

FLORIDA PAY TELEPHONE CERTIFICATE APPLICATION

980538-TC

DEPOSIT

DATE

1. LEGAL NAME OF THE APPLICANT

D758

APR 20 1998

Nellie Daniel / Valerie Ferris

2. NAME UNDER WHICH THE APPLICANT WILL DO BUSINESS

National Phone Network (N.P.N.)

3. ADDRESS OF THE APPLICANT(S)

STREET

P.O. Box 1108

CITY

Mango

STATE & ZIP

FLA 33550-1108

4. TYPE OF ORGANIZATION (CHECK ONE)

A. INDIVIDUAL DOING BUSINESS UNDER HIS/HER OWN NAME:

DOCUMENTATION: No other documentation needed.

B. PARTNERSHIP:

DOCUMENTATION: Attach a copy of the partnership agreement, and a list with the name and address of all partners.

C. CORPORATION:

DOCUMENTATION: Attach proof that articles of incorporation have been filed with the Florida Secretary of State's Office. If incorporated outside of Florida, attach proof from the Florida Secretary of State that applicant has authority to operate in Florida and provide name and address of Florida Registered Agent.

NAME

\_\_\_\_\_

ADDRESS

\_\_\_\_\_

D. DOING BUSINESS UNDER A FICTITIOUS NAME:

DOCUMENTATION: Attach proof that fictitious name has been registered with the Florida Secretary of States Office.

RECEIVED  
FLORIDA PUBLIC  
SERVICE COMMISSION

22  
M.L. RUC

DOCUMENT NUMBER-DATE

04435 APR 20 98

FPEC-RECORDS/REPORTING

D. HAS HAD REGULATORY PENALTIES IMPOSED FOR VIOLATIONS OF TELECOMMUNICATIONS STATUTES. EXPLAIN CIRCUMSTANCES.

NONE

9. PLEASE INDICATE IF ANY OFFICERS OF THE CORPORATION, PARTNERSHIP OR INDIVIDUAL APPLICANT HAVE BEEN ADJUDGED BANKRUPT, MENTALLY INCOMPETANT, OR FOUND GUILTY OF ANY FELONY OR OF ANY CRIME, OR WHETHER SUCH ACTIONS MAY RESULT FROM PENDING PROCEEDINGS.

NO

10. PLEASE CHECK THE SERVICES THAT WILL BE PROVIDED:

LOCAL  
LONG DISTANCE  
COIN  
CALLING CARD  
CREDIT CARD  
OTHER, DESCRIBE

[  
  
  
  
  
]

11. PROPOSED NUMBER OF PAY TELEPHONE INSTRUMENTS THE APPLICANT PLANS TO PLACE IN THE FIRST YEAR: 10

12. HOW DOES THE APPLICANT INTEND TO SERVICE AND MAINTAIN EACH PAYPHONE?

PERSONALLY  
FULL-TIME TECHNICIAN  
PART-TIME TECHNICIAN  
SERVICE/REPAIR/MAINTENANCE CONTRACT  
OTHER, DESCRIBE

[  
  
  
  
]

13. WILL EACH OF THE PAY TELEPHONES WHICH YOU PLAN TO INSTALL PROVIDE ACCESS TO ALL LOCALLY AVAILABLE LONG DISTANCE CARRIERS VIA IOXXX+0, 950 XXXX, AND 1-800? (See Rule 25-24.515(6), F.A.C.)

Yes

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14. WILL EACH OF THE PAY TELEPHONES WHICH YOU PLAN TO INSTALL CONFORM TO SUBSECTIONS 4.29.2 - 4.29.4 and 4.29.7 - 4.29.8 OF THE AMERICAN NATIONAL STANDARDS SPECIFICATIONS FOR MAKING BUILDINGS AND FACILITIES ACCESSIBLE AND USABLE BY PHYSICALLY HANDICAPPED PEOPLE (ATTACHMENT F)? (See Rule 25-24.515(14), F.A.C.)

Yes

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I, THE UNDERSIGNED OWNER OR OFFICER OF THE ABOVE NAMED ENTITY, HAVE READ THE FOREGOING AND DECLARE THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE INFORMATION IS A TRUE AND CORRECT STATEMENT. I AM AWARE THAT PURSUANT TO s. 837.06, FLORIDA STATUTE, 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. I WILL COMPLY WITH ALL CURRENT AND FUTURE COMMISSION REQUIREMENTS REGARDING THE PAY TELEPHONE SERVICE. I UNDERSTAND THAT A NON-REFUNDABLE APPLICATION FEE OF \$100 MUST ACCOMPANY THE APPLICATION. ALSO, I UNDERSTAND THAT I AM REQUIRED TO PAY A REGULATORY ASSESSMENT FEE (MINIMUM \$50.00 PER CALENDAR YEAR), FILE AN ANNUAL PAY TELEPHONE SERVICE REPORT, AND PAY GROSS RECEIPTS TAX. FURTHERMORE, I AGREE TO KEEP THE COMMISSION ADVISED OF ANY CHANGES IN THE NAMES OR ADDRESSES LISTED ABOVE WITHIN TEN (10) DAYS OF THE CHANGE.

Valerie Ferris  
(SIGNATURE OF OWNER/CHIEF OFFICER OF APPLICANT)

DATE: 2-19-98

APPLICANT ACKNOWLEDGEMENT CARD

Applicant Nellie Daniel / Valerie Ferris

I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Requirements relating to my provision of Pay Telephone Service.

Signature Valerie Ferris  
Title Partner  
Date 3-19-98

THIS MUST BE COMPLETED AND RETURNED WITH THE APPLICATION BEFORE THE CERTIFICATION PROCESS BEGINS. FAILURE TO DO SO WILL RESULT IN A DELAY OF THE CERTIFICATE BEING ISSUED.

# State of Florida



## Department of State

I certify that the attached is a true and correct copy of the Application For Registration of Fictitious Name of NATIONAL PHONE NETWORK, registered with the Department of State on March 5, 1998, as shown by the records of this office.

The Registration Number of this Fictitious Name is G98064000238.

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capital, this the  
Sixth day of March, 1998



CR2EO22 (2-95)

Handwritten signature of Sandra B. Mortham in cursive.

Sandra B. Mortham  
Secretary of State



FLORIDA DEPARTMENT OF STATE  
Sandra B. Mortham  
Secretary of State

March 6, 1998

NATIONAL PHONE NETWORK  
P.O. BOX 1108  
MANGO, FL 33550-1108

Subject: **NATIONAL PHONE NETWORK**

REGISTRATION NUMBER: **G98064000238**

This will acknowledge the filing of the above fictitious name registration which was registered on March 5, 1998. This registration gives no rights to ownership of the name.

Each fictitious name registration must be renewed every five years between July 1 and December 31 of the expiration year to maintain registration. Three months prior to the expiration date a statement of renewal will be mailed.

**IT IS THE RESPONSIBILITY OF THE BUSINESS TO NOTIFY THIS OFFICE IN WRITING IF THEIR MAILING ADDRESS CHANGES.** Whenever corresponding please provide assigned Registration Number.

Enclosed is your certificate(s) as requested.

Should you have any questions regarding this matter you may contact our office at (904) 487-6058.

Fictitious Name Section  
Division of Corporations

Letter No. 398A00012540

## PARTNERSHIP AGREEMENT

THIS PARTNERSHIP AGREEMENT (this "Agreement") made and entered into this 15 day of APRIL, 1998, by, between and among Nellie Daniel and Valerie Ferris, and who have subscribed their names hereto as general partners so long as they own their interest (who are hereinafter referred to individually as a "Partner" and collectively as "Partners").

### W I T N E S S E T H:

**WHEREAS**, the Partners desire to form a general partnership pursuant to the provisions of the Florida Revised Uniform Partnership Act; and

**WHEREAS**, the Partners now desire to set forth the terms, conditions and agreements with respect to the conduct of the subject business in partnership form.

**NOW, THEREFORE**, in consideration of the premises, which shall be deemed to be an integral part of this Agreement and not as mere recitals hereto, and of the mutual agreements herein contained, it is agreed by and between the parties hereto as follows:

### ARTICLE I

#### General Nature of Partnership

The Partners hereby form a general partnership (the "Partnership") under the Florida Revised Uniform Partnership Act (the "Act"), which Act, except as otherwise expressly provided herein, shall govern the rights and obligations of the parties hereto. The purpose of the Partnership is to engage in the installation and maintenance of pay telephones. The Partnership may engage in any and all other activities as may be necessary, incidental, or convenient to carry out the business of the Partners as contemplated by this Agreement.

### ARTICLE II

#### Name and Place of Business Names and Addresses of Partners

(a) **Name**. The Partnership shall operate under the name National Phone Network or such other name as the Partners shall determine.

(b) **Office Address**. The office of the Partnership shall be at P. O. box 1108, Mango, Florida 33550-1108, or such other place or places as shall be mutually agreed upon by the Partners.

(c) **Names and Addresses of Partners**. The names and addresses of the Partners are as follows:

Nellie Daniel

25555 Oaks Boulevard  
Land O'Lakes, FL 34639

Valerie Ferris

P. O. Box 1108  
Mango, Florida 33550-1108

**ARTICLE III**  
**Term of Partnership**

The partnership shall commence on the date this agreement is signed by the last of the partners, if different than the date on page 1 hereof and shall continue until terminated by the terms of this Agreement, by mutual agreement of the Partners, or by operation of law; provided, however, that dissolution of the Partnership shall not terminate this Agreement prior to completion of the liquidation of the Partnership.

**ARTICLE IV**  
**Defined Terms**

The defined terms used in this Agreement shall, unless the context otherwise requires, have the meanings specified in this Article IV. The singular shall include the plural and the masculine gender shall include the feminine and vice versa, as the context requires.

(a) "Act" means the Florida Revised Uniform Partnership Act.

(b) "Agreement" means this Partnership Agreement as originally executed and as hereafter amended from time to time, as the context requires.

(c) "Capital Account", as to any Partner, means such Partner's Capital Account as provided in Paragraph (c) of Article V hereof.

(d) "Capital Contribution" means the total amount of cash, property or services contributed to the Partnership as provided in Article V by the Partners or any Partner, as the context requires.

(e) "Cash Flow" means Gross Receipts determined on a cash basis from Partnership operations, less cash disbursements for Partnership purposes, including, but not limited to:

(1) all expenses of the Partnership, including, but not limited to, Operating Expenses;

(2) Debt Service payments;

(3) capital costs of equipment, replacements and other tangibles and intangibles; and

(4) prepayments of any expense, cost, or expenditure.

Depreciation and other noncash amortization or charges, if any, shall not be a charge in determining Cash Flow.

(f) "Code" means the current Internal Revenue Code, as amended (or any corresponding provision of succeeding law).

(g) "Consent" means the consent of a person to do the act or thing for which the consent is solicited, or the act of granting such consent, as the context may require.

(h) "Debt Service" means all costs of obtaining and servicing indebtedness of the Partnership, including payment (or reimbursement of Partners for payment by Partners) of points, service charges and fees, appraisals, documentary stamp taxes, recording fees, commitment fees, brokerage commissions, other closing costs, principal and interest and the like.

(i) "Disability" means a period of disability exceeding sixty (60) consecutive days or an aggregate of 180 days within a period of two (2) consecutive years.

(j) "Distributable Cash Flow" means Cash Flow adjusted for amounts which are from time to time set aside for restoration or creation of Reserves or which are from time to time withdrawn from such Reserves.

(k) "Fiscal Year" means, with respect to the Partnership, the calendar year.

(l) "Gross Receipts" means the total Partnership cash receipts received during a period from all sources, including, but not limited to, the proceeds of refinancing, but not including the proceeds of a sale of Partnership property.

(m) "Incapacity" or "Incapacitated" means the insolvency, adjudication of bankruptcy, adjudication of incompetence, or insanity, as the case may be, of any Partner.

(n) "Interest" and "Partnership Interest" means the entire ownership interest (which may, either for his Capital Account or his interest in Profits, Losses, Distributable Cash Flow, etc., be expressed as a percentage) of a Partner in the Partnership at any particular time, including the rights and obligations of such Partner under the Agreement and the Act.

(o) "Notification" or "Notice" means a writing, containing the information required by this Agreement or desired by any Partner or person subject to this Agreement, to be communicated to any person, sent by registered or certified mail, return receipt requested, postage prepaid, to such person at the address specified

in Article II hereof for such person if a Partner or as changed by such person pursuant to Paragraph (b) of Article XXIII hereof; and if such person is not a Partner, then at the last known address for such person; the date of registry thereof or, if no date of registration, the date of the certified receipt therefor, being deemed the date of the giving of notification or notice; provided, however, the foregoing notwithstanding, that any communication containing the information sent to the person and actually received by the person shall constitute notification or notice for all purposes of this Agreement as of the date of receipt by the person.

(p) **"Operating Expenses"** shall include without limitation principal and interest payments on Partnership loans, whether or not secured by mortgages or Partnership properties; all costs of operating Partnership properties and/or equipment, including, but not limited to, the costs and expenses of repairs and maintenance to equipment, fixtures, and facilities constituting a part of such properties or related to or used on such properties; the costs and expenses of maintaining such properties; the cost and expenses of managing, promoting and renting such properties; insurance premiums, real estate taxes, assessments and other governmental charges; all reimbursable out-of-pocket expenses of any Partner which may be treated as a current expense for federal income tax purposes, and which are reasonably incurred in the management and administration of the Partnership and directly attributable thereto, subject to such other limitations on reimbursement of such out-of-pocket expenses of any Partner as may hereinafter be provided in this Agreement.

(q) **"Partner"** means those persons who are designated in Article II of this Agreement, which is made a part hereof and who have subscribed their names hereto so long as they own their interests and any successor or successors in that capacity.

(r) **"Partnership"** means the Partnership formed hereby, as said Partnership may from time to time be constituted.

(s) **"Partnership Account"** means the bank account or bank accounts to be maintained by the Partners on behalf of the Partnership with any bank.

(t) **"Person"** means any individual, partnership (other than this Partnership), corporation, trust or other entity.

(u) **"Profits"** and **"Losses"** means the net ordinary income (Profits) or net ordinary loss (Losses) of the Partnership for federal income tax purposes determined as of the close of any Fiscal Year or taxable year of the Partnership.

(v) **"Reserves"** means all Partnership reserves established for the Partnership by the Partners, for Partnership purposes, including, but not limited to, accrued or deferred expenses and

other working capital needs, improvements, contingent liability, taxes and purchases.

(w) "**Revenues**" means all amounts received attributable to the operation or sale of the Partnership's properties.

(x) "**Sale**" means any event, action or transaction that is, for federal income tax purposes, considered a sale or exchange by the Partnership or any Partnership property.

(y) "**State**" means the State of Florida.

#### **ARTICLE V** **Capital of the Partnership**

(a) **Initial Capital Contribution.** As of the date of the execution of this Partnership Agreement, each Partner has obligated himself or herself to make the contribution in cash, property or services to the capital of the Partnership set forth beside his name in Exhibit "A" attached hereto and made a part hereof the same as if fully set forth herein by May 1, 1998, time being of the essence. If any partner fails to pay his or her initial contribution to the partnership as required by this Agreement, the partnership shall immediately dissolve and each partner who has paid all or any portion of his or her initial contribution to the Partnership's capital shall be entitled to a return of the funds and properties contributed.

(b) **Additional Contributions.** It is recognized and agreed by, between and among the Partners that additional contributions to the capital of the Partnership may be necessary to carry out the purposes of the Partnership and to carry on the business of the Partnership, and that such additional contributions shall be made by the Partners in the same ratios as their participation in the Profits and Losses of the Partnership as set forth in Article VII hereto; the terms for any additional capital contribution shall be unanimously agreed upon by the Partners.

(c) **Capital Accounts.** An individual Capital Account shall be maintained for each Partner. The Capital Account of each Partner shall consist of the amount or value of the sum of his contributions to the capital of the Partnership as set forth in Article VII hereto and shall be (A) increased (i) by the amount or value of his additional contributions to the capital of the Partnership and (ii) by his share of any Profits as set forth in Article VII hereto; and (B) decreased (i) by his share of any distributions of the Partnership cash or assets and (ii) by his share of any Losses as set forth in Article VII hereto. The Capital Accounts of the Partners shall be maintained at all times in the ratios in which they share in the Profits and Losses of the Partnership as set forth in Article VII hereto. No partner may withdraw any part of his or her capital account.

Partner shall be established and shall be adjusted as of the close of each taxable year of the Partnership (or, when appropriate, as of the close of the taxable year of the Partnership for such Partner) in accordance with federal income tax law and procedure as the same may exist from time to time.

(e) Interest On and Repayment of Capital Accounts. No interest shall be payable on the Capital Accounts of the Partners. Repayment of all or any part of the Capital Accounts of the Partners shall be only in accordance with the dissolution and liquidation provisions of this Agreement or in accordance with the agreement of the Partners; provided, however, that any and all such repayments shall be made, first, with respect to each Partner's Capital Account and thereafter in accordance with each Partner's respective ownership interest.

(f) Loans by a Partner. In the event it is agreed between a Partner (hereinafter called the "Loaning Partner") and the other Partner that the Loaning Partner shall make loans to the Partnership in addition to his agreed contributions to the capital of the Partnership, the terms of any such loan or loans shall be established in advance of such loan by agreement between the Loaning Partner and the other partner and such indebtedness of the Partnership shall be evidenced by a promissory note of the Partnership as maker. Loans by a Partner to the Partnership shall not be considered contributions to the capital of the Partnership.

#### ARTICLE VI Distributions

(a) Cash Flow Accounts and Distributions. An individual Cash Flow Account shall be maintained for each Partner. The Cash Flow shall be computed at the end of each quarter during each Fiscal Year of the Partnership, and after the allocation, if any to such Reserves as the Partners may from time to time establish, each Partner's distributive share (measured by his proportion for sharing in the Profits of the Partnership as set forth in Article VII hereto) of such Distributable Cash Flow shall then be credited to his Cash Flow Account. Distributions (withdrawals) from such Cash Flow Accounts shall be determined by agreement by the Partners during each Fiscal Year of the Partnership, or at such other times as may be agreed upon by the Partners; provided, however, that any and all such distributions (withdrawals) shall be determined (a) with respect to each Partner's Cash Flow Account and (b) allocated among Partners in accordance with Capital Contributions. Unanimous consent of the Partners is required to make Distributions (withdrawals) from the Cash Flow Account other than in proportion to the Partners' respective interests.

(b) Interest on Cash Flow Accounts. No interest shall be payable on the Cash Flow Accounts of the Partners.

**ARTICLE VII**  
**Profits and Losses**

(a) **Participation of Partners in Profits and Losses.** The Partners shall participate in the Profits and Losses of the Partnership in the percentages set forth in Exhibit "A" hereto.

(b) **Participation of Partners in Gains, Costs, Expenses Credits and Deductible Items.** All items of gain or income not included in Partnership Profits shall be allocated to the Partners in the same manner and proportions as Profits are allocated as set forth in Paragraph (a) of this Article. All items of capital loss, investment tax credits and other such items of deduction or credit that are separately allocated among the Partners, or not included in Partnership Losses are allocated as set forth in Paragraph (a) of this Article. Notwithstanding anything else herein contained, all Partnership tax credits, depreciation or other deductible items recaptured shall be allocated to each Partner to the extent that such Partnership tax credits, depreciation and other deductible items were allocated to such Partner (or to his predecessor).

(c) No partner will receive any salary for services rendered to the Partnership unless agreed upon by a majority of the Partners.

**ARTICLE VIII**  
**Administrative Provisions**

(a) **Voting.** In the management of the Partnership business, each Partner shall have one (1) vote and all issues, questions, matters and decisions with respect to the Partnership, to the extent not resolved by the provisions of this Agreement, shall be resolved by a majority vote of the Partners, unless a greater percentage is otherwise specified herein.

(b) **Time Required of Each Partner.** Each Partner shall devote the time necessary to fulfill his obligations to the Partnership as shall be determined by the Partners.

(c) **Reimbursement of Expenses of Partners.** Subject to the limitations and restrictions of Article IX and Article XIX hereof, the Partnership shall reimburse a Partner for any reasonable expenses incurred by such Partner on behalf of the Partnership and in the ordinary course of business of the Partnership.

**ARTICLE IX**  
**Restriction on Partners**

**Restrictions.** No Partner without the consent of all Partners, shall:

(1) Borrow or lend money, make, deliver or accept any commercial paper on behalf of the Partnership; or

(2) Execute any mortgage, bond, or lease on behalf of the Partnership; or

(3) Assign, grant a security interest in, transfer, or pledge any debt due the Partnership or release any debt due the Partnership, except on payment in full; or

(4) Compromise any claim due the Partnership, or submit to arbitration any dispute or controversy involving the Partnership; or

(5) Purchase, contract to purchase, sell or contract to sell any property for or on behalf of the Partnership, other than the type of property bought in the regular course of the business of the Partnership; or

(6) Do any act detrimental to the best interest of the Partnership or which would make it impossible to carry on the ordinary business of the Partnership; and

(7) In the absence of full compliance with applicable provisions of Article X and Article XI hereof, sell, assign, pledge, mortgage or otherwise encumber or transfer his interest in the capital or Profits and Losses of the Partnership, or enter into any agreement as a result of which any person shall become interested with him in the Partnership.

**ARTICLE X**  
**Transfer of Partnership**  
**Interest During Lifetime**

(a) **Restrictions on Granting Security Interest.** No Partner shall, directly or indirectly, mortgage, encumber, pledge or assign or transfer for financing purposes or otherwise give or grant any security interest in all or any part of his Partnership Interest without first obtaining the consent in writing of the other Partners. In the event such consent is obtained, no such consent shall otherwise release such Partnership Interest from the other restrictions contained in this Agreement, but such restrictions shall merely become subject to the security interest to which such consent expressly applies for the duration of such interest only, and in the event the holder of such security interest shall foreclose upon such Partnership Interest or otherwise acquire such Partnership Interest, such holder shall take such Partnership Interest subject to the restrictions contained in this Agreement and himself shall be subject to all such restrictions the same as if such holder was a party to this Agreement.

(b) Restrictions on Transfer. Any transfer or attempted transfer in violation of this Agreement shall not be binding upon the Partnership or any Partner. No Partner shall, directly or indirectly, sell, assign, transfer or otherwise dispose of all or any part of his Partnership Interest without first obtaining the consent in writing of the other Partners, or in the absence of such consent, without first complying with all of the following terms and conditions:

(1) Right of Partnership to Buy. In the event any Partner desires, directly or indirectly, to sell, assign, transfer, or otherwise deal with or dispose of all or any part of his Partnership Interest, such Partner (hereinafter referred to as the "Selling Partner") shall be required to offer to sell his Partnership Interest by delivering written notice (hereinafter referred to as the "Offer to Sell"), signed by the Selling Partner to the Partnership, stating the amount of his Partnership Interest which he desires to sell, assign, or transfer. The Partnership shall then have the option to purchase, all or any portion of the ownership interest offered by the Selling Partner, the Partnership Interest offered pursuant to the Offer to Sell, which option may be exercised by delivering written notice of acceptance to the Selling Partner within twenty (20) calendar days after delivery to him of the said Offer to Sell. In the event that the Partnership exercises its option as provided in this Paragraph (b)(1), the ownership interest purchased shall be allocated among each remaining Partner if the same ratio as his ownership interest in the ownership interests of all other remaining Partners.

(2) Existing Partner's Rights to Purchase. The ownership interest of a Partner desiring to transfer all or any portion of his interest in the Partnership not purchased by the Partnership shall be considered offered for sale to the individual Partners. The individual Partners shall have twenty (20) calendar days following the last day specified in paragraph (b)(1) above, in which to elect to purchase all or any portion of the interest offered for sale as permitted herein. The Partners shall have the option to purchase all or any portion of the ownership interest offered by the Selling Partner. Such option to purchase shall be exercised, if at all, by giving the Partner desiring to transfer written notice of acceptance within twenty (20) calendar days following the last day specified in paragraph (b)(1) above. If any Partner does not purchase (or otherwise accept) his full proportionate share of the Partnership Interest of the Selling Partner, the other Partners shall have the right (proportionately among themselves unless they agree otherwise) to purchase all or any part of such unaccepted portion of such Partnership Interest by delivering written notice of acceptance (specifying the amount of such Partnership Interest to be purchased) to the Selling Partner and the other Partners within fifteen (15)

calendar days following the close of the aforesaid twenty (20) calendar day period.

(c) Determination of Purchase Price and Terms. In the event that any Partnership Interest is to be purchased pursuant to the foregoing provisions of this Article, the following provisions shall apply:

(1) Price. Any Partnership Interest to be purchased pursuant to the foregoing provisions of this Article shall be purchased at the price specified in Article XII of this Agreement, and fractions of any Partnership Interest shall be purchased at the appropriate proportion of the price specified in Article XII of this Agreement.

(2) Manner of Payment. The purchase price of any Partnership Interest to be purchased pursuant to the foregoing provisions of this Article shall be paid in accordance with the provisions of Paragraph (g) of this Article.

(d) Right of Selling Partner to Sell. In the event that the other Partners, or the Partnership, fail or refuse to purchase all of the Partnership Interest offered for sale by the Selling Partner pursuant to the Offer to Sell in accordance with the provisions of this Agreement, then after the expiration of the option periods, the Selling Partner shall be free to sell, transfer, or otherwise dispose of the Partnership Interest offered pursuant to the Offer to Sell made and delivered in accordance with the provisions of this Agreement and not accepted for purchase by the other Partner, or the Partnership, as hereinabove provided, to any person or entity, in any manner and upon any terms and conditions; provided, however, that such Selling Partner shall not in fact sell, transfer or otherwise dispose of any Partnership Interest to any person or entity either for a price less than on terms more favorable than the purchase price and the terms fixed by this Agreement without first offering the other Partners, or the Partnership, the right to purchase such Partnership Interest, proportionately among themselves unless they shall agree otherwise, at the same price and upon the same terms as agreed between such Selling Partner and any other person or entity. In carrying out the intent of the immediately preceding sentence, the same procedure as specified in the preceding paragraphs shall again be followed except that the notice provided the other Partners to this Agreement shall specify the name and address of the person or entity to whom the Selling Partner proposes to sell his Partnership Interest and the price and terms offered by such person or entity for such Partnership Interest. The Selling Partner shall also provide the other Partners, or the Partnership, with a copy of the contract for sale (subject to the right of first refusal herein granted to the other Partners and the Partnership), and evidence of a deposit made by the proposed purchasers which must be equal to not less than five percent (5%) of the contract purchase price. In the event that the

other Partners, or the Partnership, shall then fail or refuse to purchase all the Partnership Interest offered for sale pursuant to this Agreement, then after the expiration of the option period, the Selling Partner shall not be required to sell any part of his Partnership Interest to the other Partners, or the Partnership, but shall then be free to sell to such other person or entity the Partnership Interest not purchased by the other Partners, or the Partnership, in accordance with the foregoing provisions of this Agreement for the price and upon the terms set forth in such notice. Any sale, or other disposition that may take place within ninety (90) days following the close of all applicable option periods and upon the expiration of such ninety (90) day period, the provisions of this Agreement shall reattach to all of the Partnership Interest not sold, transferred or otherwise disposed of during said ninety (90) day period.

(e) Application to Transferees. The provisions of this Article shall apply to the transferee of any Partnership Interest, including, by way of example and not by way of limitation, the personal representative of the estate of any deceased Partner or other transferee of any deceased Partner. In order to be deemed a Partner in the Partnership, any transferee must execute a signature page to this Agreement binding himself to the terms and provisions of this Agreement.

(f) Survival of Liabilities. It is expressly understood and agreed that the transfer of a Partner's Interest, even if it results in the substitution of the transferee, pledgee or assignee as a Partner herein shall not release the transferor, pledgor or assignor from any liabilities to the Partnership which existed at the time of such transfer.

(g) Time and Method of Payment. Within sixty (60) days after there has been an offer and acceptance under this Article, except an offer and acceptance under paragraph (d), any purchaser of any Partnership Interest pursuant to this Article shall pay all of the purchase price in cash or by check, subject to collection, upon closing.

**ARTICLE XI**  
**Transfer of Partnership Interest upon Death,**  
**Bankruptcy, Incapacity or Disability**

Upon the death, incapacity or disability of an individual Partner or upon the liquidation, bankruptcy, dissolution, sale or other transfer of a corporate Partner, the personal representative, or other legal representative, of the deceased, incapacitated or disabled individual Partner or corporate Partner which is a liquidated, dissolved or transferred Partner shall be obligated to offer such Partner's ownership interest to the Partnership at the price and terms established under Article X. Such offer shall be deemed made on the date of death, incapacity, disability,

dissolution, liquidation or transfer of such Partner or notice to, or knowledge of the Partnership, whichever first occurs. The Partnership shall purchase the deceased, disabled or incapacitated Partner's ownership interest at the price and on terms set forth in Article X. The Partnership Interest of a Partner purchased hereunder shall be allocated among each of the surviving Partners as his ownership interest shall bear to the ownership interest of all surviving Partners.

## **ARTICLE XII** **Purchase Price**

(a) **Determination of Purchase Price by the Partners.** The Partners agree that, whether the purchase results from a transfer pursuant to an Offer to Sell or because of the death, disability or incapacity of a Partner, the purchase price of each Partner's Partnership Interest shall be, until changed as hereinafter provided, his proportionate share (measured by his proportion for sharing in the Profits of the Partnership as set forth in Article VII hereinabove) of the "net equity value" of the Partnership as defined hereinafter and as set forth and endorsed by the signatures of the Partners on Exhibit "B" attached hereto and by this reference made apart hereof the same as if fully set forth herein. During the first calendar quarter of each calendar year (or at any and as many items as the Partners may agree) the Partners, acting unanimously, shall redetermine the "net equity value" of the Partnership and shall endorse such redetermined "net equity value" with their signatures upon Exhibit "B" hereto.

(b) **Determination of Purchase Price Upon Failure of Partners to Timely Redetermine.** If the Partners shall fail to redetermine the "net equity value" of the Partnership after the lapse of a particular twelve (12) month period, the value as last previously stipulated shall control; except that if the Partners shall have failed to redetermine the value for a period of twenty-four (24) consecutive months ending on the date upon which either an Offer to Sell or the death, disability or incapacity of any Partner occurs, then the purchase price of such Partner's Partnership Interest shall be his proportionate share (measured by his proportion for sharing in the Profits of the Partnership as set forth in Article VII hereinabove) of the Partnership adjusted book value (as hereinafter defined) as of the end of the month immediately preceding the month in which an Offer to Sell is made or deemed to be made as provided in Article X of this Agreement or in which the death, disability or incapacity of any Partner occurs. The term "adjusted book value" as used herein shall mean the fair market value of the assets of the Partnership minus its liabilities, and no consideration shall be given to good will or any other intangible assets of the Partnership; except as such assets may have been included on the books of the Partnership as of the end of said month. The fair market value of the assets of the Partnership shall be determined by an appraisal to be made by an appraiser

jointly selected by the Selling Partner or the personal representative or other legal representative of the deceased, disabled or incapacitated Partner, as the case may be, and the other or surviving Partners (if such parties cannot agree upon an appraiser, then each party shall select an appraiser and the appraisal shall be made by the two appraisers so selected; provided, however, that if the said two appraisers cannot agree as to the value of the Partnership assets, then the said two appraisers shall select a third appraiser, and the appraisal shall be made and approved by all three appraisers). The determination of adjusted book value shall be made, by the firm of certified public accountants retained by the Partnership on the date of death, disability or incapacity of the Partner. However, if the Partnership does not retain a firm of certified public accountants or if such firm is unavailable or unable to make the determination with dispatch, then the surviving Partners and the Selling Partner or the personal representative or other legal representative of the deceased, disabled or incapacitated Partner, as the case may be, shall select a firm of certified public accountants who shall perform the necessary work.

The determination of fair market value of the assets by the appraiser or appraisers as provided above, unless patently erroneous, shall be conclusive on all parties. The determination of adjusted book value by the firm of certified public accountants making such determination as provided above, unless patently erroneous, shall be conclusive on all parties. The fees and charges of the appraiser or appraisers and the firm of certified public accountants for making the determination of fair market value and adjusted book value as herein provided shall be borne fifty percent (50%) by the purchasing Partners and fifty percent (50%) by the Selling Partner or by the personal representative or other legal representative of the deceased, disabled or incapacitated Partner.

#### **ARTICLE XIII** **Banking**

All funds of the Partnership shall be deposited in its name in such checking account or accounts as shall be designated by the Partners. All withdrawals therefrom shall be made upon checks or withdrawal slips signed by a Partner. Funds in excess of then current cash requirements of the Partnership from time to time may be withdrawn from such checking account or accounts and deposited in such savings accounts or certificates of deposit with national or state banking institutions of the United States or other short term investments generally accepted as the investment equivalent of savings accounts and certificates of deposit with national or state banking institutions of the United States or other short term investments generally accepted as the investment equivalent of savings accounts and certificates of deposit for purposes of safety of principal and liquidity as the Partners shall determine from

time to time.

**ARTICLE XIV**  
**Accounting and Accounting Records**

(a) **Method of Accounting.** The books of account shall be kept on such method of accounting as the Partnership may validly elect from time to time. Proper books of accounts shall be kept in which there shall be entered all transactions matters and things relating to the Partnership's business as are usually entered into books of accounts kept by persons engaged in a business of alike character. The books of account shall be kept at the chief executive office of the Partnership.

(b) **Financial Statements.** The books of account shall be closed at the end of each Fiscal Year of the Partnership, and, unless waived by the Partners, audited financial statements shall be prepared by the firm of independent certified public accountants retained by the Partnership for such purpose, which statements shall reveal the financial condition of the Partnership and its Profit or Loss from activities, operations and transactions. Copies of these statements shall be given to each of the Partners within seventy-five (75) calendar days after the end of each fiscal year.

(c) **Partnership Income Tax Returns.** A copy of any Partnership income tax return required to be filed with the taxing authorities shall be given to each Partner at least one week before that return is filed.

(d) **Partner's Right to Inspect Books.** All books, records and accounts of the Partnership shall be open for inspection by any Partner (or any duly designated representative of a Partner) during regular office hours. All inspections and copying shall be at such Partner's expense. The Partnership may impose reasonable charge, covering the costs of labor and material, for copies of documents furnished.

**ARTICLE XV**  
**Dissolution and Liquidation**

The Partnership shall be dissolved upon the occurrence of any of the following: (1) the consent in writing of each of the Partners to dissolve and terminate the Partnership; (2) the sale or condemnation of all or substantially all of the assets of the Partnership; (3) a decree of court having competent jurisdiction. In addition, any event of dissolution of the Partnership provided in the Act shall cause the dissolution of the Partnership, except that no Partner shall have the right to demand dissolution or to withdraw from the Partnership, except in accordance with the restrictions on transfer of his Partnership Interest provided in this Agreement, and except that no event of dissolution shall cause

the Partnership to be dissolved and liquidated if the surviving or remaining Partners shall elect to continue the Partnership. Subject to the foregoing, in the event of dissolution, the Partnership shall be immediately liquidated, due allowance being made for a reasonable time to wind up the affairs of the Partnership in an orderly and business-like manner. Upon liquidation, the property of the Partnership shall be applied and distributed in the following order;

(a) To the payment of all debts and liabilities of the Partnership and the expenses of liquidation of the Partnership; and

(b) To the establishment of such reserves as may be deemed advisable by a majority in interest of the Partners or any contingent liabilities or obligations of the Partnership; and

(c) To the repayment of any loans or advances made by any of the Partners to the Partnership; and

(d) To the repayment to the Partners of the balances in their respective Capital Accounts; and

(e) To the Partners in the ratios in which they participate in the Profits of the Partnership as set forth in Article VII hereto.

**ARTICLE XVI**  
**Termination of Agreement**

(a) **Termination as to All Partners.** This Agreement shall terminate upon the occurrence of one of the following events:

(1) The complete liquidation of the Partnership upon dissolution thereof, in accordance with the provisions of Article XV hereof with respect to Dissolution and Liquidation;

(2) Upon written revocation or termination of this Agreement signed by all the Partners; or

(3) Sale of all or substantially all Partnership assets, unless a portion of the sales price is to be received in installments, in which case the Partnership may remain in existence to receive such installments upon the election of the Partners owning a majority in interest of the ownership interests in the Partnership.

(b) **Termination as to Selling or Withdrawing or Deceased Partner.** Upon the sale, assignment or other transfer (other than an assignment or transfer solely for the purpose of providing security for a promise, obligation or performance) by a Partner or his legal representative (hereinafter "Selling Partner") to a person or persons or entity or entities and substitution of such

person or persons or entity or entities as a Partner in place of the Selling Partner in accordance with and in compliance with this Agreement, this Agreement shall terminate with respect to such Selling Partner upon the closing of such sale, assignment or other transfer.

**ARTICLE XVII**  
**Effect of Death, Incapacity,**  
**Disability or Bankruptcy of a Partner**

Neither the death, incapacity, disability, legal insolvency, nor bankruptcy of a Partner, nor the transfer of any interest in the Partnership, nor any other event by law shall terminate the Partnership as to the other Partners as long as there are two or more remaining Partners after such event. It is the intent of this provision that any such event shall not cause any interruption in the conduct of the Partnership business nor shall it in any way affect the actual continuity of the Partnership.

**ARTICLE XVIII**  
**Liability of Partners**

It is hereby acknowledged and agreed that the liability of the individual Partners shall be proportionate to their interests in the Partnership. It is expressly agreed that liability shall not be joint and several.

**ARTICLE XIX**  
**Indemnity and Contributions**

Should the Partnership or any of the Partners in its behalf be required to pay sums on account of liability imposed on the Partnership by the acts of any one of the Partners referred to in Section 620.8305 of the Act, the Partnership or the Partners advancing, paying or otherwise becoming liable for monies by reason of such acts of the offending Partner(s) shall be entitled to be indemnified and compensated for the payment of such monies by the offending Partner(s). Should any Partner pay or become liable for any obligation of the Partnership, he shall be entitled to contribution from the other Partners on a pro rata basis.

**ARTICLE XX**  
**Admission of Substituted and Additional Partners**

Additional Partners may be admitted to the Partnership at such times and on such terms as may be authorized by the Partners.

**ARTICLE XXI**  
**Representations By Partners**

Interests in the Partnership will not be registered under the Securities Act of 1933, as amended (the "1933 Act"), on the grounds

that the Partnership Interests in this Agreement are not securities, or if securities, are exempt from registration pursuant to the Act. Each Partner acknowledges the foregoing and makes the following representations:

(a) Nature of Partners. By execution of this Agreement, each Partner represents that he has such knowledge and experience in financial and business matters so that he is capable of evaluating the merits and risks of investing and participating in the Partnership, and that he is able to bear the economic risk of such investment and the loss of his entire investment.

(b) Acquisition for Own Accounts. By executing this Agreement, each Partner represents that he is acquiring his Partnership Interest for his own accounts and not as a nominee or agent. He further represents that he does not have any contract, undertaking, agreements or arrangement with any person to sell, transfer or grant participation in all or any part of his Partnership Interest to any third person(s).

(c) Investment Intent. By execution of this Agreement, each Partner represents that he has acquired his Partnership Interest for investment and for participation in the Partnership for an indefinite period and that he has no present intention of selling, granting participation in or otherwise distributing such interest.

(d) Access to or Furnishing of Information. By executing this Agreement, each Partner represents that by virtue of economic bargaining power or otherwise, he has had access to or has been furnished with information concerning the intended business and operations of the Partnership, formation of the Partnership, and that he has had the opportunity to obtain any additional information, to the extent that the other Partners possess such information or can acquire it without unreasonable expense or effort, necessary to verify the accuracy of the information obtained or furnished.

(e) Restriction on Resale. Each Partner acknowledges that his investment and participation in the Partnership is by nature speculative and that there is no established trading market for Partnership Interests nor is a trading market anticipated.

(f) Tax Matters. By execution of this Agreement, each Partner represents that his participation in the Partnership does not have as its principal purpose the avoidance or evasion of federal income tax; and each Partner further represents and acknowledges that his purchase of an interest in the Partnership and his participation in the Partnership is not based upon any representations made to him, other than by his personal tax advisors that benefits will or will not be available to him, or that certain tax consequences will not arise, in connection with such participation. Each Partner further acknowledges that there

is no guarantee that the Code and the regulations promulgated thereunder will not be interpreted or amended in such a manner as to deprive the Partnership and its Partners of any tax benefits they might otherwise be entitled to receive.

#### ARTICLE XXII

##### Amendment

No amendment or variations to the terms of this Agreement shall be valid unless made in writing and signed by all the Partners.

#### ARTICLE XXIII

##### Notices

(a) Method of Effecting Notice. No notice, request, consent, approval, waiver or other communication under this Agreement shall be effective, unless such communication is in compliance with the definition of notification contained in paragraph (m) Article IV hereof.

(b) Change of Address. Any Partner may, by notice to all Partners, specify any other address in lieu of the address specified for such Partner in Exhibit "A" hereto for the receipt of notices, requests, consents, approvals, waivers or other communications under this Agreement.

#### ARTICLE XXIV

##### Miscellaneous

(a) Authority to Deal with Partners and Affiliates. Subject to the limitations provided in this Agreement, the Partnership may enter into agreements with any Partner or any affiliate of a Partner for the performance of services related to the development, improvement, marketing, management and operation of the Partnership.

#### ARTICLE XXV

##### Rules of Construction

(a) Complete Agreement. This Agreement, including the exhibits attached hereto and made a part hereof, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior verbal and written, and all contemporaneous verbal agreements and understandings of the parties in connection with the subject matter hereof. No covenant, representation or condition not expressed in this Agreement shall be binding upon the parties hereto or shall affect or be effective to interpret, change or restrict the provisions of this Agreement.

No change, modification or termination of any of the provisions hereof shall be effective unless this Agreement is amended in accordance with the provisions of Article XXII hereof.

(b) Invalid Provisions. In the event that any provision of this Agreement shall be held to be invalid, the validity of the remainder shall not in any way be affected thereby.

(c) Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Florida.

(d) Gender and Number. All pronouns, and variations thereof, shall be deemed to refer to the masculine, feminine and neuter, and to the singular or plural, as the identity of the person, persons or entity may require.

(e) Titles. Titles of the Articles and paragraphs of this Agreement are provided for convenience of reference only and they in no way define, limit, extend or describe the scope or extent of this Agreement or any of its provisions.

(f) Successors and Assigns. The terms and conditions of this Agreement shall be binding upon, and shall inure to the benefit of, the heirs, successors and assigns of the Partners.

(g) Counterparts. This Agreement may be executed in multiple counterparts, or on separate signature pages subsequently attached to one or more counterparts, each of which shall be deemed an original and all of which shall constitute one agreement binding on all the parties hereto, and the signature of any part of any counterpart shall be deemed to be a signature to and may be appended to any other counterpart.

(h) Agreement for Further Execution. All Partners agree that at any time or times, upon the request of one or more of the Partners, they shall sign and swear to any certificate or instrument required by Florida law, to sign and swear to any amendment to or cancellation of such certificate or instrument whenever such amendment or cancellation is required by law, to sign and swear to or acknowledge similar certificates or affidavits or certificates of fictitious firm name, trade name or the like (and any amendments or cancellations thereof) required by the laws of Florida or any other jurisdiction in which the Partnership does or proposes to do business, and cause the filing of any of the same for record whenever such filing shall be required by law.

IN WITNESS WHEREOF, the parties hereto have signed and sealed this Agreement.

WITNESSES:

PARTNERS:

W W Daniel

Nellie Daniel  
NELDIE DANIEL

John S. Ferris

Valerie Ferris  
VALERIE FERRIS

980538-TC

FLORIDA PAY TELEPHONE CERTIFICATE APPLICATION DEPOSIT

DATE

1. LEGAL NAME OF THE APPLICANT

D758

APR 20 1998

Nellie Daniel / Valerie Ferris

2. NAME UNDER WHICH THE APPLICANT WILL DO BUSINESS

National Phone Network (N.P.N.)

3. ADDRESS OF THE APPLICANT(S)

STREET P.O. Box 1108

CITY Mango

STATE & ZIP FLA 33550-1108

4. TYPE OF ORGANIZATION (CHECK ONE)

A. INDIVIDUAL DOING BUSINESS UNDER HIS/HER:  OWN NAME.

DOCUMENTATION: No other documentation needed.

B. PARTNERSHIP:

DOCUMENTATION: Attach a copy of the partnership agreement, and a list with the name and address of all partners.

C. CORPORATION:

DOCUMENTATION: Attach proof that articles of incorporation have been filed with the Florida Secretary of State's Office. If incorporated outside of Florida, attach proof from the Florida Secretary of State that applicant has authority to operate in Florida and provide name and address of Florida Registered Agent.

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

D. DOING BUSINESS UNDER A FICTITIOUS NAME:

RECEIVED  
FLORIDA PUBLIC  
SERVICE COMMISSION



John S. Ferris  
Valerie Ferris

5348

registered with

Jeffrey, 71 33588

4-16-98

Pay to the Order of FL Public Service Commission \$ 100.00

One Hundred and 00/100

Provident Bank  
Aponte Beach, Florida

For Pay Telephone license Valerie Ferris