



18
ORIGINAL

DEPOSIT
D 8 0 6
DATE July 6, 1998
JUL 07 1998
Overnight

210 N. Park Ave.
Winter Park, FL
32789

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

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

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

980826-TX

RE: Initial Alternative Local Exchange Carrier Application of Southern States Telephone, Inc.

Dear Ms. Bayo:

Enclosed for filing are the original and twelve copies of the above referenced application of Southern States Telephone, Inc. Southern States is seeking authority to provide local resale service in Florida.

Also enclosed is the applicant's check in the amount of \$250 for the filing fee. Questions pertaining to this application 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,

Robin Norton
Consultant to:
Southern States Telephone, Inc.

Enclosures

cc: Patrick Freeman, Joe Kearney
File: SSTI - FL ALEC

MAIL ROOM
JUL 07 1998
DOCUMENT NUMBER-DATE
07139-JUL-7 98

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

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.

DOCUMENT NUMBER-DATE

07139 JUL-78

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):

- (X) 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:

Southern States Telephone, Inc.

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

Street: 124 Olympus Drive
PO Box
City: Ocoee
State: Florida
Zip: 34761
Phone: (407) 299-7804

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

Street: 124 Olympus Drive
PO Box
City: Ocoee
State: Florida
Zip: 34761
Phone: (407) 299-7804

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: 124 Olympus Drive
 PO Box
 City: Ocoee
 State: Florida
 Zip: 34761
 Phone: (407) 299-7804

4. Structure of organization:

Individual Corporation
 Foreign Corporation Foreign Partnership
 General Partnership Limited Partnership
 Joint Venture Other

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

Corporate charter number: P98000051798
 Taxpayer Identification #: 59-3518412

Please see Exhibit I for a copy of the Articles of Incorporation.

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

Not applicable.

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

Fictitious name registration number: Not applicable.

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.

No officer, director or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime. No such action may result from a pending proceeding.

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: Robin Norton
Title: Consultant
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: cwightman@tminc.com

Ongoing Liaison:

Name: Patrick Freeman
Street: 124 Olympus Drive
PO Box
City: Ocoee
State: Florida
Zip: 34761
Phone: (407) 299-7804
Facsimile: (407) 299-7804
Internet Address: nextcom@epix.net

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

Southern States Telephone, Inc. has not received authority to operate in any other state. No application has been denied.

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 by calling (800) 258-4288. The subscribers may also write to the company at headquarters address.

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 III

C. Technical capability

See Exhibit IV

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:



Patrick Freeman

Date:

July 1, 1998

Title:

President

Address:

124 Olympus Drive
Ocoee, Florida 34761

Phone:

(407) 299-7804

Southern States Telephone, Inc.

EXHIBIT I

ARTICLES OF INCORPORATION

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of SOUTHERN STATES TELEPHONE, INC., a Florida corporation, filed on June 8, 1998, as shown by the records of this office.

The document number of this corporation is P98000051798.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Tenth day of June, 1998



CR2EO22 (2-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

Southern States Telephone, Inc.

EXHIBIT II

FINANCIAL CAPABILITY

A Statement of Financial Capability and the financial statements covering the company's existence are submitted in support of the Applicant's financial ability to provide the proposed service.

Southern States Telephone, Inc.
Supplemental Financial Information

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

In support of its financial qualifications, Southern States Telephone, Inc. submits its pro forma financial statements.

Southern States Telephone, Inc. has marshalled sufficient financial resources to enable the company to effectively provide the proposed services. The company has arranged shareholder loans and contributions to capital. In addition, the company has secured a working capital credit line secured by accounts receivable. These funds, plus funds generated from operations may be used for asset acquisition, working capital, and/or corporate expansion. In light of these resources, Southern States Telephone will be financially well-qualified to provide local service.

As demonstrated herein, Southern States Telephone, Inc. has the financial resources and financial management skills to provide Alternative Local Exchange Service in Florida.

2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.

Please see response to question #1.

3. Please provide documentation that the applicant has sufficient financial capability to meet its lease or ownership obligations.


Please see response to question #1.

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.

Southern States Telephone, Inc.
Comparative Balance Sheet Forecasts
At December 31, 1998, 1999, 2000, & 2001

Unaudited

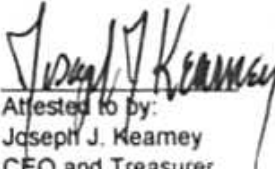
	\$	\$	\$	\$
	At 12/31/98	At 12/31/99	At 12/31/00	At 12/31/01
Current Assets				
Cash	77,530	87,254	118,344	160,759
Investments	0	900,000	2,849,750	5,349,750
Accounts Receivable, Net of Bad Debt Reserves	272,516	1,726,281	3,014,869	4,157,057
Total Current Assets	350,046	2,713,535	5,982,963	9,667,566
Property & Equipment Cost	10,000	30,000	50,000	70,000
Less: Accumulated Depreciation	(500)	(4,333)	(12,166)	(24,999)
Net Property & Equipment	9,500	25,667	37,834	45,001
Total Assets	359,546	2,739,202	6,020,797	9,712,567
Current Liabilities				
Carrier Accounts Payable	222,603	1,469,801	2,575,299	3,555,195
Accrued Billing Costs	1,590	10,499	18,395	25,394
Accrued Payroll	1,230	7,750	8,400	9,000
Accrued Conversion Fees	28,800	28,800	28,800	28,800
Commissions Payable	0	31,644	268,537	478,515
Other Accrued Expenses	3,000	12,000	18,000	24,000
Income Taxes Payable	0	151,352	338,744	449,579
Sales & Excise Taxes Payable	31,800	209,971	367,900	507,886
Total Current Liabilities	289,023	1,921,817	3,624,075	5,078,369
Other Liabilities				
Shareholders Loan Payable	50,000	0	0	0
Total Other Liabilities	50,000	0	0	0
Stockholders' Equity				
Common Stock (Stated Capital)	750	750	750	750
Contributed Capital	29,750	149,750	149,750	149,750
Retained Earnings	(9,977)	666,885	2,246,222	4,483,698
Total Stockholders' Equity	20,523	817,385	2,396,722	4,634,198
Total Liabilities & Stockholders' Equity	359,546	2,739,202	6,020,797	9,712,567


 Attested to by:
 Joseph J. Kearney
 CEO and Treasurer

Southern States Telephone, Inc
Comparative Income Statement Forecasts
For the Years Ending December 31, 1998, 1999, 2000, 2001

Unaudited

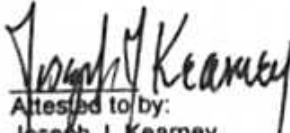
	\$	\$	\$	\$
	12/31/98	12/31/99	12/31/00	12/31/01
Gross Revenue	358,004	8,248,448	18,218,350	27,055,522
Cost of Revenue				
Carrier Costs	250,603	5,773,912	12,752,845	18,938,866
Gross Profit	107,401	2,474,534	5,465,505	8,116,656
%	30%	30%	30%	30%
Operating Expenses				
Staff Payroll & Benefits Expenses	12,292	94,400	116,525	153,400
Officer Payroll & Benefits Expenses	0	300,000	300,000	300,000
Marketing Fees	30,000	120,000	0	0
Commissions	0	31,644	1,032,875	2,358,451
Account Conversion Fees	36,000	172,800	172,800	172,800
Billing Costs	1,790	41,242	91,092	135,278
Postage	591	13,610	30,060	44,642
Telephone	2,500	6,000	7,500	9,000
Office Occupancy Expenses	1,500	30,000	32,500	35,000
Office Supplies	1,500	4,500	5,500	8,500
Accounting Services	4,000	15,000	25,000	30,000
Legal & Consulting	6,000	15,000	25,000	30,000
Computer System Maintenance	1,500	6,000	7,200	8,400
Filing Fees	2,500	2,000	2,000	2,000
Travel & Entertainment	10,000	15,000	30,000	35,000
Depreciation	500	3,833	7,833	12,833
Bad Debt	3,580	82,485	182,184	270,558
Other	2,000	7,500	10,000	15,000
Total Operating Expenses	116,253	961,014	2,078,069	3,620,862
Net Income (Loss) from Operations	(8,852)	1,513,520	3,387,436	4,495,794
Interest Expense	1,125	0	0	0
Interest Income	0	18,750	46,875	40,000
Income Taxes	0	605,408	1,354,974	1,798,318
Net Income (Loss)	(9,977)	926,862	2,079,337	2,737,476
Retained Earnings-Beginning of Year	0	(9,977)	666,885	2,246,222
Shareholder Draws	0	(250,000)	(500,000)	(500,000)
Retained Earnings-End of Year	(9,977)	666,885	2,246,222	4,483,698


 Attested to by:
 Joseph J. Kearney
 CEO and Treasurer

Southern States Telephone, Inc.
Statement of Financial Capability

The shareholders are committed to the successful capitalization and subsequent operation of the Company in Florida. Sources of capital are as follows:

- Cash generated from operations.
- Loans from Shareholders. Balance Sheet Forecast reflects \$50,000 loan.
- Shareholder contributions to capital. Balance Sheet Forecast reflects \$150,000 contribution.
- Working Capital credit line secured by accounts receivable.


Attested to by:
Joseph J. Kearney
CEO and Treasurer

Southern States Telephone, Inc.

EXHIBIT III

EXECUTIVE BIOGRAPHIES

Southern States Telephone, Inc.

Management Profiles

Patrick Freeman

President

Patrick Freeman has worked in billing software design for three years. While at Telecom Software Solutions, he created and developed shrink-wrap real-time billing software for small IXCs. While at Information & Telephone Services, Inc. he was the Vice President and Information Services Director where he created and developed proprietary real-time billing and customer care systems. Mr. Freeman has also had extensive experience managing the day-to-day operations in information systems, billing, provisioning, collections, and customer service departments at Information & Telephone Services, Inc. and WATS/800, Inc.

Joseph J. Kearney

CEO and Treasurer

Joe Kearney has had over twenty years of industry experience. In 1991, he formed the Tariff Advisory Group, Inc., consultants to the long distance and resale industry. He oversaw the company's growth to approximately \$15 million in sales, with a peak of 20 employees and 50 sales agents. He has also worked as a Senior Account Manager-Network and as an industry consultant for AT&T and Bell of Pennsylvania, handling large major and national accounts, including PBX systems and voice and private line network services to the resort and lodging industry. He has also worked as a Regional Sales Manager for Advanced PBX systems sales for Commonwealth Communications and as a Central Office switchman for New York Telephone.

Southern States Telephone, Inc.

EXHIBIT IV

TECHNICAL CAPABILITY

Southern States Telephone, Inc.

TECHNICAL CAPABILITY

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



DEPOSIT DATE July 6, 1998
D 3 0 0 0 9 JUL 07 1998 Overnight

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RE: Initial Alternative Local Exchange Carrier Application of Southern States Telephone, Inc.

Tel: 407-740-8575
Fax: 407-740-0613
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Dear Ms. Bayo:

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Also enclosed is the applicant's check in the amount of \$250 for the filing fee. Questions pertaining to this application 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,

TECHNOLOGIES MANAGEMENT, INC.
P.O. BOX 200
210 N. PARK AVE.
WINTER PARK, FL 32789-0200
(407) 740-8575

BARNETT BANK, N.A.
WINTER PARK, FL 32789

20163

7/6/98

PAY TO THE ORDER OF Florida Public Service Commission

\$ **250.00

Two Hundred Fifty and 00/100*****

Florida Public Service Commission
Records & Reporting
2540 Shumard Oaks Blvd.
Tallahassee, FL 32302-1500

DOLLARS
Security features
included.
Details on back.

TECHNOLOGIES MANAGEMENT, INC.

MEMO Florida Public Service Commission