. Changes in any of the facilities, operations or procedures of Carrier that render any equipment, facilities or services provided by the Subscriber obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by Carrier and is not provided to the Subscriber, in which event Carrier's liability is limited as set forth in subsection 2.3.1 of this Section 2.3.
 - G. Defacement of or damage to Subscriber premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof;

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2.3 <u>Liability of Carrier</u> (Cont'd)

- 2.3.4 H. Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Subscriber, or the construction, installation, maintenance, presence, use or removal of the Subscriber's facilities or equipment connected, or to be connected to Carrier's facilities;
 - I. Any intentional, wrongful act of a Carrier employee when such act is not within the scope of the employee's responsibilities for Carrier and/or is not authorized by Carrier;
 - J. Any representations made by Carrier employees that do not comport, or that are inconsistent, with the provisions of this tariff;
 - K. Any act or omission in connection with the provision of 911, E911, or similar services involving emergencies;
 - L. Any noncompletion of calls due to network busy conditions;
 - M. Any calls not actually attempted to be completed during any period that service is unavailable.

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2.3 <u>Liability of Carrier</u> (Cont'd)

- 2.3.5 Carrier shall be indemnified, defended and held harmless by the Subscriber or end user from and against any and all claims, loss, demands, suits, expense, or other action or any liability whatsoever, including attorney fees, whether suffered, made, instituted, or asserted by the Subscriber or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Subscriber or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any Carrier or Customer equipment or facilities or service provided by Carrier.
- 2.3.6 Carrier does not guarantee nor make any warranty with respect to installations Provided by it for use in an explosive atmosphere. Carrier shall be indemnified, defended and held harmless by the Subscriber from and against any and all claims, loss, demands, suits, or other action, or any liability whatsoever, including attorney fees, whether suffered, made, instituted or asserted by the Subscriber or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Subscriber or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any equipment or facilities or the service.

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2.3 <u>Liability of Carrier</u> (Cont'd)

- 2.3.7 Carrier assumes no responsibility for the availability or performance of any cable or satellite systems or related facilities under the control of other entities, or for other facilities provided by other entities used for service to the Subscriber, even if Carrier has acted as the Subscriber's agent in arranging for such facilities or services. Such facilities are provided subject to such degree of protection or nonpreemptibility as may be provided by the other entities.
- 2.3.8 Any claim of whatever nature against Carrier shall be deemed conclusively to have been waived unless presented in writing to Carrier within thirty (30) days after the date of the occurrence that gave rise to the claim.
- 2.3.9 CARRIER MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

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2.4 Responsibilities of the Subscriber

- 2.4.1 The Subscriber is responsible for placing any necessary orders; for complying with tariff regulations; for the placement of any stickers or tent cards provided by Carrier or as required by law; and for assuring that Users comply with tariff regulations. The Subscriber shall ensure compliance with any applicable laws, regulations, orders or other requirements (as they exist from time to time) of any governmental entity relating to services provided or made available by the Subscriber to Users. The Subscriber is also responsible for the payment of charges for calls originated at the Subscriber's numbers which are not collect, third party, calling card, or credit card calls.
- 2.4.2 The Subscriber is responsible for charges incurred for special construction and/or special facilities which the Subscriber requests and which are ordered by Carrier on the Subscriber's behalf.
- 2.4.3 If required for the provision of Carrier's services, the Subscriber must provide any equipment space, supporting structure, conduit and electrical power without charge to Carrier.

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- 2.4 Responsibilities of the Subscriber (Cont'd)
 - 2.4.4 The Subscriber is responsible for arranging access to its premises at times mutually agreeable to Carrier and the Subscriber when required by Carrier personnel to install, repair, maintain, program, inspect or remove equipment with the provision of Carrier's services.
 - 2.4.5 The Subscriber shall ensure that the equipment and/or system is properly interfaced with Carrier facilities or services, that the signals emitted into Carrier's network are of the proper mode, bandwidth, power, and signal level for the intended use of the Subscriber and in compliance with the criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Subscribers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, Carrier will permit such equipment to be connected with its channels without use of protective interface devices.

If the Subscriber fails to maintain the equipment and/or the system properly, with resulting imminent harm to Carrier equipment, personnel, or the quality of service to other Subscribers, Carrier may, upon written notice, require the use of protective equipment at the Subscriber's expense. If this fails to produce satisfactory quality and safety, Carrier may, upon written notice, terminate the Subscriber's service.

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- 2.4 Responsibilities of the Subscriber (Cont'd)
 - 2.4.6 The Subscriber must pay Carrier for replacement or repair of damage to the equipment or facilities of Carrier caused by negligence or willful act of the Subscriber, Users, or others, by improper use of the services, or by use of equipment provided by the Subscriber, Users, or others.
 - 2.4.7 The Subscriber must pay for the loss through theft of any Carrier equipment installed at Subscriber's premises.
 - 2.4.8 The Subscriber is responsible for payment of all charges for services under this tariff.
 - 2.4.9 The Subscriber is responsible for compliance with the applicable regulations set forth in this tariff.
 - 2.4.10 The Subscriber shall indemnify and save Carrier harmless from all liability disclaimed by Carrier as specified in Section 2.3 above, arising in connection with the provision of service by Carrier, and shall protect and defend Carrier from any suits or claims against Carrier and shall pay all expenses and satisfy all judgments rendered against Carrier in connection herewith. Carrier shall notify the Subscriber of any suit or claim against Carrier of which it is aware.

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2.5 <u>Cancellation or Interruption of Services</u>

2.5.1 General

- A. A service is interrupted when it becomes unusable to the Subscriber, *e.g.*, the Subscriber is unable to transmit or receive, because of a failure of a component furnished by Carrier under this tariff.
- B. An interruption period begins when the Subscriber reports a service, facility or circuit to be inoperative and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- C. If the Subscriber reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by Carrier to be impaired.

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2.5 <u>Cancellation or Interruption of Services</u> (Cont'd)

2.5.2 Limitations on Allowances

No credit allowance will be made for any interruption of service:

- A. due to the negligence of, or noncompliance with the provisions of this Tariff by, any person or entity other than Carrier, including but not limited to the Subscriber or other common carriers connected to the service of Carrier;
- B. due to the failure of power, equipment, systems, or services not provided by Carrier;
- C. due to circumstances or causes beyond the control of Carrier;
- D. during any period in which Carrier is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- E. during any period in which the Subscriber continues to use the service on an impaired basis;

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2.5 <u>Cancellation or Interruption of Services</u> (Cont'd)

2.5.2 <u>Limitations on Allowances</u> (Cont'd)

- F. during any period when the Subscriber has released service to Carrier for maintenance purposes or for implementation of a Subscriber order for a change in service arrangements;
- G. that occurs or continues due to the Subscriber's failure to authorize replacement of any element of special construction; and
- H. that was not reported to Carrier within thirty (30) days of the date that service was affected.

2.5.3 Application of Credits for Interruptions of Service

Credits for interruptions of service, for which charges are specified on the basis of per minute of use, or on the usage of a fraction of a minute, shall in no event exceed an amount equal to the initial period charge provided for under this tariff.

2.6 Discontinuance of Service for Cause

- 2.6.1 Without incurring liability, the Company may discontinue the provision of service to a Subscriber or to a particular Subscriber location, or may withhold the provision of ordered or contracted services:
 - A. For nonpayment of any sum due to the Company for more than thirty (30) days after issuance of the bill for the amount due;
 - B. For violation of any of the provisions of this tariff;
 - C. For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Company's services; or

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2.6 <u>Discontinuance of Service for Cause (Cont'd)</u>

D. By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.

2.7 Billing Arrangements

- 2.7.1 The Subscriber will either be billed directly by Carrier or its intermediary, or charges will be included in the Subscriber's regular telephone bill pursuant to billing and collection agreements established by Carrier or its intermediary with the applicable telephone company.
- 2.7.2 Carrier will render bills monthly. Payment is due within thirty (30) days after the Subscriber's receipt of its bill.
- 2.7.3 Carrier may impose a late payment charge not to exceed 1.5% on any bill not paid within thirty (30) days of the receipt, which charge may only be assessed on outstanding balance. The Subscriber shall be responsible for all costs, including attorney's fees, incurred in the collection of unpaid charge or in any other action to enforce payments and/or obligations arising under this tariff. A charge of up to twenty dollars (\$20.00) may be imposed for returned checks.

2.8 Validation of Credit

Carrier reserves the right to validate the credit worthiness of Subscribers or Users.

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2.9 Contested Charges

All bills are presumed accurate, and shall be absolutely binding on the Subscriber unless objection is received by Carrier within thirty (30) days after such bills are rendered. In the case of a billing dispute between the Subscriber and Carrier for service furnished to the Subscriber, which cannot be settled with mutual satisfaction, the Subscriber can take the following course of action within thirty (30) days of the billing date:

- 2.9.1 First, the Subscriber may request, and Carrier will provide, an in-depth review of the disputed amount. (The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnect.)
- 2.9.2 Second, if there is still a disagreement about the disputed amount after the investigation and review by a manager of Carrier, the Subscriber may file an appropriate complaint with the Florida Public Service Commission. The Commission's address is:

Florida Public Service Commission 2540 Shumard Oak Blvd Tallahassee, FL 32399-0850 (850) 413-6770

2.10 Billing Entity Conditions

When billing functions on behalf of Carrier are performed by local exchange telephone companies, or others, the payment conditions and regulations of such companies apply, including any applicable interest and/or late payment charge conditions.

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2.11 Deposits

- 2.11.1 To safeguard its interests, before a service or facility is furnished, the Company may require a Subscriber, whose financial responsibility is not established to the satisfaction of the Company, or who is a bad credit risk or non credit rated to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Subscriber of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed amounts equal to:
 - A. Up to 3 months charges for a service, or
 - B. The charges that would apply for the minimum payment period for a service which has a minimum payment period of more than one month, up to 3 months; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- 2.11.2 A deposit may be required in addition to an advance payment.
- When a service is discontinued, the amount of a deposit, if any, will be applied to the Subscriber's account and any credit balance remaining will be refunded. Before the service is discontinued, the Company may, at its option, return the deposit or credit it to the Subscriber's account.

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2.11 Deposits (cont'd)

- 2.11.4 The Company may require a deposit from an existing Subscriber if the Subscriber is delinquent in payment, or if the Subscriber's service has been suspended or terminated for non-payment once within the preceding 6-month period. "Delinquent in payment" means that a Subscriber has received two consecutive telephone bills without making payment of one-half of the total of the two bills prior to the due date of the second bill. The Company will provide a Subscriber with written notice before it assesses a deposit, and state that the failure to make timely payment will permit the Company to require a deposit. A Subscriber is not considered delinquent, however, if an amount in dispute is not paid before the dispute is resolved.
- 2.11.5 Subscribers who have a recent payment history with the Company are entitled to service without payment of a deposit unless their records indicate that they are delinquent in payment. A Subscriber who still owes money to the Company for service on a prior account in his or her name shall be offered a deferred payment plan not to exceed three months provided that the Subscriber had service for three months and was not terminated for nonpayment during that period.

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2.11 Deposits (cont'd)

2.11.7 Deposits held will accrue interest at a rate specified by the FL P.S.C. New deposits from Subscribers are reviewed after the first three monthly bills have been rendered; if too much has been taken the excess is returned. The entire deposit is returned to Subscribers after three years, unless the Subscriber is delinquent in payment, in which case the Company continues to hold it. Then if the service is discontinued, the amount of any deposit is applied against the final bill, and any balance is returned to the Subscriber.

2.12 <u>Telephone Surcharges/Taxes/Contributions</u>

In addition to the rates and charges applicable according to the rules and regulations of this tariff, various surcharges and taxes may apply to charges incurred by and billed to the Subscriber on the monthly billing statement. The Subscriber is responsible for payment of any fees (including franchise and right-of-way fees), charges, surcharges, contributions and taxes (however designated) (including without limitation universal service contributions, telephone relay service contributions, sales, use, gross receipts, excise, access or other taxes but excluding taxes on the Company's net income) imposed by any local, state, or federal government on or based upon the provision, sale or use of the Company's services. Fees, charges, and taxes imposed by a city, county, or other political subdivision will be collected only from those Subscribers receiving service within the boundaries of that subdivision.

2.13 Minimum Call Completion Rate

Carrier will ensure an industry standard blocking rate no greater than P.01.

2.14 Promotions

Carrier may from time to time offer promotional services.

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SECTION 3 - DESCRIPTION OF SERVICES

3.1 General

Carrier provides resold interexchange telecommunications services, including direct-dialed message telecommunications services, and 800/888/877 service. Calls are rated based on the duration of the call. Services are available twenty-four (24) hours a day, seven (7) days a week.

3.2 Charges Based on Duration of Use

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- 3.2.1 Calls are measured in duration increments identified for each service. All calls which are fractions of a measurement increment are rounded up to the next whole unit.
- 3.2.2 Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s).
- 3.2.3 Timing terminates on all calls when the calling party hangs up or the Company's network receives an on-hook signal from the terminating carrier.
- 3.2.4 Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- 3.2.5 All times refer to local times.
- 3.2.6 Rates are not distance sensitive. As such, unless otherwise indicated, mileage bands are not applicable to the services offered.
- 3.2.7 Unless otherwise indicated, rates do not vary depending upon day or the time of day (Day, Evening, and Night/Weekend).

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SECTION 3 - <u>DESCRIPTION OF SERVICES</u> (Cont'd)

3.2 Charges Based on Duration of Use

- 3.2.8 Each call is rated and billed in whole cents according to the following conventions:
 - A. Commercial. For services offered by Carrier, any rated call with a fraction of a cent less than \$0.004, will be rounded down to the nearest whole cent. Any rated call with a fraction of a cent \$0.005 or greater, will be rounded up to the nearest whole cent.
 - B. Exceptions. Special rounding arrangements may be made through contractual arrangements.

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SECTION 3 - DESCRIPTION OF SERVICES (Cont'd)

3.3 <u>Product Descriptions</u>

3.3.1 Commercial Switched Outbound (1+)

Switched outbound services provide direct dialed (1+) long distance services to small to medium commercial Subscribers. Access to the network is available through presubscription (or 1+ access) and dial-up arrangements. The Minimum Service Period for One Plus Services is one month.

3.3.2 Commercial Switched Toll Free Service

Commercial Switched Toll Free Service permits Subscribers to receive calls from diverse locations. Under this arrangement, the Subscriber is billed for the charges, not the initiator of the call. Calls terminate to the Subscriber via switched access lines. All costs for interconnection shall be borne by the Subscriber. Prior to the installation of service, Subscribers may be required to submit estimates of call volume and traffic patterns to minimize instances of networking blocking. A minimum monthly usage charge may also applicable.

3.3.3 Commercial Dedicated Outbound (1+)

Dedicated Outbound Services are dedicated service arrangements designed to accommodate the needs of medium to large size businesses. Under this arrangement, Subscribers access the Company's network via dedicated access facilities between the Subscriber's premises and the Company's point of presence. The Minimum Service Period for Service is one year, unless otherwise agreed upon by the Company. All charges for local interconnection facilities are equivalent to those assessed by the local access provider who furnishes the access facilities to the Subscriber. Payment for such charges shall be the responsibility of the Subscriber. When OnSite Access orders the facility on behalf of the Subscriber, OnSite will pass through the local access provider's charges on the OnSite Access invoice to the Subscriber.

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SECTION 3 - <u>DESCRIPTION OF SERVICES</u> (Cont'd)

3.3 <u>Product Descriptions</u> (Cont'd)

3.3.4 Commercial Dedicated Toll Free

Commercial Dedicated Toll Free Service permits Subscribers to receive calls from diverse locations. Under this arrangement, the Subscriber is billed for the charges, not the initiator of the call. Subscribers access the Company's network via dedicated access facilities between the Subscriber's premises and the Company's point of presence. The Minimum Service Period for Service is one year, unless otherwise agreed upon by the Company. All charges for local interconnection facilities are equivalent to those assessed by the local access provider who furnishes the access facilities to the Subscriber. Payment for such charges shall be the responsibility of the Subscriber. When OnSite Access orders the facility on behalf of the Subscriber, OnSite will pass through the local access provider's charges on the OnSite Access invoice to the Subscriber.

All costs for interconnection shall be borne by the Subscriber. Prior to the installation of service, Subscribers may be required to submit estimates of call volume and traffic patterns to minimize instances of networking blocking. A minimum monthly usage charge may also applicable.

3.3.5 Travel Card Services

Travel Services are services available to all Subscribers and authorized users for use at locations other than the Subscriber's premises. Access to the network is available through 1-800 or other toll-free access arrangements; the caller will then be prompted to dial the telephone number associated with the called station and an authorization code in order to complete the call.

3.3.6 Directory Assistance

Subscribers may request directory assistance from Carrier.

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SECTION 3 - DESCRIPTION OF SERVICES (Cont'd)

3.3 <u>Product Descriptions</u> (Cont'd)

3.3.7 Regional Calling Service

Regional Calling Service provides a Subscriber with the ability to originate calls from any access line to all other stations on the public switched telephone network bearing the designation of central office exchanges, areas, and zones included in the caller's regional calling area.

The Regional Calling Plan is available in all LATAs within the state. Per minute charges apply for each call.

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SECTION 4 - RATE SCHEDULE

Unless otherwise specified, the following rates are per minute of use as timed by Carrier in seconds. On-Net Access Rates are for Subscribers in an OnSite Access facility building or premise connected to the OnSite Access network. Off-Net 1+ Rates are for Subscribers in buildings or premises not connected to the OnSite Access network. Off-Net Dedicated Rates are for Subscribers in buildings or premises not connected to the OnSite Access local network but directly access long distance service via a DS1 or DS3. Rates are expressed in full-minute increments.

4.1	Commercial Switched Billing Minimum: Billing Increments:	d Outbound (1+) Six Seconds Six Seconds		On-Net	Off-Net 1+
			Rate:	\$0.0903	\$0.1532
4.2	Commercial Switched	d Toll Free		On-Net	Off-Net 1+
	Billing Minimum: Billing Increments:	Six Seconds Six Seconds			
			Rate:	\$0.0903	\$0.1532
4.3	Commercial Dedicate Billing Minimum: Billing Increments:	Six Seconds		Off-Net	
			Rate:	\$0.0903	
4.4	Commercial Dedicate Billing Minimum: Billing Increments:	Six Seconds		Off-Net	
			Rate:	\$0.0903	

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4.5 Travel Card Service

On-Net

Commercial Billing

Billing Minimum:

Six Seconds

Billing Increment: S

Six Seconds

Rate:

\$ 0.1752

4.6 <u>Directory Assistance</u>

Rate:

\$ 0.95 per request

4.7 Operator Assisted Local and Intralata Calls

Calls are classified as Operator Assisted when the call is handled in such a manner that operator assistance in completion of the call is necessary. Operator Assisted Call Service includes Usage, Operator Surcharges and Busy Line Verification and Interrupt Services.

4.8 Operator Assisted Call Usage

All usage associated with Operator Assisted calls will be charged Regional Rates as stated in 4.12.

4.9 Busy Line Verification and Interrupt Services

Where a caller requests a Company operator to verify that a line is busy or interrupt a conversation that is in progress, appropriate rates are applicable.

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4.10 Presubscribed Interexchange Carrier Charge ("PICC")

Presubscribed Interexchange Carrier Charges are neither contributory to nor eligible to receive discounts nor are they eligible to contribute to meeting minimum monthly usage requirements. This charge applies on a monthly basis to all Subscriber monthly bills. The application of this charge is subject to billing availability. Only one PICC will be applied per line.

4.10.1 Business Subscribers

- A. Single Line --A PICC of \$1.04 applies to each line presubscribed to the Company as the primary interexchange carrier where the Company can determine that the Subscriber has only one line.
- B. Centrex Lines --A PICC applies to each Centrex line presubscribed to the Company as the primary interexchange carrier where the Company can determine that the Subscriber accesses the Company via a Local Exchange Carrier-provided Centrex line. The PICC for Centrex lines are as follows:

1 line	\$4.28
2 lines, per line	\$2.14
Centrex, 3 lines, per line	\$1.43
Centrex, 4 lines, per line	\$1.07
Centrex, 5 lines, per line	\$0.86
Centrex, 6 lines, per line	\$0.71
Centrex, 7 lines, per line	\$0.61
Centrex, 8 lines, per line	\$0.53
Centrex, 9 or more lines, per line	\$0.48

C. All Other Lines --A PICC of \$4.31 applies to each line presubscribed to the Company as the primary interexchange carrier for all other Subscribers of the Company's business services.

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4.10 Presubscribed Interexchange Carrier Charge ("PICC")

4.10.2 ISDN Lines

- A. BRI-ISDN Lines --A PICC of \$2.53 applies to each line presubscribed to the Company as the primary interexchange carrier where the Company can determine that the Subscriber accesses the Company via a local exchange carrier-provided Basic Rate Interface Integrated Services Digital Network line.
- B. PRI-ISDN Lines --A PICC of \$21.40 applies to each line presubscribed to the Company as the primary interexchange carrier where the Company can determine that the Subscriber accesses the Company via a Local Exchange Carrier-provided Primary Rate Interface Integrated Services Digital Network line.

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4.11 <u>Public Pay Telephone Surcharge</u>

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan, effective October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all intrastate, interstate, and international calls that originate from any domestic pay telephone used to access Company services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with service, applies for the use of the instrument used to access Company service and is unrelated to the Company service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (*i.e.*, using the # symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Subscriber pays for service by inserting coins during the progress of the call.

Per	Call	Charge	:
-----	------	--------	---

\$ 0.24

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4.12 Regional Calling Service

Rates set forth in this section apply to all direct-dialed regional calls. For operator-assisted regional calls, the operator charges listed in Section 4.8 apply in addition to the charges listed below.

First Minute	Additional Minute
\$0.1245	\$0.0249

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EXHIBIT C

Financial Qualifications

OAL has access to the financing and capital necessary to conduct the telecommunications operations as specified in this Application. OAL will rely upon its existing personnel and technological and financial resources to provide intrastate services; accordingly no additional investment will be needed to offer the proposed services.

In support of its application, OAL submits its most recent financial statements, which indicate that as of October 31, 1999, OAL has current assets of approximately \$35.5 million, which exceeds current liabilities of approximately \$8.7 million, providing working capital of of approximately \$15.7 million. With access to these substantial financial resources, OAL is financially well-qualified to provide the telecommunications services proposed in this Application. Attached hereto are Applicant's financial statements.

OnSite Access, Inc. Balance Sheet As of October 31, 1999

	Oct 31, '99
ASSETS	
Cash	15,748,172
Account Receivable	1,039,835
Other Current Assets	458,715
Property and Equipment	15,612,231
Other LT Assets	2,635,619
TOTAL ASSETS	35,494,573
LIABILITIES & EQUITY	
Accounts Payable	2,693,257
Accrued Expenses	3,028,275
Other Liabilities	3,025,411
Total Liabilities	8,746,944
Preferred Stock	46,467,004
Common Stock	1,651,658
Retained Earnings	(21,371,032)
Total Equity	26,747,630
TOTAL LIABILITIES & EQUITY	35,494,573

Consolidated Financial Statements

OnSite Ventures LLC (formerly Veritech Ventures LLC)

Years ended December 31, 1998 and 1997 with Report of Independent Auditors

OnSite Ventures LLC (formerly Veritech Ventures LLC)

Consolidated Financial Statements

Years ended December 31, 1998 and 1997

Contents

Report of Independent Auditors	1
Consolidated Balance Sheets	2
Consolidated Statements of Operations	3
Consolidated Statements of Members' (Deficit) Equity	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6

■ Phone: 212 773 3000

Report of Independent Auditors

To the Board of Members of OnSite Ventures LLC

We have audited the accompanying consolidated balance sheets of OnSite Ventures LLC (formerly Veritech Ventures LLC) (the "Company") as of December 31, 1998 and 1997, and the related consolidated statements of operations, members' (deficit) equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of OnSite Ventures LLC (formerly Veritech Ventures LLC) at December 31, 1998 and 1997, and the consolidated results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Ernst + Young LLP

February 11, 1999, except for Note 9, as to which the date is July 1, 1999

Consolidated Balance Sheets

	December 31		
	1998	1997	
Assets			
Current assets:			
Cash	\$ 921,545	\$ 121,830	
Accounts receivable, net of allowance for doubtful			
accounts of \$69,000 (1998)	374,066	8,779	
Other current assets	21,898	49,019	
Total current assets	1,317,509	179,628	
Property and equipment, net	2,076,492	568,451	
Deposits	342,199	154,729	
Other, net	· –	3,597	
Total assets	\$ 3,736,200	\$ 906,405	
Liabilities and members' (deficit) equity Current liabilities: Accounts payable and accrued expenses Current portion of capital lease obligations Total current liabilities Deferred rent Capital lease obligations Loan payable to Reckson Service Industries, Inc., including interest of \$343,870 and \$2,778, respectively	\$ 1,429,141 201,205 1,630,346 40,332 361,724 6,843,870	\$ 307,622 50,945 358,567 40,175 118,782 327,778	
Commitments Members' (definit) equity:			
Members' (deficit) equity: Members' capital	890,927	1,179,065	
Accumulated deficit	(6,030,999)	(1,117,962)	
1 toominatatod dolloit	$\frac{(0,030,999)}{(5,140,072)}$	61,103	
Total liabilities and members' (deficit) equity	\$3,736,200	\$ 906,405	
(toward) equally		÷	

Consolidated Statements of Operations

	Year ended December 31		
	1998	1997	
Revenue	\$ 944,090	\$ 347,808	
Direct costs of revenue	674,564	127,214	
Selling, general and administrative	4,479,771	1,189,831	
Depreciation and amortization	309,135 23,345		
	5,463,470	1,340,390	
Loss from operations	(4,519,380)	(992,582)	
Other income (expenses):			
Interest expense	(380,914)	(2,833)	
Interest income	5,925	843	
Preferred return	(18,668)	(61,970)	
Net loss	\$ (4,913,037)	\$ (1,056,542)	

Consolidated Statements of Members' (Deficit) Equity

Years ended December 31, 1998 and 1997

	Managing Member	Non-managing Members	Accumulated Deficit	Total
Balance as of January 1, 1997	\$ 75,739	\$ -	\$ (61,420)	\$ 14,319
Capital contributed	774,760	266,596	·	1,041,356
Preferred return	60,945	1,025	_	61,970
Net loss for the year ended December 31, 1997	_	_	(1,056,542)	(1,056,542)
Balance as of December 31, 1997	911,444	267,621	(1,117,962)	61,103
Return of capital	(306,806)	_		(306,806)
Preferred return	18,376	292	_	18,668
Net loss for the year ended				
December 31, 1998	_	_	(4,913,037)	(4,913,037)
Balance as of December 31, 1998	\$ 623,014	\$267,913	\$(6,030,999)	\$(5,140,072)

Consolidated Statements of Cash Flows

	Year ended December 31		
	1998	1997	
Operating activities			
Net loss	\$ (4,913,037)	\$ (1,056,542)	
Adjustments to reconcile net loss to net cash used in			
operating activities:			
Depreciation and amortization	309,135	23,345	
Allowance for doubtful accounts	68,831	-	
Deferred rent	157	40,175	
Preferred return	18,668	61,970	
Interest on Reckson Service Industries loan	341,092	2,778	
Changes in operating assets and liabilities:			
Accounts receivable	(434,118)	3,215	
Other current assets	27,121	(49,019)	
Deposits	(187,470)	(154,729)	
Accounts payable and accrued expenses	952,964	238,062	
Net cash used in operating activities	(3,816,657)	(890,745)	
Cash used in investing activities			
Acquisition of property and equipment	(1,140,441)	(349,850)	
Net cash used in investing activities	(1,140,441)	(349,850)	
Cash from financing activities			
Payment of capital lease obligation	(111,381)	(3,931)	
Loan from Reckson Service Industries, Inc.	6,175,000	325,000	
Members' contributions		1,041,356	
Return of capital	(306,806)	_	
Net cash provided by financing activities	5,756,813	1,362,425	
Increase in cash	799,715	121,830	
Cash at beginning of year	121,830	-	
Cash at end of year	\$ 921,545	\$ 121,830	

Supplemental disclosure of cash flow information and noncash investing and financing activities

Equipment acquired under capital leases for the years ended December 31, 1998 and 1997 was \$504,583 and \$173,658, respectively. At December 31, 1998 and 1997, \$232,859 and \$64,304 of equipment purchases are included in accounts payable and accrued expenses, respectively.

Notes to Consolidated Financial Statements

December 31, 1998

1. Summary of Operations and Significant Accounting Policies

Veritech Ventures, LLC ("Veritech") was formed on July 5, 1996 as a New York Limited Liability Company. OnSite Ventures, LLC ("OSV" or the "Company") was formed on November 20, 1997 as a Delaware Limited Liability Company. Effective May 18, 1998, pursuant to a contribution agreement dated February 20, 1998, Veritech contributed substantially all of its assets and liabilities to OSV with Veritech and its members receiving an approximate 32% interest in OSV. Concurrently, Reckson Service Industries, Inc. ("RSI") committed to loan OSV \$6.5 million in the form of convertible subordinated debt (the "RSI Loan Agreement") for an approximate 59% interest in OSV, on an as-converted basis. In accordance with the Limited Liability Company Agreement of OnSite Ventures, LLC, OSV will expire on December 31, 2047 unless terminated earlier by its members.

The accompanying consolidated financial statements reflect the operations of Veritech prior to the formation of OSV and the operations of OSV thereafter.

The Company provides local and long distance telephone service, Internet access and other related services to small to medium-sized businesses in commercial office properties.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Equipment

Equipment is recorded at cost and is depreciated on the straight-line method over its estimated useful life.

Income Taxes

The Company is taxed as a partnership and, accordingly, no provision for federal, state or local income taxes has been made in the accompanying consolidated financial statements.

Notes to Consolidated Financial Statements (continued)

1. Summary of Operations and Significant Accounting Policies (continued)

Organization Costs

Organization costs are being amortized on a straight-line basis over five years.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents. At December 31, 1998, the Company's cash is maintained at one financial institution.

Concentration

For the years ended December 31, 1998 and 1997, approximately 14% and 89%, respectively, of revenue was derived from one customer.

Advertising Costs

The Company's policy is to expense advertising costs as incurred. For the years ended December 31, 1998 and 1997, the Company incurred approximately \$82,000 and \$19,000 of advertising costs, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Notes to Consolidated Financial Statements (continued)

2. Members' Equity

The OSV operating agreement (the "Agreement") provides that the Company shall have two classes of membership interest, managing and non-managing, with both classes voting equally. The Agreement further provides governance for the maintenance of individual member capital accounts, the allocation of profit and loss to such capital accounts, the accretion of a preferred return to certain outstanding member capital balances, and the return of such capital from available cash flow.

3. Loan from Reckson Service Industries Inc.

As of December 31, 1998 and 1997, the Company had amounts outstanding under the RSI Loan Agreement of \$6,500,000 and \$325,000, respectively. Pursuant to the RSI Loan Agreement, amounts outstanding are convertible in full, together with accrued interest, to approximately 59% of the Company's membership interest. Such option can be exercised by RSI at any time prior to March 21, 2000. Amounts outstanding bear interest at 12% per annum, which is compounded annually. Interest is payable semi-annually to the extent of available cash flow. In addition, RSI receives its percentage interest of any membership distributions as if such option was exercised. If RSI has not exercised its conversion privileges prior to March 21, 2000, the interest rate is reset to 7% per annum and is payable semi-annually.

Notes to Consolidated Financial Statements (continued)

4. Property and Equipment

Property and equipment consist of the following:

	December 31		
	1998	1997	
Wiring and installation	\$ 825,904	\$138,486	
Computer hardware, software and equipment	1,393,088	378,319	
Leasehold improvements	92,892	69,330	
Vehicles	40,592	_	
Furniture and fixtures	52,348	5,110	
	2,404,824	591,245	
Less accumulated depreciation	328,332	22,794	
	\$ 2,076,492	\$568,451	

5. Capital Leases

During 1998 and 1997, the Company entered into long-term lease agreements for equipment. These leases bear interest ranging from 13.4% to 15% per annum and provide the Company with a bargain purchase option. For financial reporting purposes, the leases have been classified as capital leases; accordingly, assets of \$678,241 and \$173,658 have been recorded in property and equipment at December 31, 1998 and 1997, respectively.

The future minimum lease payments under the capital leases at December 31, 1998 are as follows:

1999	\$270,906
2000	276,968
2001	131,198
Total minimum lease payments	679,072
Amounts representing interest	116,143
Present value of net minimum lease payments (including	110,143
current portion of \$201,205)	\$ 562,929

Notes to Consolidated Financial Statements (continued)

6. Commitments

Leases

The Company has operating lease commitments for office space and equipment which expire through July 31, 2010. These operating leases provide for basic annual rents plus escalation charges. Minim commitments through the life of such leases are approximately as follows:

1999	\$ 667,000
2000	959,000
2001	963,000
2002	1,007,000
Thereafter	7,449,000
Total	\$11,045,000

In accordance with the provisions of Statement of Financial Accounting Standards No. 13, Accounting for Leases, the aggregate of the total minimum lease payments is amortized on the straight-line method over the term of the lease. The difference between the straight-line rent expense and the amounts paid in accordance with the terms of the lease has been included in "Deferred Rent". Rent expense was approximately \$168,000 and \$64,000 for the years ended December 31, 1998 and 1997.

Employment Agreements

As of December 31, 1998, the Company has entered into employment agreements with three of its senior executives and a consultant, who is also a founder, which obligates the Company to total annual payments as follows:

1999	\$640,000
2000	640,000
2001	312,000

Notes to Consolidated Financial Statements (continued)

7. Related Party Transactions

During the years ended December 31, 1998 and 1997, the Company rented temporary office space from its managing member whereby the Company paid approximately \$21,000 and \$5,000, respectively, to such managing member.

During the year ended December 31, 1997, the Company purchased \$56,000 of construction services from a related party of which \$26,000 was included in accounts payable at December 31, 1997.

The Company provides telecommunication services to tenants in commercial office buildings which are owned by an affiliate of RSI. Revenue from tenants in RSI affiliated buildings was approximately \$223,000 and corresponding commissions owed to the RSI affiliate were approximately \$7,000 for the year ended December 31, 1998.

8. Bridge Loan

On February 10, 1999, the Company entered into a Senior Secured Promissory Note and Loan and Security Agreement with certain members of the Company in an amount not to exceed \$4 million (the "Bridge Loan"). The Bridge Loan will convert into Series B and C Membership units upon the closing of the Financing Transaction. Unless agreed to by the parties, in no event shall the maturity of this Bridge Loan exceed eleven months and three weeks from the date of initial borrowing. On February 15, 1999, the Company borrowed \$2 million under the Bridge Loan which bears interest initially at 15% per annum which increases after April 1, 1999.

Notes to Consolidated Financial Statements (continued)

9. Subsequent Events

Financing Transaction

Following receipt of required regulatory approvals, on June 30, 1999 the Company merged into OnSite Access, Inc., a Delaware corporation which survived such merger (the "Corporation"). On July 1, 1999, the Corporation completed closings for \$20.499 million of additional equity in connection with a \$60 million private equity financing (the "Financing Transaction") pursuant to which the Company issued 17,083,106 shares of Series B Preferred Stock, 8,565,344 shares of Series C Preferred Stock and 133,970 shares of Series D Preferred Stock. The investors in the Financing Transaction are committed to invest the remaining \$39.501 million and the Company is committed to issue 32,916,894 additional shares of Series B Preferred Stock, 16,504,290 additional shares of Series C Preferred Stock and 258,141 additional shares of Series D Preferred Stock at subsequent closings, subject only to satisfaction of the conditions of the Financing Transaction and the Corporation's call for funds. In connection with the Financing Transaction, the Bridge Loan was repaid. In addition, in connection with the merger, the principal and accrued interest outstanding under the RSI Loan Agreement was converted into 5,869,000 shares of Series A Preferred Stock issued to RSI by the Corporation.

10. Year 2000 Issue (Unaudited)

The Company is currently working to evaluate and resolve the potential impact of the Year 2000 on its processing of date-sensitive information and network systems. The Year 2000 problem is the result of computer programs being written using two digits (rather than four) to define the Year 2000, which could result in miscalculations or system failures resulting from recognition of a date using "00" as the year 1900 rather than the year 2000.

The Company has assigned responsibility internally to coordinate the identification, evaluation and implementation of changes to computer systems and applications necessary to achieve its goal of a Year 2000 date conversion which would minimize the effect on its customers and avoid disruption to business operations. The Company is also focusing on hardware and software tools, programming and outside forces that may affect its operations. The Company's analysis of the Year 2000 issue is ongoing and will be continuously updated throughout 1999.

Notes to Consolidated Financial Statements (continued)

10. Year 2000 Issue (Unaudited) (continued)

The Company has initiated communications with all of its significant customers, suppliers, contractors and major systems developers to determine their plans to remedy any Year 2000 issues that arise in their business with the Company. To the extent problems are identified, the Company will implement corrective procedures where necessary, then test the applications for Year 2000 compliance. The Company expects to complete this project prior to January 1, 2000.

Based on preliminary data, the Company estimates that the Year 2000 effort will have a nominal cost impact, although the Company can make no assurances as to the ultimate cost of the Year 2000 effort or the total cost of information systems. Such costs will be expensed as incurred, except to the extent such costs are incurred for the purchase or lease of capital equipment. The Company expects to make some of the necessary modifications through its ongoing investment in system upgrades. The Company believes that its exposure to this issue, based on its internal systems, is somewhat limited by the fact that substantially all of the Company's systems have been purchased or replaced since 1996.

As of January 1, 1999, the Company had incurred nominal consulting costs in respect to its Year 2000 conversion effort. The Company has not deferred any other information systems projects due to the Year 2000 efforts. The Company expects that the source of funds for Year 2000 costs will be cash on hand and cash from operations. Accordingly, the Company plans to devote the necessary resources to resolve all significant Year 2000 issues.

If the Company's customers, suppliers, contractors, or major systems developers are unable to resolve Year 2000 processing issues in a timely manner, a material adverse effect on the Company's results of operations and financial conditions could result.

Consolidated Financial Statements

Veritech Ventures LLC

Year ended December 31, 1997 and period from July 5, 1996 (date of inception) to December 31, 1996 with Report of Independent Auditors

Consolidated Financial Statements

Year ended December 31, 1997 and period from July 5, 1996 (date of inception) to December 31, 1996

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■ Phone: 212 773 3000

Report of Independent Auditors

To the Board of Members of Veritech Ventures LLC

We have audited the accompanying consolidated balance sheets of Veritech Ventures LLC (the "Company") as of December 31, 1997 and 1996, and the related consolidated statements of operations, members' equity and cash flows for the year ended December 31, 1997 and for the period from July 5, 1996 (date of inception) to December 31, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Veritech Ventures LLC at December 31, 1997 and 1996, and the consolidated results of its operations and its cash flows for the year ended December 31, 1997 and for the period from July 5, 1996 (date of inception) to December 31, 1996 in conformity with generally accepted accounting principles.

February 5, 1998, except for Note 9 as to which the date is February 20, 1998 Ernet + Young LLP

Consolidated Balance Sheets

	December 31		
	1997	1996	
Assets			
Current assets:			
Cash	\$ 121,830	\$ -	
Accounts receivable	8,779	11,994	
Prepaid expenses and other current assets	49,019	-	
Total current assets	179,628	11,994	
Property and equipment, net	568,451	2,956	
Deposits	154,729	_	
Organization costs, net of accumulated amortization			
of \$1,542 (\$514 in 1996)	3,597	4,625	
Total assets	\$ 906,405	\$ 19,575	
Liabilities and members' equity Current liabilities:			
Accounts payable and accrued expenses	\$ 310,400	\$ 5,256	
Current portion of capital lease obligation	50,945	-	
Total current liabilities	361,345	5,256	
Deferred rent	40,175	_	
Capital lease obligation	118,782	_	
RSI loan	325,000	_	
Commitments			
Members' equity:			
Members' capital	1,179,065	75,739	
Accumulated deficit	(1,117,962)	(61,420)	
Total liabilities and members' equity	\$ 906,405	\$ 19,575	

Veritech Ventures LLC Consolidated Statements of Operations

	Year ended December 31, 1997	Period from July 5, 1996 (date of inception) to December 31, 1996	
Consulting revenue	\$ 335,126	\$ 20,109	
Telecommunications and Internet Services	12,682		
Total revenue	347,808	20,109	
Costs of revenue	127,214	~ ~	
General and administrative	689,577	76,504	
Sales and marketing	344,541	1,034	
Operations and development	155,713	_	
Depreciation and amortization	23,345	991	
	1,340,390	78,529	
Loss from operations	(992,582	(58,420)	
Other income (expenses):			
Interest expense	(2,833) –	
Interest income	843	-	
Preferred return	(61,970	(3,000)	
Net loss	\$ (1,056,542	\$ (61,420)	

Consolidated Statements of Members' Equity

Year ended December 31, 1997 and period from July 5, 1996 (date of inception) to December 31, 1996

	Managing Member	Non-managing Members	Accumulated Deficit	Total
Capital contributed	\$ 72,739	\$ -	\$ -	\$ 72,739
Preferred return	3,000	_	_	3,000
Net loss for the period from July 5, 1996 (date of inception) to	·			÷
December 31, 1996			(61,420)	(61,420)
Balance as of December 31, 1996	75,739	-	(61,420)	14,319
Capital contributed	774,760	266,596	****	1,041,356
Preferred return	60,945	1,025	*****	61,970
Net loss for the year ended December 31, 1997	_	_	(1,056,542)	(1,056,542)
Balance as of December 31, 1997	\$ 911,444	\$267,621	\$(1,117,962)	\$ 61,103

Consolidated Statements of Cash Flows

	Year ended December 31, 1997	Period from July 5, 1996 (date of inception) to December 31, 1996
Operating activities		
Net loss	\$ (1,056,542)	\$ (61,420)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	23,345	99 1
Deferred rent	40,175	promp.
Preferred return	61,970	3,000
Changes in operating assets and liabilities:		
Accounts receivable	3,215	(11, 99 4)
Prepaid expenses	(49,019)	-
Deposits	(154,729)	-
Accounts payable and accrued expenses	240,840	5,256
Net cash used in operating activities	(890,745)	(64,167)
Cash used in investing activities		
Organization costs		(5,139)
Acquisition of property and equipment	(349,850)	(3,433)
Net cash used in investing activities	(349,850)	(8,572)
Cash from financing activities		
Payment of capital lease obligation	(3,931)	***
RSI loan	325,000	
Members' contributions	1,041,356	72,739
Net cash provided by financing activities	1,362,425	72,739
Increase in cash	121,830	_
Cash at beginning of period	-	
Cash at end of period	\$ 121,830	\$ <u>-</u>

Supplemental disclosure of cash flow information and noncash investing and financing activities

Included in property and equipment at December 31, 1997 is \$173,658 of equipment acquired under a capital lease and \$64,304 of equipment included in accounts payable and accrued expenses.

Notes to Consolidated Financial Statements

December 31, 1997

1. Summary of Operations and Significant Accounting Policies

Veritech Ventures, LLC (the "Company") was formed on July 5, 1996, as a New York Limited Liability Company, pursuant to an operating agreement (the "Members' Agreement") which will terminate on July 5, 2016 unless terminated earlier by certain events, as defined, in such Members' Agreement.

The Company has been organized for the purpose of developing and implementing concepts related to the integration of modern technology applications within commercial and residential real estate operations.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Equipment

Equipment is recorded at cost and is depreciated on the straight-line method over its estimated useful life.

Income Taxes

The Company is taxed as a limited liability company and, accordingly, no provision for federal, state or local income taxes has been made in the accompanying consolidated financial statements.

Organization Costs

Organization costs are being amortized on a straight-line basis over five years.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents. At December 31, 1997, the Company's cash is maintained at one financial institution.

Notes to Consolidated Financial Statements (continued)

1. Summary of Operations and Significant Accounting Policies (continued)

Concentration

For the year ended December 31, 1997, approximately 89% of revenue was derived from one customer.

Advertising Costs

The Company's policy is to expense advertising costs as incurred. For the year ended December 31, 1997, the Company incurred approximately \$19,000 of advertising expenses which are included in sales and marketing expenses.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Members' Equity

The Members' Agreement provides that the Company shall have two classes of membership interest, managing and non-managing, with both classes voting equally. The Agreement further provides governance for the maintenance of individual member capital accounts, the allocation of profit and loss to such capital accounts, the accretion of a preferred return to certain outstanding member capital balances, and the return of such capital from available cash flow.

3. RSI Loan

In December 1997 and January 1998, the Company received loans from Reckson Service Industries, Inc. ("RSI") in the amounts of \$325,000 and \$300,000, respectively. The loans bear interest at 12% per annum and were contributed to the joint venture formed by the Company and RSI in February 1998 (see Note 9).

Notes to Consolidated Financial Statements (continued)

4. Property and Equipment

Property and equipment consist of the following:

	December 31	
	1997	1996
Wiring	\$138,486	\$ -
Computer hardware, software and equipment	378,319	3,433
Leasehold improvement	69,330	
Furniture and fixtures	5,109	
	591,244	3,433
Less accumulated depreciation	22,794	477
	\$568,450	\$ 2,956

5. Capital Lease

In December 1997, the Company executed a long-term lease agreement for equipment. The lease bears interest at 13.4% per annum and provides the Company with a bargain purchase option. For financial reporting purposes, the lease has been classified as a capital lease; accordingly, an asset of \$173,658 (included in property and equipment at December 31, 1997) has been recorded.

The future minimum lease payments under the capital lease at December 31, 1997 are as follows:

1998	\$ 70,632
1999	70,617
2000	64,732
Total minimum lease payments	205,981
Amounts representing interest	(36,254)
Present value of net minimum lease payments (including	
current portion of \$50,945)	\$ 169,727

Notes to Consolidated Financial Statements (continued)

6. Commitments

Leases

The Company has lease commitments for office rentals which expire through July 30, 2002. These operating leases provide for basic annual rents plus escalation charges. Minimum commitments through the life of such lease are approximately as follows:

1998	\$ 102,000
1999	105,000
2000	115,000
2001	119,000
2002	71,000
Total	\$ 512,000

In accordance with the provisions of Statement of Financial Accounting Standards No. 13, *Accounting for Leases*, the aggregate of the total minimum lease payments is amortized on the straight-line method over the term of the lease. The difference between the straight-line rent expense and the amounts paid in accordance with the terms of the lease has been included in "Deferred Rent". Rent expense was approximately \$63,800 and \$0 for the year ended December 31, 1997 and for the period from July 5, 1996 (date of inception) to December 31, 1996, respectively.

Employment Agreements

On January 6, 1997, the Company entered into a three-year employment agreement which obligates the Company to a minimum of \$100,000 per year in guaranteed payments.

7. Related Party Transactions

During the year ended December 31, 1997, the Company rented temporary office space from its managing member whereby the Company paid approximately \$5,250 to such managing member.

During the year ended December 31, 1997, the Company purchased \$56,000 of construction services from a related party of which \$26,000 is included in accounts payable at December 31, 1997.

Notes to Consolidated Financial Statements (continued)

8. Organization

On February 7, 1997, the Company formed two wholly-owned subsidiaries, OnSite Access, LLC and OnSite Access Local, LLC for purposes of implementing distinct elements of its business intentions (i.e., providing Internet access and local phone service, respectively).

9. Subsequent Event

On February 20, 1998, the Company entered into an agreement (the "RSI Agreement") with RSI and other third parties whereby the parties agreed to form a new company, OnSite Ventures, LLC ("OSV"). Pursuant to the RSI Agreement, the Company has agreed to contribute to OSV all of its assets and liabilities in consideration for approximately a 26% interest in OSV and RSI has agreed to contribute \$6.5 million in consideration for its approximate 59% interest in OSV.

EXHIBIT D

Managerial and Technical Qualifications



Management Team

The OnSite Access management team consists of a premier group of technologists, engineers, and entrepreneurs

Howard Taylor

Chairman and Chief Executive President

Howard brings over 25 years of management experience in the communications and information services industries to OnSite Access. Prior to joining the company, Howard was the President and COO of WinStar Broadband Services, a provider of business-to-business integrated communications services. He has also served as President of the Custom Business Group for Southern New England Telephone (SNET), and Vice President of Marketing Multinational Accounts for MCI Communications. Howard's leadership and proven track record in building a national broadband service company will strengthen OnSite's rapid national expansion efforts and strengthen its position as the leader in providing voice, high-speed data and enhanced services to the small and medium-sized tenant business community.

Scott Jarus

President and Chief Operating Officer

Scott has over 15 years of management experience in the telecommunications industry, primarily with start-up or early stage. He began his telecommunications career with a company that built one of the world's first public packet-data switching networks. He spent nine years with telecommunications giant Metromedia Communications where he held executive positions in such areas as information systems, sales and loss prevention, and ultimately served as its Vice President of Operations. He was also a co-founder and Vice President of Multimedia Medical Systems, a provider of advanced multimedia applications to the healthcare industry. Just prior to joining OnSite he served as Senior Vice President of Operations at RCN Telecom where he was responsible for directing the operations of the company's telephone, cable TV, and Internet networks. He also oversaw the customer service, order administration, and provisioning functions of the company.

Ken Hall

Executive Vice President and Chief Financial Officer

Prior to joining OnSite, Ken served as Senior Vice President of Finance and Operations and CFO of Qwest Internet Solutions, formed by Qwest Communications acquisition of Icon CMT Corporation. He spearheaded Icon's efforts to successfully complete an Initial Public Offering and private placement raising over \$55 million. He also directed the company's corporate finance, and negotiated mergers, acquisitions and joint ventures with leading global Internet and telecommunications companies. Before he joined Icon, Ken was CFO of Global DirectMail Corp and Vice President of Finance and Administration and served as CFO of National Football League Properties, Inc

Richard Miller

Executive Vice President of Business Development

Prior to joining OnSite Access, Rick served as Vice President of the Equity Capital Group, a subsidiary of GE Capital in Stamford, CT. He joined GE Capital's group to help identify, invest and manage the group's growing private equity portfolio. Prior to his work with GE, Rick was a general partner at RFE Investment Partners, a Connecticut based venture capital firm, where he was involved in a number of the firm's health care service investments. Rick has also served as a director on six private companies and one not-for-profit entity including Signature Health Care Company. Prior to his six years at RFE, Mr. Miller, a CPA, was a manager with Arthur Young & Co. in both their Washington D.C. and Stamford, CT offices. He holds a Masters degree in Taxation from Pace University and a BA in Accounting from Le Moyne College.

Daren Hornig

Co- Founder and Executive Vice President

Daren oversees all sales and marketing functions for OnSite Access, including real estate acquisitions, sales to end users, advertising, marketing, and public relations. Additionally, he is responsible for OnSite Access' strategic planning, product development, and new market entry initiatives. Daren established OnSite Access to help commercial real estate owners equip their buildings with a state-of-the-art telecommunications and Internet infrastructure, and to provide tenants with technologically-advanced, seamless, and cost-effective voice, data, and Internet connectivity services on an ongoing basis. Daren has an extensive background in commercial real estate, tenant services, and communications technologies. He has held management positions with sorne of the largest commercial real estate firms in New York, including Newmark and Galbreath.

Brandon Knicely

Executive Vice President and Chief Technology

Brandon brings 15 years of advanced communications experience to OnSite Access. He was most recently founder and managing director of Networked Systems and Consulting Group (NSC) – a New York City-based engineering consulting company. NSC, founded in 1992, specialized in design, management and performance of networked system. Prior to NSC, Brandon worded 8 years for IBM as a specialist in communications technologies and products where he was responsible for building high availability, global networks in the enterprise and service provider markets. Prior to IBM, Brandon worded for Siecor teaching optical communication technology to the RBOCs and IXC's which included fiber optic technology, installation, and acceptance testing.

Brian Benz

Senior Vice President of Finance

Prior to joining OnSite Access, Brian was CFO for several successful start-up companies, including Physicians' Online-an Internet service provider to the medical community, Advanced Health Corporation-a provider of physician clinical information systems, and Yoyodyne Entertainment-an Internet direct marketing company. Prior to that he was an investment banker at Merrill Lynch Interfunding-a leverage buyout subsidiary of Merrill Lynch. He began his career at Deloitte & Touche and is a CPA. Brian also has an MBA from Columbia University.

Lou Martinez

Vice President

At OnSite Access, Lou is responsible for all network and field operations, customer service, and provisioning of data and voice resources. Prior to joining OnSite Access, Lou was the Director of Corporate Sales for the IDT Corporation-an international telecommunications company. He then became IDT's Director of Network Operations from 1995 through 1998 where he managed IDT's network and field operations, customer service, and provisioned all data resources. He also helped IDT build-out the company's DS3 national backbone infrastructure.

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