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Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oaks Boulevard
Gerald L. Gunter Bldg. Room 270
Tallahassee, FL 32399-0850
(904) 488-4733

960519 TX

Tel 407 740-8575
Fax 407 740-0613

RE: Initial Alternative Local Exchange Service Application
of Tel-Save, Inc., dba The Phone Company

Enclosed for filing are the original and six copies of the
above referenced application of Tel-Save, Inc. for
Authority to Alternative Local Exchange Service in Florida.

Also enclosed is our check in the amount of \$250 for the
filing fee. Questions pertaining to this application or
tariff should be directed to my attention at (407)
740-8575.

Please acknowledge receipt of this filing by returning,
file-stamped, the extra copy of this cover letter in the
self-addressed, stamped envelope enclosed for this purpose.

Thank you for your assistance.

Sincerely,

Connie Wightman
Consultant to
Tel-Save, Inc.

cc: John Thomas
to file: Tel-Save - FL Local

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MAY 9 1996
DOCUMENT NUMBER-DATE
05088 MAY-6 96
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9/11/96 17

FLORIDA PUBLIC SERVICE COMMISSION
Division of Communications, Certification & Compliance Section
2450 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850
(904) 413-6600

ORIGINAL
FILE COPY

APPLICATION FORM

for

AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA

INSTRUCTIONS

1. This form is used for an original application for a certificate and for approval of sale, assignment, or transfer of an existing alternative local exchange certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee.
2. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
3. Use a separate sheet for each answer which will not fit the allotted space.
4. Any questions regarding completion, contact above.
5. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250 made payable to the Florida Public Service Commission at the above address.

05 11 1996 17:15
J5088 MAY -6 1996
FPSC RECORDS/REPORTING

APPLICATION FORM FOR AUTHORITY TO PROVIDE
ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA

1. This is an application for (check one):

Original authority (new company)

Approval of transfer (to another certificated company) .

Example: a certificated company purchases an existing company and desires to retain the original certificate authority.

Approval of assignment of existing certificate (to a noncertificated company)

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 for transfer of control (to another certificated company)

Example: a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of applicant:

Tel-Save, Inc.

3. A. National Mailing Address including street name, number, post office box, city, state, zip code and phone number.

Street: 22 Village Square, Suite 22
PO Box
City: New Hope
State: Pennsylvania
Zip: 18938
Phone: (215) 862-1500

B. Florida Mailing Address including street name, number, post office box, city, state, zip code and phone number.

Street: 22 Village Square, Suite 22
PO Box
City: New Hope
State: Pennsylvania
Zip: 18938
Phone: (215) 862-1500

C. **Physical Address of alternative local exchange service in Florida including street name, number, post office box, city, state, zip code and phone number.**

Street: 22 Village Square, Suite 22
PO Box
City: New Hope
State: Pennsylvania
Zip: 18938
Phone: (215) 862-1500

4. **Structure of organization:**

- | | |
|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Corporation |
| <input checked="" type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Joint Venture | <input type="checkbox"/> Other, Please explain _____ |

5. **If incorporated, please provide proof from the Florida Secretary of State that the applicant has authority to operate in Florida.**

Corporate charter number: P 38107

6. **Name under which the applicant will do business (d/b/a):**

Tel-Save, Inc. also d/b/a The Phone Company

7. **If applicable, please provide proof of fictitious name: (d/b/a) registration.**

Fictitious name registration number G95153900062

8. **If applicant is an individual, partnership, or joint venture, please give name and address of each legal entity.**

Not applicable

9. **State whether any of the officers, directors, or any of the ten largest stockholders have previously been 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.**

Not applicable.

10. Please provide the title, address, telephone number, internet address and facsimile number of the person serving as ongoing liaison with the Commission, and if different, the liaison responsible for this application:

Application contact:

Name: Nanci Adler
Title: Consultant to Tel-Save, Inc.
P.O. Box: P.O. Drawer 200
City: Winter Park
State: Florida
Zip: 32790-0200
Phone: (407) 740-8575
Fax: (407) 740-0613
Internet Address:

Ongoing Liaison:

Name: Tina Schaefer
Title: Regulatory Compliance Manager
Street: 22 Village Square, Suite 22
City: New Hope
State: Pennsylvania
Zip: 18938
Phone: (215) 862-1500
Fax: (215) 862-1515
Internet Address:

11. Please list other states in which the applicant is currently providing or has applied to provide local exchange or alternative local exchange service.

None

12. Has the applicant been denied certification in any other state? Yes() No(X)
If so, please list the state and reason for denial.

13. Have penalties been imposed against the applicant in any other state: Yes() No(X)
If so, please list the state and reason for penalty.

14. Please indicate how a customer can file a service complaint with your company.

Customers may call the company at its toll-free customer service number: 1-800-728-3288. In addition, customers may contact the company in writing at 22 Village Square Suite 22, New Hope, Pennsylvania 18938.

15. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida.

A. Financial capability (Exhibit II)

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements, including

1. the balance sheet
2. income statement
3. statement of retained earnings for the most recent 3 years

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statement should then be signed by the applicant's chief executive officer and chief financial officer. The signature should affirm that the financial statements are true and correct.

B. Managerial capability

See Exhibit II

C. Technical capability

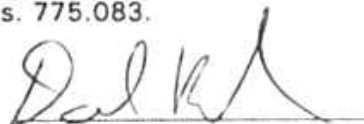
See Exhibit III

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 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.

Official:



signature

Date: 7/26/96

Daniel M. Borislow

Title: President | **Telephone:** (215) 862-1500

Address: 22 Village Square, Suite 22
New Hope, Pennsylvania 18938

Phone: (215) 862-1500

TEL-SAVE, INC.

EXHIBIT I

FINANCIAL CAPABILITY

TRISAVE HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands, except for share data)

December 31,	1995	1994
Assets		
Current:		
Cash and cash equivalents.....	\$41,211	\$ 11
Accounts receivable, trade, net of allowance for uncollectible accounts of \$804 and \$987, respectively.....	19,088	15,910
Advances to partitions and notes receivable.....	3,563	1,863
Due from broker.....	1,100	-
Prepaid expenses.....	194	1,594
Total current assets.....	<u>65,156</u>	<u>19,378</u>
Property and equipment, net.....	2,667	466
Intangibles, net of accumulated amortization of \$1,574 and \$417, respectively.....	1,490	1,591
Note receivable from stockholder.....	2,075	-
Total assets.....	<u>\$71,388</u>	<u>\$21,435</u>
Liabilities and Stockholders' Equity		
Current:		
Accounts payable and accrued expenses:		
Trade.....	\$12,622	\$ 670
Partitions.....	3,047	3,070
Sales and excise taxes payable.....	1,406	1,560
Other.....	514	88
Due to related parties.....	-	1,725
Securities sold short, at cost to purchase.....	1,100	-
Income taxes payable.....	2,375	-
Note payable to stockholder - current.....	5,921	-
Total current liabilities.....	<u>26,985</u>	<u>7,113</u>
Deferred credits.....	280	280
Deferred income taxes payable.....	2,809	-
Total liabilities.....	<u>30,074</u>	<u>7,393</u>
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value, 5,000,000 shares authorized; no shares outstanding.....	-	-
Common stock, \$.01 par value, 30,000,000 shares authorized, 19,500,000 and 9,550,000 issued and outstanding, respectively.....	195	95
Additional paid-in capital.....	37,245	-
Retained earnings.....	3,874	13,947
Total stockholders' equity.....	<u>41,314</u>	<u>14,042</u>
Total liabilities and stockholders' equity.....	<u>\$71,388</u>	<u>\$21,435</u>

THORNTON HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except for per share data)

<i>Year ended December 31,</i>	1995	1994	1993
Sales.....	\$180,102	\$82,835	\$31,940
Cost of sales.....	156,121	70,104	26,715
Gross profit.....	23,981	12,731	5,225
Selling, general and administrative.....	6,280	3,442	2,060
Operating income.....	17,701	9,289	3,165
Other income, net.....	331	66	108
Income before provision for income taxes.....	18,032	9,355	3,273
Provision for income taxes.....	8,997	-	-
Net income.....	<u>\$ 9,035</u>	<u>\$ 9,355</u>	<u>\$ 3,273</u>
Pro forma:			
Income before provision for income taxes.....	\$ 18,032	\$ 9,355	\$ 3,273
Pro forma provision for income taxes....	7,213	3,742	1,309
Pro forma net income.....	<u>\$ 10,819</u>	<u>\$ 5,613</u>	<u>\$ 1,964</u>
Pro forma net income per share.....	<u>\$ 0.64</u>	<u>\$ 0.37</u>	<u>\$ 0.13</u>
Weighted average common and common equivalent shares outstanding.....	<u>16,803</u>	<u>15,331</u>	<u>14,726</u>

TO SAVE HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)

	Common stock		Additional paid-in capital	Retained earnings	Total stockholders' equity
	Shares	Amount			
Balance, January 1, 1993.....	9,550	\$ 95	\$ -	\$ 1,319	\$ 1,414
Net income.....	-	-	-	3,273	3,273
Balance, December 31, 1993....	9,550	95	-	4,592	4,687
Net income.....	-	-	-	9,355	9,355
Balance, December 31, 1994....	9,550	95	-	13,947	14,042
Net income.....	-	-	-	9,035	9,035
Cash distributions.....	-	-	-	(13,200)	(13,200)
Stock redemption.....	-	-	-	(11,400)	(11,400)
Reclassification of S Corporation deficit.....	-	-	(5,492)	5,492	-
Sale of common stock.....	3,450	35	42,802	-	42,837
Three-for-two stock split.....	6,500	65	(65)	-	-
Balance, December 31, 1995....	<u>19,500</u>	<u>\$195</u>	<u>\$37,245</u>	<u>\$ 3,874</u>	<u>\$ 41,314</u>

TEL-SAVE, INC.

EXHIBIT II

MANAGERIAL CAPABILITY

Tel-Save, Inc.
Profiles of Key Personnel

Daniel Borislow

President

Mr. Borislow was the first person to obtain a Software Defined Network (SDN) contract for resale from AT&T. Tel-Save Inc. was incorporated in Pennsylvania in May of 1989 and has been a successful telecommunications venture. Prior to forming Tel-Save, Inc., Mr. Borislow was one of the first cable construction contractors for Cable TV in the city of Philadelphia, where he employed over 20 union members. Mr. Borislow attended Temple and Widener University in Pennsylvania.

Emanuel DeMaio

Vice President Product Management

Mr. DeMaio joined Tel-Save in February 1992. He previously worked at AT&T for 10 years in various capacities:

- (1) Product manager for SDN services
- (2) Manager of Technical Response Center for SDN Services
- (3) Technical Consultant for AT&T's national accounts of Merrill Lynch and American Express
- (4) Communications Technician for AT&T in a Multiple Service environment

Mr. DeMaio has a Bachelor of Science in Engineering from the New York Institute of Technology.

Peter Morrison

Vice President Computer Services

Mr. Morrison joined Tel-Save in the spring of 1990. He is in charge of all computer systems and networking, including design and implementation of hardware and software. Prior to working at Tel-Save Mr. Morrison worked at Unisys Corp. for 19 years in the following capacities:

- (1) Six years in hardware training where he developed and implemented training packages.
- (2) Four years in Operations Systems Development where he planned systems integration and tests.
- (3) Nine years in Corporate Staff Customer Service involved in program management.

Prior to Unisys, Mr. Morrison was an instructor for two years at the U.S. Military Academy Engineering Laboratory. Mr. Morrison obtained a BA in Psychology from the University of Evansville with National Honor Society honors.

Gary W. McCulla

Vice President Marketing

Mr. McCulla provided consulting services to Tel-Save, Inc. from February 1992 until he joined the Company in March 1994. Prior to joining the company, he served as Vice President and Chief Financial Officer of the Harvard Group, a New York-Based marketing services company. Mr. McCulla obtained a Bachelor of Science in Accounting from Fairleigh Dickinson University.

Joseph A. Schenk

Chief Financial Officer & Treasurer

Mr. Schenk joined Tel-Save, Inc. in January 1996 and currently serves as Chief Financial Officer and Treasurer. From September 1994 and currently serves as Chief Financial Officer and Treasurer. From September 1993 to January 1996, Mr. Schenk was Vice President, Capital Markets Group, with Jefferies & Co. Previously, he served as Vice President of Transcap Associates, a venture capital firm, and held various positions with Price Waterhouse and Deloitte & Touche.

TEL-SAVE, INC.

EXHIBIT III

TECHNICAL CAPABILITY

TECHNICAL CAPABILITY

Tel-Save, Inc. operates throughout the United States as a certificated reseller. The company intends to initially provide local services as a reseller of underlying carrier facilities, but may construct its own facilities at a future date. Tel-Save is in the process of installing AT&T #5ESS switches for handling local traffic and for interconnecting to the toll network. The company will be able to use its existing operations including billing arrangements, customer service and network management for its entry into the local services market. The company's success and ability to provide the telecommunications services it offers today are proof of the company's technical ability to enter the local services market.

The profiles of key personnel provided in Exhibit II of this application provide further evidence of the company's technical capability to provide local services.



FLORIDA DEPARTMENT OF STATE

June 2, 1995

Sandra B. Mortham
Secretary of State

THE PHONE COMPANY
22 VILLAGE SQUARE SUITE 22
NEW HOPE, PA 18938

Subject: **THE PHONE COMPANY**

REGISTRATION NUMBER: **G95153900062**

This will acknowledge the filing of the above fictitious name registration which was registered on June 2, 1995. 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.

For information regarding fictitious names on file or to search the record call (904) 488-9000.

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

BARBARA SIPPIO
Fictitious Name

Letter No. 895A00027597



POSTAL TREAS. REG.

DATE

MAY 07 96

May 3, 1996
Overnight

960529-TA

210 N. Park Ave.
P.O. Drawer 200
Winter Park, FL
32790-0200

Florida Public Service Commission
Division of Records and Reporting
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RE: Initial Alternative Local Exchange Service Application
of Tel-Save, Inc., dba The Phone Company

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Also enclosed is our check in the amount of \$250 for the
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Thank you for your assistance.

Sincerely,

C.M. Wightman
Connie Wightman
Consultant to

FOR SECURITY PURPOSES, THE BORDER OF THIS DOCUMENT CONTAINS MICROPRINTING.



P.O. Drawer 200
Winter Park, FL
32790-0200

210 N. Park Avenue
Winter Park, FL 32789
(407) 740-8575



250 PARK AVENUE
WINTER PARK, FLORIDA 32789

63 319/631

13594

NUMBER

13594

PAY: TWO HUNDRED FIFTY DOLLARS

DATE

05/03/96

AMOUNT

*****\$250.00

TO THE ORDER OF
FLORIDA PUBLIC SERVICE COMM.
RECORDS & REPORTING
2540 SHUMARD OAK BLVD.
TALLAHASSEE FL 32399-0850

TECHNOLOGIES MANAGEMENT, INC.

C.M. Wightman

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW

⑈013594⑈ ⑆063103193⑆

2830066505⑈

State of Florida

Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA



DIVISION OF RECORDS &
REPORTING
BLANCA S. BAYÓ
DIRECTOR
(904) 413-6770

Public Service Commission

May 7, 1996

Connie Wightman
c/o Tel-Save, Inc.
Post Office Drawer 200
Winter Park, Florida 32790-0200

Docket No. 960569-TX

Dear Ms. Wightman:

This will acknowledge receipt of a certificate to provide alternative local exchange telecommunications service by Tel-Save, Inc. d/b/a The Phone Company, which was filed in this office on May 6, 1996 and assigned the above-referenced docket number. Appropriate staff members will be advised.

A tentative schedule of events in your docket (referred to as a Case Assignment and Scheduling Record or CASR) should be available, upon request, ten (10) working days after establishment of the docket. You may contact the Records Section at (904) 413-6770 or by fax at (904) 413-7118 to request that a copy of the case schedule be faxed or mailed to you. The schedule of events provides you with an opportunity to anticipate completion stages of work in the docket. These dates are subject to change; therefore, you may wish to call the Records Section periodically to obtain revised schedules for your docket. For firm dates of hearings or other activities, please look to the Commission's official notices and orders. You can also obtain information on your docket by accessing the PSC HomePage on the Internet, at <http://www.state.fl.us/psc/>.

Sincerely,

A handwritten signature in dark ink, appearing to read "MS".

Matilda A. Sanders
Commission Deputy Clerk