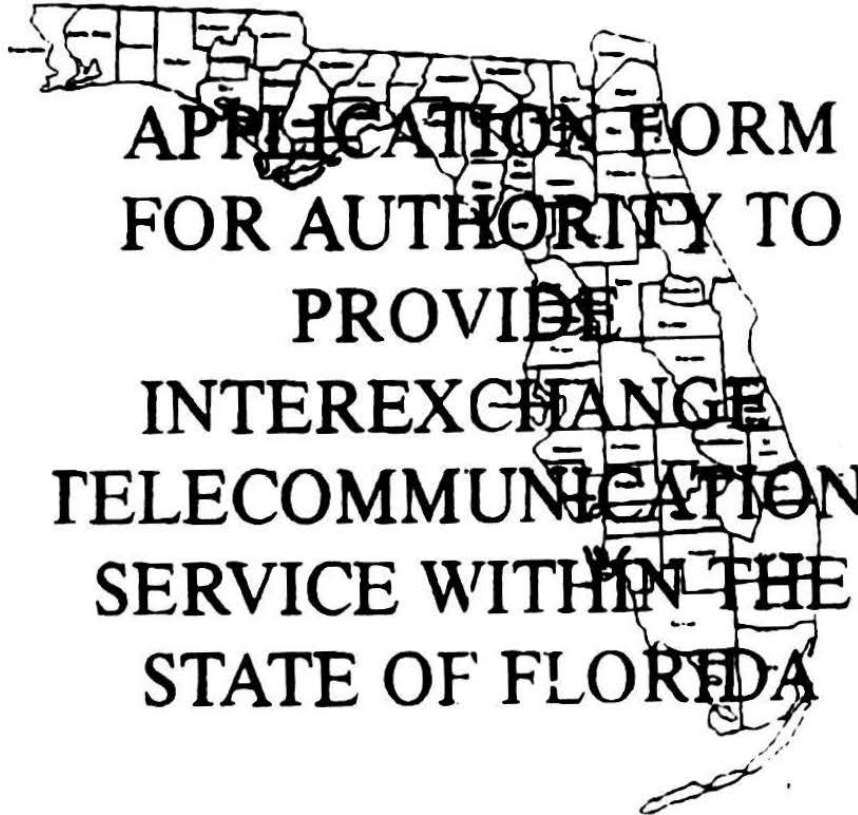


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Feb 10 '98 1:14 P.19

980241



APPLICATION FORM
FOR AUTHORITY TO
PROVIDE
INTEREXCHANGE
TELECOMMUNICATION
SERVICE WITHIN THE
STATE OF FLORIDA

DOCUMENT NUMBER-DATE

02190 FEB 12 8

FPSC-RECORDS/REPORTING

**APPLICATION FORM FOR AUTHORITY TO PROVIDE
INTEREXCHANGE TELECOMMUNICATION SERVICE WITHIN THE
STATE OF FLORIDA**

1. Select what type of business your company will be conducting (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
- 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 Reseller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rehills 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-location discount plans from certain underlying carriers. Then offers the resold services 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 endorses the cards with personal identification numbers.

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

- Original Authority (New company).**
- Approval of Transfer (To another certificated company).**
- Approval of Assignment of existing certificate (To an uncertificated company).**
- Approval for transfer of control (To another certificated company)**

3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship

The Inside Edge Communications, Inc.

4. Name under which the applicant will do business (fictitious name, etc)

N/A, no.

5. National address (including street name and number, post office box, city, state and zip code).

8601 4th St. N. Suite 301
St. Petersburg, FL 33602
Phone: 813-570-8555

6. Florida address (including street name and number, post office box, city, state and zip code)

8601 4th Street N , Suite 301, St. Petersburg, FL 33602

7. Structure of organization;

- Individual Corporation
- Foreign Corporation Foreign Partnership
- General Partnership Limited Partnership
- Other, _____

8. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners.

N/A - corporation

(a) Provide proof compliance with the foreign limited partnership statute (Chapter 620.169 FS), if applicable.

N/A - Florida corp.

(b) Indicate if the individual or any of the partners have previously been

None.

(1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceeding.

N/A

- (2) 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.

N/A

9. If incorporated, please give:

- (a) proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: P97000047977. Charter attached.

- (b) Name and address of the company's Florida registered agent

Drakeford & Drakeford, P A.
2212 E. 4th Ave
Tampa, FL 33608

- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number: N/A.

- (d) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been

- (1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings

N/A

- (2) 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

N/A

10 Who will serve as liaison with the Commission in regard to (please give name, title, address and telephone number):

(a) The application: Gregory J. Parker
5699 Kanan Rd., #212
Agoura Hills, CA 91301
805-488-3465

(b) Official Point of Contact for the ongoing operations of the company:

Thomas Lawrence, Vice President
8601 4th Street N. Suite 301
St. Petersburg, FL 33602

(c) Tariff:

Thomas Lawrence, Vice President
8601 4th Street N. Suite 301
St. Petersburg, FL 33602

(d) Complaints/Inquiries from customers:

Thomas Lawrence, Vice President

11 List the states in which the applicant:

(a) Has operated as an interexchange carrier

None.

(b) Has applications pending to be certificated as an interexchange carrier

None.

(c) Is certificated to operate as an interexchange carrier

None.

(d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.

None.

(e) Has had regulatory penalties imposed for violations of telecommunications

statutes and the circumstances involved.

None.

- (f) Has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

None.

- 12. What services will the applicant offer to other certificated telephone companies.

None.

- Facilities. Operators
- Billing and Collection Sales
- Maintenance.
- Other: _____

- 13. Do you have a marketing program? No.

- 14. Will your marketing program.

- Pay commissions?
- Offer sales franchises?
- Offer multi-level sales incentives?
- Offer other sales incentives?

- 15. Explain any of the offers checked in question 14 (To whom, what amount, type of franchise, etc).

Customers will be obtained primarily through media advertisement. Applicant anticipates engaging the services of independent contractor salespersons from time to time and will commission their customer gathering.

- 16. Who will receive the bills for your service (check all that apply)?

- Residential customers. Business customers
- PATS providers. PATS station end-users
- Hotels & motels. Hotel & motel guests.
- Universities. Univ. dormitory residents
- Other: (specify) _____

17. Please provide the following (if applicable)

(a) Will the name of your company appear on the bill for your services, and if not who will the billed party contact to ask questions about the bill (provide name and phone number) and how is this information provided?

Yes. Applicant's customers will be primarily and substantially prepaid customers.

(b) Name and address of the firm who will bill for your service

Applicant.

18. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide interexchange telecommunications service in Florida

A Financial capability.

Regarding the showing of financial capability, the following applies

The application should contain the applicant's financial statements for the most recent 3 years, including:

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

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service
3. Please provide documentation that the applicant has sufficient financial capability to meet its lease or ownership obligations

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.

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 statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should affirm that the financial statements are true and correct.

Unaudited Financial Statement attached and affirmed as Exhibit One

B. Managerial capability.

See Exhibit Two, attached.

C. Technical capability

See Exhibit Three, attached.

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

Attached as Exhibit Four.

20. The applicant will provide the following interexchange carrier services (check all that apply):

MTS with distance sensitive per minute rates

Method of access is FGA

Method of access is FGB

Method of access if 800

MTS with route specific rates per minute

Method of access is FGA

Method of access is FGB

Method of access if 800

MTS with statewide flat rates per minute (i.e. not distance sensitive)

Method of access is FGA

Method of access is FGB

Method of access if 800

MTS for pay telephone service providers

Block-of-time calling plan (Reach out Florida, Ring America, etc.).

800 Service (Toll free)

WATS type service (Bulk or volume discount)

Method of access is via dedicated facilities

Method of access is via switched facilities

Private Line services (Channel Services)

(For ex. 1 544 mbs., DS-3, etc.)

Travel Service

Method of access is 950

Method of access is 800

900 service

Operator Services

Available to presubscribed customers

Available to non-resubscribed customers (for example to patrons of hospitals, students in universities, patients in hospitals.

Available to inmates

Services included are:

Station assistance

Person-to-Person assistance

Directory assistance

Operator verify and interrupt

Conference Calling

21. **What does the end-user dial for each of the interexchange carrier services that were checked in services included (above).**

One Plus/O Plus as to Interstate/Intrastate long distance

22 **Other**

Prepaid cellular service

APPLICATION ACKNOWLEDGMENT STATEMENT

- 1 **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of 15 of one 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 and one-half percent on all intra and interstate business.
- 3 **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- 4 **APPLICATION FEE:** A non-refundable application fee of \$250.00 must be submitted with the application.
- 5 **RECEIPT AND UNDERSTANDING OF RULES:** I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange service.
- 6 **ACCURACY OF APPLICATION:** By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my knowledge and belief, the information is a true and correct statement.

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. 775.083 and s. 775.083".

UTILITY OFFICIAL: Thomas E. Lawrence
Signature

2/10/98
Date

Vice President
Title

813-570-8555
Telephone No

APPENDIX A

Not Applicable

CERTIFICATE TRANSFER STATEMENT

I, (TYPE NAME) _____

(TITLE) _____ of (NAME OF COMPANY)

_____, and current

holder of certificate number _____, have reviewed

this application and join in the petitioner's request for a transfer of the above-mentioned certificate.

UTILITY OFFICIAL:

Signature

Date

Title

Telephone 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 responded to 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 will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application).**

UTILITY OFFICIAL Thomas E Lawrence 2/11/98
 Signature Date

 VICE President 813-570-8555
 Title Telephone No

APPENDIX C

INTRASTATE NETWORK

1. **POP:** Addresses where located, and indicate if owned or leased.

- 1) _____ 2) _____
- 3) _____ 4) _____

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased

- 1) _____ 2) _____
- 3) _____ 4) _____

3. **TRANSMISSION FACILITIES:** Pop-to-Pop facilities by type of facilities (microwave, fiber, copper, satellite, etc) and indicate if owned or leased

- 1) POP-to-POP TYPE OWNERSHIP
- 2) _____

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

5. **TRAFFIC RESTRICTIONS:** Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4)(a) (copy enclosed).

Will act as directed by underlying carrier. Applicant is a reseller and will serve all equal access areas

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has () or has not (x) previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:

- a) What services have been provided and when did these services begin?

b) If the services are not currently offered, when were they discontinued?

UTILITY OFFICIAL: Thomas E Lawrence 2/11/88
Signature Date

VICE President 813-570-8555
Title Telephone No

APPENDIX D
FLORIDA TELEPHONE EXCHANGES
AND
EAS ROUTES

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

Services to all locations.

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 ****

<u>Extended Service</u> <u>Area</u>	<u>with</u>	<u>These Exchanges</u>
PENSACOLA:		Cantonment, Gulf Breeze Pace, Milton Holley-Navarre.
PANAMA CITY:		Lynn Haven, Panama City Beach, Youngstown-Fountain and Tyndall AFB
TALLAHASSEE:		Crawfordville, Havana, Monticello, Panacea, Sopchoppy and St. Marks
JACKSONVILLE:		Baldwin, Ft. George, Jacksonville Beach, Callahan, Maxville, Middleburg, Orange Park, Ponte Vedra and Julington.
GAINSVILLE:		Alachua, Archer, Brooker, Hawthorne, High Springs,

	Melrose, Micanopy, Newberry and Waldo
OCALA:	Belleview, Citra, Dunnellon, Forest Lady Lake (B21) McIntosh Springs, Salt Springs and Silver Springs Shores
DAYTONA BEACH:	New Smyrna Beach
TAMPA:	Central None East Plant City North Zephyrhills South Palmetto West Clearwater
CLEARWATER:	St. Petersburg, Tampa-West and Tarpon Springs.
ST PETERSBURG:	Clearwater
LAKELAND:	Bartow, Mulberry, Plant City, Polk City and Winter Haven.
ORLANDO:	Apopka, East Orange, Lake Buena Vista, Oviedo, Windermere, Winter Garden, Winter Park, Montverde, Reedy Creek, and Oviedo-Winter Springs
WINTER PARK:	Apopka, East Orange, Lake Buena Vista, Orlando, Oviedo, Sanford, Windermere, Winter Garden, Oviedo-Winter Springs Reedy Creek, Geneva and Montverde
TITUSVILLE:	Cocoa and Cocoa Beach
COCOA:	Cocoa Beach, Eau Gallie Melbourne and Titusville
MELBOURNE:	Cocoa, Cocoa Beach, Eau Gallie and Sebastian
SARASOTA:	Bradenton, Myakka and Venice.
FT MYERS:	Cape Coral, Ft. Myers Beach, North Cape Coral, North

**Ft Myers, Pine Island, Lehigh Acres and Sanibel-Captiva
Islands**

NAPLES:

Marco Island and North Naples

WEST PALM BEACH:

Boynton Beach and Jupiter

POMPANO BEACH:

**Boca Raton, Coral Springs,
Deerfield Beach and Ft Lauderdale**

FT. LAUDERDALE:

**Coral Springs, Deerfield Beach,
Hollywood and Pompano Beach**

HOLLYWOOD:

Ft. Lauderdale and North Dade

NORTH DADE:

Hollywood, Miami and Perrine

MIAMI:

**Homestead, North Dade and
Perrine**

EQUAL ACCESS EXCHANGE AREAS: EAEA means a geographic area, configured based on 1987 planned toll center/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 subscription.

INTEREXCHANGE COMPANY: means any telephone company, as defined in Section 364.02(4), F.S. (excluding Payphone Providers), which provides telecommunication 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: The term denotes 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 means 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): Means any telephone company, as defined in Section 364.02(4), F.S., which, in addition to any other telephonic communication service, provides telecommunication 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 their customers.

PAY TELEPHONE SERVICE COMPANY: Means any telephone company, other than a Local Exchange Company, which provides pay telephone service as defined in Section 364.335(4), F.S.

POINT OF PRESENCE (POP): Bell-coined term which designates the

FORM PSC/CMU 31 (11/95)

Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).

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: These terms may be used interchangeably herein and shall 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.

ATTACHMENTS:

- A - CERTIFICATE TRANSFER STATEMENT**
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**
- C - INTRASTATE NETWORK**
- D - FLORIDA TELEPHONE EXCHANGES and EAS ROUTES**
- E - GLOSSARY**

Financial Statements
(Unaudited)

of
THE INSIDE EDGE COMMUNICATIONS, INC.
For the Period Ended December 31, 1997

See Accompanying Accountant's Compilation Report

EXHIBIT ONE

en 1757

DRAKEFORD
DRAKEFORD
ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Drakeford & Drakeford, P.A.
P.O. Box 22023
Tampa, FL 33622-2023
Phone (813) 248-3001

January 8, 1998

TO: Stockholders

The accompanying Balance Sheet of THE INSIDE EDGE COMMUNICATIONS, INC. as of December 31, 1997 and the related statements of income and retained earnings for the period then ended have been compiled by us.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are for management's internal use only and therefore all of the disclosures required by Generally Accepted Accounting Principles have been omitted. If these items were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and changes in financial position. Accordingly, these financial statements are not intended for those who are not informed about such matters.

Drakeford & Drakeford, P.A.

Drakeford & Drakeford, P.A.
P.O. Box 22023
Tampa, FL 33622-2023
Phone (813) 248-3001

Drakeford & Drakeford, P.A.
Arlington, VA 22216-0987
Phone (703) 527-2299
Fax (540) 775-7403

Drakeford & Drakeford, P.A.
Arlington, VA 22216-0987
Phone (703) 527-2299
Fax (540) 775-7403

THE INSIDE EDGE COMMUNICATIONS, INC.
Balance Sheet
As of December 31, 1997

Assets

Current Assets		
Bank	\$ 528,641.40	
Contractor Advances	26,073.24	
Branch Office Advance	49,928.17	
Investments	<u>88,530.75</u>	
Total Current Assets		\$ 693,073.56
Fixed Assets		
Equipment	15,378.96	
Switches	10,000.00	
Vehicles	1,500.00	
Accumulated Depreciation	<u>(4,500.00)</u>	
Total Fixed Assets		22,378.96
Other Assets		
Security Deposits	13,200.75	
Organization Costs	128,300.00	
Cellular 7 Units	85,000.00	
TIE Nationwide Unit Holders	7,681,500.00	
TIE Nationwide Holdg Intl Units	927,400.00	
Tel Com Jacksonville Units	135,000.00	
Investments	<u>187,484.00</u>	
Total Other Assets		<u>9,357,892.75</u>
Total Assets		\$ <u>10,073,345.27</u>

See Accompanying Accountant's Compilation Report

THE INSIDE EDGE COMMUNICATIONS, INC.
 Balance Sheet
 As of December 31, 1997

Liabilities and Equity

Current Liabilities		
Withholding Taxes Payable	\$	4,884.66
Customer Deposits		<u>60,000.00</u>
Total Current Liabilities	\$	64,884.66
Long Term Liabilities		
N/P - Burnell Hoakstra		62,449.50
TIE Nationwide Funding		2,304,450.00
TIE - Other		5,377,050.00
Other - Clearing		73,483.00
Shareholder Loans		<u>196,022.87</u>
Total Long Term Liabilities		8,013,455.37
Equity		
Retained Earnings		79,537.77
Current Income (Loss)		<u>1,915,467.47</u>
Total Equity		<u>1,995,005.24</u>
Total Liabilities & Equity	\$	<u>10,073,345.27</u>

See Accompanying Accountant's Compilation Report

THE INSIDE EDGE COMMUNICATIONS, INC.
Income Statement
For the Period Ended December 31, 1997

	<u>12 Months Ended</u> <u>Dec. 31, 1997</u>	<u>Pct</u>
Sales		
Sales - Tel Com Jacksonville	\$ 1,871,250.00	35.10
Sales - TIE Nationwide	2,318,500.00	43.49
Dividend Income - Tel Com Jax	499.40	0.01
Earned Funding - Jacksonville	135,000.00	2.53
Earned Funding - TIE Nationwide	927,400.00	17.39
Reimbursements	<u>78,911.98</u>	<u>1.48</u>
Total Income	5,331,561.38	100.00
Cost of Sales		
Cost of Sales - Fees	1,553,176.50	29.13
Cost of Sales - Overrides	274,220.31	5.14
Tel Com Plus Jax	750,000.00	14.07
Tel Com Plus	<u>60,482.02</u>	<u>1.30</u>
Total Cost of Sales	<u>2,646,896.83</u>	<u>49.65</u>
Gross Profit	2,684,664.55	50.35
Operating Expenses		
Salaries & Wages	32,657.98	0.61
Advertising	21,114.88	0.40
Amortization	8,149.12	0.15
Auto & Truck	10,572.04	0.20
Bad Debt	14,072.34	0.26
Admin Conference Expense	2,700.00	0.05
Bank Charges	2,900.92	0.05
Business Development	17,300.08	0.32
Depreciation	4,500.00	0.08
Donation	5,010.00	0.09
Equipment Rental	8,769.85	0.16
Insurance - Workers Comp	6,507.71	0.12
Interest	16,851.73	0.32
Leads Expense	20,200.00	0.38
Cleaning	1,974.61	0.04
Legal	117,953.05	2.21
Accounting	71,810.37	1.35
Sales/Gary Miller	35,856.33	0.67
Miscellaneous	8,367.70	0.16
Consultant Fees	22,362.00	0.42
Real Estate Legal/Trust	64,275.00	1.21
Office Expense	18,465.48	0.35
Package Cost/Brochures	64,278.83	1.21
Rent	44,183.87	0.83
Repairs & Maintenance	1,145.22	0.02
Spiff Expense	2,335.00	0.05
Taxes & Licenses	16,317.30	0.31
Telephone	52,259.92	0.98

See Accompanying Accountant's Compilation Report

	<u>12 Months Ended</u> <u>Dec. 31, 1997</u>	<u>Pct</u>
Travel	74,283.45	1.39
Utilities	<u>1,822.30</u>	<u>0.03</u>
Total Expenses	<u>769,197.08</u>	<u>14.43</u>
Operating Income	<u>1,915,467.47</u>	<u>35.93</u>
Net Income (Loss)	<u>\$ 1,915,467.47</u>	<u>35.93</u>

See Accompanying Accountant's Compilation Report

**ATTESTATION TO THE FINANCIAL STATEMENT OF
THE INSIDE EDGE COMMUNICATIONS, INC**

I, the undersigned president of The Inside Edge Communications, Inc. do hereby attest that the foregoing Financial Statement of The Inside Edge Communications, Inc. for the period ended December 31, 1997 is true and correct to the best of my knowledge, information and belief

Thomas E. Lawrence
VICE President

2/11/98
Date

Statement.ie

THE INSIDE EDGE COMMUNICATIONS, INC.**FINANCIAL ABILITY****18. A**

1. Please provide documentation that the Applicant has sufficient financial capability to provide the requested service in the geographical area proposed to be served. Applicant will almost exclusively offer prepaid interstate/intrastate and local telephone service throughout Florida. Applicant will utilize none of its own switches or other telephone equipment, at least initially, customer billing if any will be handled by third parties, so that Applicant's operational requirements will consist almost entirely of marketing, provision and customer service and providing customer service. Applicant believes that its current financial status coupled with the foregoing operational circumstances and customer prepayment demonstrate that Applicant is sufficiently financially capable to effectively conduct the necessary operations as a telecommunications reseller.

2. Please provide documentation that the Applicant has sufficient financial capability to maintain the requested service. See response to number 1, above.

3. Please provide documentation that the Applicant has sufficient financial capability to meet its lease or ownership obligations. Applicant respectfully submits pursuant to its Financial Statement, attached is Exhibit One, that Applicant is fully capable of meeting its lease and ownership obligations. Applicant further states that lease and its lease and ownership obligations are minimal as regards fixed costs and that the premises leases necessary to conduct business office, marketing and customer service are minimal in the context of Applicant's current financial statement and almost exclusive offering of prepaid telecommunications services.

EXHIBIT TWO

MANAGERIAL TECHNICAL CAPABILITY

18 B. Managerial capability. Applicant's current officers are each experienced business persons. Additional staffing will be added in the areas of business and financial operations, marketing, and customer service as required to adequately maintain and service customer accounts as obtained

18 C. Technical capability. As a reseller of prepaid telecommunications services, all technical aspects will be provided by third parties to Applicant under contract

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EXHIBIT THREE

THE INSIDE EDGE COMMUNICATIONS, INC

Tariffs-Florida

Regular Billing

Prepaid

- | | |
|---|--|
| <p>1 One Plus-Interstate
 (Peak) Day 15.0 cents
 (Off Peak) Eve-Weekend 11.0 cents
 Day, Mon-Fri 7:00 am to 7:00 pm
 Initial minute 1-60 sec, 2nd etc mins
 rounded to next 30 second increment</p> | <p>\$59.00/mo includes \$15 service charge plus
 \$44.00 in time at \$0.30/min.
 No refunds. Initial payment \$59.00</p> <p>Unused time not carried forward
 Service suspended when time used up</p> |
| <p>2 One Plus-Intrastate. See attached.

 Initial minute 1-60 sec,
 2nd etc. mins rounded up to next
 30-second increment.</p> | <p>Included in interstate \$59.00 monthly fee.
 \$44.00 in time charged at \$0.30/min
 Unused time not carried forward
 Service suspended when time used up</p> |
| <p>3 Local Service. N/A</p> | <p>\$89.95/first month including activation
 and any taxes and surcharges. \$49.95
 each additional month plus taxes and
 surcharges. Includes all non 1+ calling
 Does not include local toll or measured
 unit calling</p> |
| <p>4 Prepaid Calling Cards
 Initial Minute: \$0.45
 Subsequent minute \$0.30
 2nd etc. minutes rounded to next
 30 second increment.</p> | <p>Same</p> |

5. Operator Services

04 surcharge	\$1.00	Same
Per Minute	0.50	
Initial minute	1-60 sec.	
2nd etc. mins.	rounded to next	Same
30 second	increment	

Tariffs.ie

INSIDE EDGE COMMUNICATIONS, INC.

INTRASTATE BASE RATES

	Switched		Dedicated	
	Peak	Off Peak	Peak	Off Peak
Alabama	0.0833	0.0820	0.0791	0.0772
Arizona	0.1235	0.1173	0.0804	0.0669
Arkansas	0.1228	0.0982	0.0795	0.0636
California	0.0580	0.0550	0.0530	0.0430
California Intra-state	0.0496	0.0496	0.0458	0.0370
Colorado	0.1389	0.1389	0.0876	0.0889
Connecticut	0.0925	0.0788	0.0760	0.0628
Delaware	0.0701	0.0561	0.0701	0.0561
Florida	0.1188	0.1105	0.0782	0.0626
Georgia	0.1097	0.0878	0.0693	0.0555
Idaho	0.1335	0.1198	0.0919	0.0735
Illinois	0.0808	0.0661	0.0713	0.0615
Indiana	0.1043	0.0835	0.0739	0.0591
Iowa	0.1273	0.1018	0.0696	0.0560
Kansas	0.1529	0.1529	0.0983	0.0783
Kentucky	0.0987	0.0839	0.0687	0.0548
Louisiana	0.0907	0.0848	0.0652	0.0522
Maine	0.3285	0.3285	0.1273	0.1018
Maryland	0.0998	0.0808	0.0712	0.0570
Massachusetts	0.0994	0.0795	0.0621	0.0497
Michigan	0.1128	0.0902	0.0716	0.0566
Minnesota	0.1200	0.1006	0.0737	0.0632
Mississippi	0.1045	0.1018	0.0760	0.0760
Missouri	0.1235	0.1073	0.0807	0.0646
Montana	0.1235	0.1095	0.0758	0.0617
Nebraska	0.1812	0.1612	0.0863	0.0846
Nevada	0.1058	0.0846	0.0750	0.0564
New Hampshire	0.1441	0.1133	0.0652	0.0540
New Jersey	0.0748	0.0599	0.0652	0.0522
New Mexico	0.1425	0.1425	0.1087	0.0869
New York	0.1065	0.0942	0.0760	0.0715
North Carolina	0.1280	0.1280	0.0819	0.0819
North Dakota	0.1446	0.1446	0.0758	0.0716
Ohio	0.1037	0.0830	0.0753	0.0632
Oklahoma	0.1183	0.0959	0.0821	0.0637
Oregon	0.1186	0.0949	0.0733	0.0586
Pennsylvania	0.1118	0.0924	0.0708	0.0566
Rhode Island	0.0733	0.0733	0.0373	0.0299
South Carolina	0.1283	0.1063	0.0855	0.0710
South Dakota	0.1093	0.1023	0.0807	0.0646
Tennessee	0.1235	0.1196	0.0925	0.0740
Texas	0.1290	0.1260	0.0890	0.0830
Utah	0.1199	0.0959	0.0758	0.0606
Vermont	0.1402	0.1402	0.0782	0.0778
Virginia	0.1124	0.0899	0.0770	0.0616
Washington	0.1235	0.1084	0.0739	0.0607
West Virginia	0.1235	0.1051	0.0745	0.0596
Wisconsin	0.1235	0.1093	0.0814	0.0651
Wyoming	0.1525	0.1525	0.0857	0.0827

Corporate Charter

Certified copies of the Articles of Incorporation have been ordered from the State of Florida and will be forwarded as soon as they arrive.

The Inside Edge Communications, Inc.
8601 Fourth Street North, Suite 301
St. Petersburg, FL 33702

REC'D
FLORIDA
SEC. OF
COMM. DIV.
FEB 12 PM 3:47
MAIL ROOM

DEPOSIT DATE
D711 FEB 12 1998

February 10, 1998

Florida Public Service Commission
Division of Communications, Certification & Compliance Section
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0866

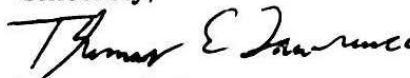
Dear Gentlemen,

Enclosed are our applications for authority to provide both local exchange service and interexchange telecommunication service within the State of Florida. We would like these reviewed at your March 10th meeting if at all possible since we are ready to provide both these services.

The \$500.00 application fee for both applications is attached.

We are prepared and excited about being an alternate source of these services within the State of Florida. I can be reached at 904-445-4006 should you have any questions or require any additional information.

Sincerely,



Thomas E. Lawrence
Vice President Operations

THOMAS E. LAWRENCE
BERNADETTE M. LAWRENCE
5 CLASSIC COURT, S.
PALM COAST, FL 32137

63-751/831
03014

182

FEB 10 1998

ED

PAY TO THE ORDER OF FLORIDA PUBLIC SERVICE COMMISSION \$ 500.00
FIVE HUNDRED AND 00/100 DOLLARS

First Union National Bank

Benefit Banking®

24 Hour Information Service
1-800-738-1012

APPLICATION FEE -
FOR LOCAL SERVICE & INTEREXCHANGE
SERVICES

