

**** FLORIDA PUBLIC SERVICE COMMISSION ***

DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION

APPLICATION FORM
for
AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE
WITHIN THE STATE OF FLORIDA

Instructions

- A. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Appendix A).
- B. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. If you have questions about completing the form, contact:
- E. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250.00 to:

Florida Public Service Commission
Division of Communications
Bureau of Service Evaluation
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6600

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6251

FORM PSC/CMU 31 (11/95)
Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25-24.480(2).

DOCUMENT NUMBER-DATE

13715 DEC-78

FPSC-RECORDS/REPORTING

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.
- (X) Reseller - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- () Switchless Reseller - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- () Multi-Location Discount Aggregator - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.
- (X) Prepaid Debit Card Provider - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

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:

Travelers Telecom Corporation

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

N/a - We intend to operate under corporate name only.

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

309 Fries Mill Road, Sewell, NJ 08080

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

13400 Periwinkle Ave, Seminole, FL 33776

7. Structure of organization;

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

8. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners. Not an individual or partnership

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

(b) Indicate if the individual or any of the partners 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.

(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.

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: 997000000164

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

LA Vera Blanco, 13400 Periwinkle Ave, Seminole, FL 33776

- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable. No fictitious name.

Fictitious name registration number:

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

No (1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.

No (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.

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

(a) The application;

LaVera Blanco, Operations Mgr. 727-394-7096
13400 Periwinkle Ave, Seminole, FL 33776

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

LaVera Blanco, Operations Mgr. 727-394-7096
13400 Periwinkle Ave, Seminole, FL 33776

(c) Tariff;

LaVera Blanco, Operations Mgr. 727-394-7096
13400 Periwinkle Ave, Seminole, FL 33776

(d) Complaints/Inquiries from customers;

LaVera Blanco, Operations Mgr 727-394-7096
13400 Periwinkle Ave, Seminole, FL 33776

11. List the states in which the applicant:

(a) Has operated as an interexchange carrier.

PA MA

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

no ne

(c) Is certificated to operate as an interexchange carrier.

PA MA

(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 telecommunication 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? Yes

Marketing to developments, apartment complexes, mobile home parks, etc.

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.) - Individuals or copr including but not limited to property developers up to 20% of net income.

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?

Travelers Telecom Corp's name and number (800-206-3850) appears on the bills.

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

Travelers will bill direct.

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.

B. Managerial capability.

See Amendment "B"

C. Technical capability.

See Amendment "B"

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).

See Amendment "C"

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 is FGD
 Method of access is 800

MTS with route specific rates per minute
 Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 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 is FGD
 Method of access is 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 presubscribed customers (for example to patrons of hotels, 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).

22. Other: Call Waiting, Call Forwarding, Voice messaging
Dial-up-dat a-services

**** APPENDIX A ****

CERTIFICATE TRANSFER STATEMENT

NA - Travelers Telecom Corp not transferring cert.

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-mention certificate.

UTILITY OFFICIAL:

Signature

Date

Title

Telephone No.

**Travelers Utility Supply
Balance Sheet
As of July 31, 1997**

09/03/97

Jul 31, '97

ASSETS**Current Assets****Checking/Savings**

Bank of Gloucester
N.J.B

26,787.23
1,597.40

Total Checking/Savings28,384.63**Other Current Assets**

A/R
Em Loan
Inventory
Petty Cash
Prepaid Insur
Prepaid Mat'l
Stockholder Loan
Utility Deposit

505,737.06
79,765.36
228,819.80
175.00
5,450.00
26,400.00
52,272.31
580.00

Total Other Current Assets699,179.33**Total Current Assets**927,543.96**Fixed Assets**

Accum Depr
Furn & Fixt
Leasch'd Improv
Misc Equip
Office Equip
Trailers
Vehicles

-51,240.00
6,506.35
607.50
7,601.14
23,934.55
42,000.00
24,258.91

Total Fixed Assets53,668.45**TOTAL ASSETS**981,212.41**LIABILITIES & EQUITY****Liabilities****Current Liabilities****Credit Cards**

MBNA/AT&T

593.86**Total Credit Cards**

593.86

Other Current Liabilities

A/P
Bank of Glou Co - Line
Bank of Glou Co - Term
Stkhd's Loan
Tax-Sales
TC Payable

214,290.70
200,000.00
37,500.00
44,581.00
1,692.93
26,183.01

Total Other Current Liabilities526,227.64**Total Current Liabilities**526,821.50**Long Term Liabilities**

Bank of Gloucester County

25,000.00**Total Long Term Liabilities**25,000.00**Total Liabilities**

551,821.50

Equity

Common Stock
Dis-'97
Distri-96
Retained Earnings
Net Income

100.00
-34,144.93
1,128.00
237,441.67
224,865.97

Total Equity429,390.91**TOTAL LIABILITIES & EQUITY**981,212.41

08/26/97

Travelers Utility Supply
Profit and Loss
 January through July 1997

	Jan - Jul '97
Hotel	6,038.71
Postage	12,891.65
Promotion & Adv	38,581.57
Travel/Airline	5,104.43
Vehicle Expense	
Gas	2,825.50
Rentals	2,392.46
Repair	2,486.82
Tolls	369.10
Total Vehicle Expense	7,873.88
Total Selling Expense	89,759.19
Service Chgs	
Bank	
Loan Fees	2,250.00
Bank - Other	146.11
Total Bank	2,396.11
Fin	2,142.96
Merchant Visa	3,605.76
Total Service Chgs	8,144.83
Taxes	
Corporate	3,461.00
Misc Tx & Lic	544.78
Prop	1,511.01
Total Taxes	5,516.79
Telephone	19,185.51
Utilities	3,300.28
Total O/H	456,266.10
Out	5,464.95
Payroll Expenses	2,817.53
Total Expense	1,902,662.91
Net Ordinary Income	193,174.85
Other Income/Expense	
Other Income	
Challenger Incentive Program	31,691.12
Total Other Income	31,691.12
Net Other Income	31,691.12
Net Income	224,866.97

08/25/97

Travelers Utility Supply
Profit and Loss
 January through July 1997

Jan - Jul '97

Ordinary Income/Expense	
Income	
Freight Income	60,812.78
Misc Income	759.00
Sales	2,034,265.96
Total Income	<u>2,095,837.76</u>
Expense	
COST	
Freight	
In	5,058.03
Out	74,651.86
Shipping Suppl	958.42
Total Freight	<u>80,668.31</u>
Materials	
Cash Discount	-16,009.92
Materials - Other	1,373,453.94
Total Materials	<u>1,357,444.02</u>
Total COST	<u>1,438,112.33</u>
OH	
Admin Ass't	8,885.21
Deprec Exp	10,493.00
Donations	100.00
Education	587.90
Fees	839.17
Insur	
Health	4,054.62
Liab	3,053.75
Life	726.10
Property	1,156.25
Total Insur	<u>18,990.72</u>
Int Exp	
Bank Loan	3,296.40
Truck Loan	55.54
Int Exp - Other	3,836.23
Total Int Exp	<u>13,188.17</u>
Moving Expense	3,230.64
Office Expense	
Maint	
Computer	3,512.01
Maint - Other	5,362.92
Total Maint	<u>8,874.93</u>
Misc Office	736.31
Supplies	4,691.10
Total Office Expense	<u>14,302.34</u>
Payroll	
Agent	180.00
HRO Leasing	228,606.32
Total Payroll	<u>228,786.32</u>
Prof Fee	
Acctg	300.00
Legal	483.75
Total Prof Fee	<u>1,393.75</u>
Rent	29,584.28
Selling Expense	
Assoc'n Fees	4,420.22
Convention Exp	12,373.69
Food	4,675.04

TRAVELERS CABLE TV, INC.

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Supplementary Information

Schedule - Sales

Schedule - Cost of Sales

Schedule - General and Administrative Expenses

KLS

KAREN L. STEINMETZ
CERTIFIED PUBLIC ACCOUNTANT

Accountant's Review Report

The Board of Directors
Travelers Cable TV, Inc.

I have reviewed the accompanying balance sheet of Travelers Cable TV, Inc. as of December 31, 1996, and the related statements of income and retained earnings, and cash flows for the year then ended, and the supplementary information included in the schedules in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Travelers Cable TV, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, I do not express an opinion or any form of assurance on them.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement or supplementary information in order for them to be in conformity with generally accepted accounting principles.

March 17, 1997

TRAVELERS CABLE TV, INC.

Balance Sheet

December 31, 1996

Assets

Current assets:	
Cash	\$34,464
Accounts receivable(note 2)	64,427
Stockholder loan (note 3)	62,400
Due from related company	10,860
Employee advances (note 3)	28,989
Prepaid insurance	<u>8,304</u>
Total current assets	<u>209,536</u>
Property and equipment (note 2)	
Cable systems	1,605,042
Vehicles	71,381
Heavy equipment	48,270
Office equipment	35,318
Furniture and fixtures	6,874
Miscellaneous equipment	<u>28,451</u>
	1,795,336
Less accumulated depreciation	<u>291,892</u>
Net property and equipment	<u>1,503,444</u>
Deposits	<u>450</u>
	<u>\$1,713,430</u>

See accompanying accountant's review report and notes to financial statements.

Liabilities and Stockholder's Equity

Current liabilities:	
Current installments of long-term debt(note 2)	479,595
Accounts payable	129,522
Accrued interest	<u>3,214</u>
Total current liabilities	612,331
Long-term debt, excluding current installments(note 2)	<u>596,250</u>
Total liabilities	<u>1,208,581</u>
Stockholder's equity:	
Common stock, \$2 par value, authorized 2,500 shares, issued and outstanding 2,500 shares	5,000
Additional paid-in capital	15,457
Retained earnings	<u>484,392</u>
Total stockholder's equity	<u>504,849</u>
	<u>\$1,713,430</u>

TRAVELERS CABLE TV, INC.

Notes to Financial Statements

Year ended December 31, 1996

(1) Summary of Significant Accounting Policies

(a) Description of Business

Travelers Cable TV, Inc. provides a diverse range of cable technology to its customers. Currently the Company offers installation of cable systems, subscriptions, programming capabilities and service on existing cable systems.

(b) Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated using straight-line methods over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterment's are capitalized. Deduction is made for retirements resulting from renewals or betterments.

(c) Income Taxes

The Company has elected to be treated as a "S Corporation" for Federal income tax purposes. Because the tax effects of a "S Corporation" are passed through to its shareholders, no provision for income taxes is made in the accompanying statements.

TRAVELERS CABLE TV, INC.

Notes to Financial Statements

(2) Long-Term Debt

Long-term debt consists of the following:

<p>Note payable with principal installments of \$18,750 due in July, August, September, and October of each year with the final principle payment due October, 1999. Interest accrues at 1.5 % above prime, (9.75% at December 31, 1996) and is payable monthly. This loan is collateralized by all furniture, fixtures, equipment, inventory, merchandise, machinery, supplies, accounts receivable, and leasehold improvements.</p>	\$206,250
<p>Multiple advance note payable which may be drawn down in an amount up to \$1,200,000 one time only and is payable in twelve principal installments of \$100,000 due in July, August, September and October of each year beginning in 1997. Interest accrues at 1.5% above prime (9.75% at December 31, 1996), and is payable monthly. The loan is collateralized by thirty two cable TV programming contracts.</p>	865,000
<p>Note payable in monthly installments of \$571, including interest at 11.72% through October, 1997, secured by equipment with a book value of \$9,954.</p>	<u>4,595</u>
<p>subtotal</p>	1,075,845
<p>Less current maturities</p>	<p><u>479,595</u></p>
<p>Long-term debt, excluding current installments</p>	<p><u>\$596,250</u></p>

TRAVELERS CABLE TV, INC.

Notes to Financial Statements

(2) Long-Term Debt (Continued)

Aggregate maturities of long-term debt for each year subsequent to December 31, 1996 are as follows:

<u>Year ended</u> <u>December 31</u>	
1997	479,595
1998	475,000
1999	121,250
2000	0
	<u>\$1,075,845</u>

(3) Related Party Transactions

The Company's stockholder has borrowed \$62,482 from the Company at December 31, 1996. This amount is due on demand and has no stated interest rate, however the company has charged a rate of five percent on the unpaid balance at December 31, 1996.

The company has advanced \$28,989 to an employee who is also a relative of the Company's stockholder. This has been included in employee advances at December 31, 1996.

TRAVELERS CABLE TV, INC.

Cost of Sales

Year ended December 31, 1996

Cost of Sales:	
Freight	\$630
Materials	70,245
Programming	129,370
Equipment repairs and rental	24,255
Miscellaneous job costs	2,576
Tools	483
Phone	<u>2,651</u>
Total cost of sales	<u>\$233,210</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS CABLE TV, INC.

**Financial Statement
and Schedules**

December 31, 1995

TRAVELERS CABLE TV, INC.

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KAREN L. STEINMETZ
CERTIFIED PUBLIC ACCOUNTANT

Accountant's Review Report

The Board of Directors
Travelers Cable TV, Inc.

I have reviewed the accompanying balance sheet of Travelers Cable TV, Inc. as of December 31, 1995, and the related statement of income and retained earnings and cash flows for the year then ended, and the supplementary information included in the schedules in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Travelers Cable TV, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, I do not express an opinion or any form of assurance on them.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement or supplementary information in order for them to be in conformity with generally accepted accounting principles.

Karen L. Steinmetz, CPA

February 26, 1996

TRAVELERS CABLE TV, INC.

Balance Sheet

December 31, 1995

Assets

Current assets:	
Cash	\$20,234
Accounts receivable(note 2 and 3)	19,061
Stockholder loan (note 4)	45,455
Employee advances (note 4)	<u>3,516</u>
Total current assets	<u>88,266</u>
Property and equipment (note 2 and 3)	886,963
Cable systems	71,381
Vehicles	34,956
Heavy equipment	31,656
Office equipment	6,874
Furniture and fixtures	<u>14,015</u>
Miscellaneous equipment	
	1,045,845
Less accumulated depreciation	<u>236,185</u>
Net property and equipment	<u>809,660</u>
Deposits	<u>600</u>
	<u>\$898,526</u>

See accompanying accountant's review report and notes to financial statements

Liabilities and Stockholder's Equity

Current liabilities:	
Note payable to bank(note 2)	\$55,000
Current installments of long-term debt(note 3)	110,408
Accounts payable	17,035
Accrued expenses	<u>5,921</u>
Total current liabilities	188,364
Long-term debt, excluding current installments(note 3)	<u>211,763</u>
Total liabilities	<u>400,127</u>
Stockholder's equity:	
Common stock, \$2 par value, authorized 2,500 shares, issued and outstanding 2,500 shares	5,000
Additional paid-in capital	15,457
Retained earnings	<u>477,942</u>
Total stockholder's equity	<u>498,399</u>
	<u>\$898,526</u>

TRAVELERS CABLE TV, INC.

Statement of Income and Retained Earnings

Year ended December 31, 1995

Net sales	\$903,819
Cost of sales	<u>246,143</u>
Gross profit	657,676
General and administrative expenses	<u>501,716</u>
Operating income	155,960
Other income and (deductions):	
Interest expense	<u>-43,312</u>
Net income	112,648
Retained earnings, beginning of period	386,761
Distributions	<u>21,467</u>
Retained earnings, end of period	<u>\$477,942</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS CABLE TV, INC.

Statement of Cash Flows

Year ended December 31, 1995

Cash flows provided by operating activities:	
Net income	\$112,648
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	48,311
Decrease in accounts receivable	5,187
Decrease in employee advances	3,719
Decrease in prepaid expenses	760
Increase in deposits	-600
Decrease in accounts payable	-28,142
Increase in accrued expenses	1,997
Decrease in unearned revenue	<u>-9,972</u>
Net cash provided by operating activities	<u>133,908</u>
Cash flows from investing activities:	
Purchase of property and equipment	-60,938
Increase in stockholder loan	<u>-15,155</u>
Net cash used for investing activities	<u>-106,393</u>
Cash flows from financing activities:	
Net borrowings on note payable	-70,000
Decrease in shareholder loan	-9,119
Proceeds from long-term debt	375,000
Principal payments on long-term debt	-242,394
Distributions to shareholders	-21,467
Payments to affiliate	<u>-11,647</u>
Net cash used for financing activities	<u>-12,627</u>
Net increase in cash	<u>14,888</u>
Cash at beginning of period	<u>5,346</u>
Cash at end of period	<u>\$20,234</u>
Cash paid during period for interest	<u>\$40,714</u>

See accompanying accountant's review report and notes to financial statements

TRAVELERS CABLE TV, INC.

Notes to Financial Statements

Year ended December 31, 1995

(1) Summary of Significant Accounting Policies

(a) Description of Business

Travelers Cable TV, Inc. provides a diverse range of cable technology to its customers. Currently the Company offers installation of cable systems, subscriptions, programming capabilities and service on existing cable systems. Additionally, the Company is now offering telephone debit cards.

(b) Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated using straight-line methods over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterment's are capitalized. Deduction is made for retirements resulting from renewals or betterments.

(c) Income Taxes

The Company has elected to be treated as a "S Corporation" for Federal income tax purposes. Because the tax effects of a "S Corporation" are passed through to its shareholders, no provision for income taxes is made in the accompanying statements.

TRAVELERS CABLE TV, INC.

Notes to Financial Statements

Note payable in monthly installments of \$250, including interest at 10.5% through February, 1997, secured by vehicle with a book value of \$2,912.	<u>3,302</u>
Subtotal	322,171
Less current maturities	<u>110,408</u>
Long-term debt, excluding current installments	<u>\$211,763</u>

Aggregate maturities of long-term debt for each year subsequent to December 31, 1995 are as follows:

<u>Year ended</u> <u>December 31</u>	
1996	110,408
1997	91,763
1998	60,000
1999	<u>60,000</u>
	<u>\$322,171</u>

(4) Related Party Transactions

The Company's stockholder has borrowed \$45,455 from the Company at December 31, 1995. This amount is due on demand and has no stated interest rate.

The Company leases office space from a relative of the stockholder. The lease is month-to-month and is \$3,000 per month. The amount for 1995 was approximately \$18,000.

TRAVELERS CABLE TV, INC.

Sales

Year ended December 31, 1995

Sales:	
Systems	\$5,947
Programming	134,427
Subscriptions	752,262
Service	11,033
Telephone	<u>150</u>
Total sales	<u>\$903,819</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS CABLE TV, INC.

General and Administrative Expenses

Year ended December 31, 1995

Advertising and promotion	\$5,958
Bank service charges	1,675
Commissions	144,487
Computer expense	4,228
Construction site expense	1,092
Contributions	200
Depreciation	48,311
Dues and subscriptions	743
Education	1,174
Employee benefits	2,989
Insurance	35,852
Miscellaneous	1,955
Office salaries	120,430
Office supplies	6,676
Payroll taxes	12,637
Postage	2,623
Professional fees	9,814
Rents	7,000
Repairs and maintenance	3,419
Sales expense	1,455
Subcontract expense	24,388
Telephone	2,422
Trade show expense	13,051
Travel	4,343
Utilities	1,197
Vehicle expense	<u>43,597</u>
	<u>\$501,716</u>

See accompanying accountant's review report and notes to financial statements.

KLS

KAREN L. STEINMETZ
CERTIFIED PUBLIC ACCOUNTANT

Accountant's Review Report

The Board of Directors
Travelers Cable TV, Inc.

I have reviewed the accompanying balance sheet of Travelers Cable TV, Inc. as of December 31, 1994, and the related statement of income and retained earnings and cash flows for the year then ended, and the supplementary information included in the schedule in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Travelers Cable TV, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, I do not express an opinion or any form of assurance on them.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement or supplementary information in order for them to be in conformity with generally accepted accounting principles.

Karen L. Steinmetz, CPA

May 15, 1995

TRAVELERS CABLE TV, INC.

Balance Sheet

December 31, 1994

Assets

Current assets:	\$5,346
Cash	24,248
Accounts receivable(note 2 and 3)	7,235
Employee advances	760
Prepaid expenses	<u>17,589</u>
Total current assets	
Property and equipment (note 2 and 3)	842,923
Cable systems	71,381
Vehicles	29,466
Heavy equipment	24,836
Office equipment	2,982
Furniture and fixtures	<u>13,319</u>
Miscellaneous equipment	
	984,907
	<u>187,874</u>
Less accumulated depreciation	
	<u>797,033</u>
Net property and equipment	
	<u>\$834,622</u>

See accompanying accountant's review report and notes to financial statements.

Liabilities and Stockholder's Equity

Current liabilities:	
Note payable to bank(note 2)	\$125,000
Current installments of long-term debt(note 3)	132,370
Accounts payable	45,177
Accrued expenses	3,924
Due to affiliate(note 4)	44,647
Unearned revenue	<u>9,972</u>
Total current liabilities	361,090
Due to stockholder (note 4)	9,119
Long-term debt, excluding current installments(note 3)	<u>57,195</u>
Total liabilities	<u>427,404</u>
Stockholder's equity:	
Common stock, \$2 par value, authorized 2,500 shares, issued and outstanding 2,500 shares	5,000
Additional paid-in capital	15,457
Retained earnings	<u>186,761</u>
Total stockholder's equity	<u>407,218</u>
	<u>\$834,622</u>

TRAVELERS CABLE TV, INC.

Statement of Cash Flows

Year ended December 31, 1994

Cash flows provided by operating activities:	
Net income	\$109,695
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	44,362
Loss on asset disposal	4,987
Increase in accounts receivable	-16,123
Increase in employee advances	-5,760
Decrease in prepaid expenses	3,495
Decrease in accounts payable	-12,991
Increase in accrued expenses	3,924
Increase in unearned revenue	<u>2,972</u>
Net cash provided by operating activities	<u>141,561</u>
Cash flows from investing activities:	
Decrease in due from affiliates	13,735
Purchase of property and equipment	<u>-94,014</u>
Net cash used for investing activities	<u>-80,279</u>
Cash flows from financing activities:	
Net borrowings on note payable	2,000
Increase in shareholder loan	-3,730
Proceeds from long-term debt	300,000
Principal payments on long-term debt	-331,773
Distributions to shareholders	-19,084
Payments on capital lease obligations	-1,481
Payments to affiliate	<u>-6,538</u>
Net cash used for financing activities	<u>-60,606</u>
Net increase in cash	<u>676</u>
Cash at beginning of period	<u>4,670</u>
Cash at end of period	<u>5,346</u>
Cash paid during period for interest	

See accompanying accountant's review report and notes to financial statements.

TRAVELERS CABLE TV, INC.

Statement of Income and Retained Earnings

Year ended December 31, 1994

Net sales	\$941,540
Cost of sales	<u>259,096</u>
Gross profit	682,444
General and administrative expenses	<u>537,895</u>
Operating income	144,549
Other income and (deductions):	
Loss on disposal of assets	-4,987
Interest expense	<u>-29,867</u>
	<u>-34,854</u>
Net income	109,695
Retained earnings, beginning of period	296,150
Distributions	<u>19,084</u>
Retained earnings, end of period	<u>\$386,761</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS CABLE TV, INC.

Notes to Financial Statements

(2) Note Payable to Bank

The Company has a line of credit, secured by accounts receivable, all personal property, equipment and assignment of cable contracts and easements, in the amount of \$125,000. The line is due on demand and interest accrues at 1.5% above prime (10.0% at December 31, 1994). The Company has borrowed \$125,000 against this line at December 31, 1994.

(3) Long-Term Debt

Long-term debt consists of the following:

Note payable with installments of \$25,000 in July, August, September, October and November of 1994 and 1995 and installments of \$10,000 in July, August, September, October and November of 1996 plus interest at 1.5% above prime (10.0% at December 31, 1994), secured by accounts receivable, all personal property, equipment, cable systems and assignment of cable contracts and easements.	\$175,000
Note payable in monthly installments of \$442, including interest at 6.9% through September, 1996, secured by a vehicle with a book value of \$10,973.	8,727
Note payable in monthly installments of \$250, including interest at 10.5% through February, 1997, secured by vehicle with a book value of \$5,242.	<u>5,838</u>
Subtotal	<u>189,565</u>

TRAVELERS CABLE TV, INC.

Sales

Year ended December 31, 1994

Sales:	
Systems	\$147,538
Programming	106,833
Subscriptions	673,428
Service	<u>13,741</u>
Total sales	<u>\$941,540</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS CABLE TV, INC.

Cost of Sales

Year ended December 31, 1994

Cost of Sales:	
Freight	\$1,332
Labor	107,393
Materials	93,427
Programming	37,148
Equipment repairs and rental	10,426
Subcontract labor	3,815
Tools	<u>5,555</u>
Total cost of sales	<u>\$259,096</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS CABLE TV, INC.

General and Administrative Expenses

Year ended December 31, 1994

Bank service charges	\$2,586
Commissions	138,877
Depreciation	44,362
Dues and subscriptions	1,009
Insurance	35,161
Miscellaneous	791
Moving expense	6,313
Office salaries	85,149
Office supplies	6,371
Officer salaries	21,504
On-site living expenses	6,219
Payroll taxes	15,915
Postage	2,711
Professional fees	12,471
Rents	19,663
Sales expense	35,071
Software support	581
Supplies	17,507
Taxes and licenses	8,663
Telephone	7,155
Travel	5,569
Utilities	2,381
Vehicle expense	<u>61,866</u>
	<u>\$337,895</u>

See accompanying accountant's review report and notes to financial statements.

KLS

CAREN L. STEINMETZ
CERTIFIED PUBLIC ACCOUNTANT

Accountant's Review Report

The Board of Directors
Travelers Utility Supply, Inc.

I have reviewed the accompanying balance sheet of Travelers Utility Supply, Inc. as of December 31, 1996, and the related statement of income and retained earnings and cash flows for the year then ended, and the supplementary information included in the schedules in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Travelers Utility Supply, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, I do not express an opinion or any form of assurance on them.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement or supplementary information in order for them to be in conformity with generally accepted accounting principles.

March 17, 1997

Liabilities and Stockholder's Equity

Current liabilities:	
Note payable to bank (note 2)	\$125,000
Current installments of long-term debt(note 3)	77,575
Accounts payable	144,755
Accrued expenses	<u>11,067</u>
Total current liabilities	358,397
Long-term debt, excluding current installments(note 3)	<u>31,250</u>
Total liabilities	<u>389,647</u>
Stockholder's equity:	
Common stock, no par value, authorized 750 shares, issued and outstanding 100 shares	100
Retained earnings	<u>237,441</u>
Total stockholder's equity	<u>237,541</u>
	<u>\$627,188</u>

TRAVELERS UTILITY SUPPLY, INC.

Statement of Income and Retained Earnings

Year ended December 31, 1996

Sales	\$2,360,398
Freight income	<u>104,784</u>
Total	2,465,182
Cost of sales	<u>1,716,873</u>
Gross profit	748,309
Selling expenses	123,277
General and administrative expenses	<u>433,321</u>
	556,598
Operating income	191,711
Other income and (deductions):	
Gain on disposal of fixed assets	1,729
Interest expense	<u>-25,491</u>
Total other income and (deduction)	-23,762
Net income	167,949
Retained earnings, beginning of period	127,859
Distributions	<u>58,367</u>
Retained earnings, end of period	<u>\$237,441</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

Statement of Cash Flows

Year ended December 31, 1996

Cash flows provided by operating activities:	
Net income	\$167,949
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	19,188
Gain on disposal of fixed assets	-1,729
Decrease in accounts receivable	2,095
Increase in employee advances	-68,228
Increase in inventory	-76,399
Increase in prepaid expenses	-3,120
Increase in accounts payable	38,599
Decrease in accrued expenses	<u>-12,204</u>
Net cash provided by operating activities	<u>66,151</u>
Cash flows from investing activities:	
Purchase of property and equipment	-8,464
Cost of fixed assets sold	<u>8,000</u>
Net cash provided by investing activities	<u>-464</u>
Cash flows from financing activities:	
Decrease in loans to stockholder	46,924
Net borrowings on notes payable	5,000
Borrowings of long term debt	150,000
Principal payments on long-term debt	-104,623
Distributions to shareholders	<u>-58,367</u>
Net cash provided from financing activities	<u>38,934</u>
Net increase in cash	<u>104,621</u>
Cash at beginning of period	<u>34,871</u>
Cash at end of period	<u>\$139,492</u>
Cash paid during period for interest	<u>\$25,491</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

Notes to Financial Statements

Year ended December 31, 1996

(1) Summary of Significant Accounting Policies

(a) Description of Business

Travelers Utility Supply, Inc. sells cable accessories. The customer base is obtained from current and past customers of Travelers Cable TV, Inc., a related company.

(b) Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated using straight-line methods over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterment's are capitalized. Deduction is made for retirements resulting from renewals or betterments.

(c) Income Taxes

The Company has elected to be treated as a "S Corporation" for Federal income tax purposes. Because the tax effects of a "S Corporation" are passed through to its shareholders, no provision for income taxes is made in the accompanying statements.

TRAVELERS UTILITY SUPPLY, INC.

Notes to Financial Statements

(2) Note Payable to Bank

The Company has a line of credit, secured by accounts receivable, all personal property, equipment and assignment of cable contracts and easements, in the amount of \$150,000. The line is due on demand and interest accrues at 1.5% above prime (9.75% at December 31, 1996). The Company has borrowed \$125,000 against this line at December 31, 1996.

(3) Long-Term Debt

Long-term debt consists of the following:

Note payable in monthly principal installments of \$6,250. Interest will accrue at 1.5% above prime (9.75% at December 31, 1996) with a final balloon payment on April 23, 1998 equal to the balance of principle and interest due on that date. The note is secured by accounts receivable, all personal property, equipment, cable systems and assignment of cable contracts and easements.	\$106,250
Note payable in monthly installments of \$195, including interest at 7.59% through June, 1997, secured by vehicle with a book value of \$2,900.	1,170
Note payable in monthly installments of \$244, including interest at 7.24% through June, 1997, secured by vehicle with a book value of \$3,569.	<u>1,405</u>
Subtotal	108,825
Less current maturities	<u>77,575</u>
Long-term debt, excluding current installments	<u>\$31,250</u>

TRAVELERS UTILITY SUPPLY, INC.**Notes to Financial Statements**

Aggregate maturities of long-term debt for each year subsequent to December 31, 1996 are as follows:

<u>Year ended</u> <u>December 31</u>	
1997	77,575
1998	31,250

(4) Related Party Transactions

The Company's stockholder has borrowed \$7,621 from Company at December 31, 1996. There is no stated interest rate or formal written note however the company is charging the stockholder 5% on the outstanding balance annually.

The Company has loaned the brother-in-law of the stockholder \$80,905 at December 31, 1996. This amount is reflected in employee advances.

TRAVELERS UTILITY SUPPLY, INC.

Selling Expenses

Year ended December 31, 1996

Association fees	\$6,001
Convention expense	15,131
Meal expense	5,930
Lodging expense	9,033
Postage	12,122
Advertising and promotion	56,776
Travel expense	<u>18,284</u>
	<u>\$123,277</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

General and Administrative Expenses

Year ended December 31, 1996

Bank service charges	6,691
Contributions	3,225
Depreciation	19,188
Employee benefits	804
Education	2,250
Insurance	17,333
Miscellaneous	2,063
Office supplies	10,183
Fees	2,242
Payroll costs	264,829
Professional fees	4,147
Rents	42,769
Repairs and maintenance	20,009
Taxes and licenses	6,862
Telephone	20,378
Utilities	3,789
Warehouse expense	6,559
	<u>\$433,321</u>

See accompanying accountant's review report and notes to financial statements.



KAREN L. STEINMETZ
CERTIFIED PUBLIC ACCOUNTANT

Accountant's Review Report

The Board of Directors
Travelers Utility Supply, Inc.

I have reviewed the accompanying balance sheet of Travelers Utility Supply, Inc. as of December 31, 1995, and the related statement of income and retained earnings and cash flows for the year then ended, and the supplementary information included in the schedules in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Travelers Utility Supply, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, I do not express an opinion or any form of assurance on them.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement or supplementary information in order for them to be in conformity with generally accepted accounting principles.

Karen L. Steinmetz, CPA

February 28, 1996

TRAVELERS UTILITY SUPPLY, INC.

Balance Sheet

December 31, 1995

Assets

Current assets:	
Cash	\$34,871
Accounts receivable(note 2 and 3)	174,656
Inventory(note 3)	81,900
Employee advances(note 4)	14,961
Stockholder loan (note 4)	<u>54,545</u>
Total current assets	<u>360,933</u>
Property and equipment (note 2 and 3)	
Vehicles	24,256
Trailers	50,000
Office equipment	15,171
Furniture and fixtures	4,694
Miscellaneous equipment	7,601
Leasehold improvements	<u>608</u>
	102,330
Less accumulated depreciation	<u>22,988</u>
Net property and equipment	<u>79,342</u>
Deposits	<u>560</u>
	<u>\$440,835</u>

See accompanying accountant's review report and notes to financial statements.

Liabilities and Stockholder's Equity

Current liabilities:	
Note payable to bank (note 2)	\$120,000
Current installments of long-term debt(note 3)	52,874
Accounts payable	106,156
Accrued expenses	<u>23,271</u>
Total current liabilities	302,301
Long-term debt, excluding current installmens(note 3)	<u>10,575</u>
Total liabilities	<u>312,876</u>
Stockholder's equity:	
Common stock, no par value, authorized 750 shares, issued and outstanding 100 shares	100
Retained earnings	<u>127,859</u>
Total stockholder's equity	<u>127,959</u>
	<u>\$440,835</u>

TRAVELERS UTILITY SUPPLY, INC.

Statement of Income and Retained Earnings

Year ended December 31, 1995

Sales income	\$1,923,752
Freight income	<u>93,023</u>
Total sales	2,016,775
Cost of sales	<u>1,388,897</u>
Gross profit	627,878
Selling expenses	120,646
General and administrative expenses	<u>332,662</u>
	453,308
Operating income	174,570
Other income and (deductions):	
Miscellaneous income	3,734
Loss on sale of asset	-3,342
Interest expense	<u>-19,581</u>
	<u>-19,189</u>
Net income	155,381
Retained earnings, beginning of period	54,707
Distributions	<u>82,229</u>
Retained earnings, end of period	<u>\$127,859</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

Statement of Cash Flows

Year ended December 31, 1995

Cash flows provided by operating activities:	\$155,381
Net income	
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	4,634
Decrease in accounts receivable	-76,136
Increase in employee advances	-8,117
Decrease in inventory	-30,471
Increase in prepaid expenses	20,972
Increase in deposits	-560
Decrease in accounts payable	-6,409
Increase in accrued expenses	<u>13,149</u>
Net cash provided by operating activities	<u>72,443</u>
Cash flows from investing activities:	102,559
Decrease in due from affiliates	-54,721
Purchase of property and equipment	<u>47,878</u>
Net cash provided by investing activities	
Cash flows from financing activities:	90,000
Net borrowings on note payable	-52,437
Principal payments on long-term debt	-82,229
Distributions to shareholders	<u>-4,666</u>
Net cash used for financing activities	
Net decrease in cash	<u>21,062</u>
Cash at beginning of period	<u>13,802</u>
Cash at end of period	<u>34,871</u>
Cash paid during period for interest	<u>\$17,972</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

Notes to Financial Statements

(2) Note Payable to Bank

The Company has a line of credit, secured by accounts receivable, all personal property, equipment and assignment of cable contracts and easements, in the amount of \$150,000. The line is due on demand and interest accrues at 1.5% above prime (10.0% at December 31, 1995). The Company has borrowed \$120,000 against this line at December 31, 1995.

(3) Long-Term Debt

Long-term debt consists of the following:

Note payable in monthly installments of \$4,000 plus interest at 1.5% above prime (10.0% at December 31, 1995) with a final payment of \$8,000 due on January 1, 1997, secured by accounts receivable, all personal property, equipment, cable systems and assignment of cable contracts and easements.	\$56,000
Note payable in monthly installments of \$195, including interest at 7.59% through June, 1997, secured by vehicle with a book value of \$5,074.	3,306
Note payable in monthly installments of \$244, including interest at 7.24% through June, 1997, secured by vehicle with a book value of \$6,246.	<u>4,143</u>
Subtotal	63,449

TRAVELERS UTILITY SUPPLY, INC.

Selling Expenses

Year ended December 31, 1995

Association fees	\$4,674
Convention expense	17,557
Meal expense	6,747
Lodging expense	12,839
Postage	6,435
Advertising and promotion	49,477
Travel expense	22,917
	<u>\$120,646</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

General and Administrative Expenses

Year ended December 31, 1995

Bank service charges	2,470
Contributions	1,425
Depreciation	4,634
Employee benefits	1,200
Insurance	5,646
Miscellaneous	10,792
Office supplies	11,053
Payroll taxes	15,763
Professional fees	2,909
Rents	31,877
Repairs and maintenance	17,604
Subcontract expense	64,600
Taxes and licenses	5,171
Telephone	19,702
Temporary help	7,187
Utilities	2,551
Vehicle rentals	7,851
Wages	111,276
Warehouse expense	8,951
	<u>\$332,662</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

Financial Statement
and Schedule

December 31, 1994

TRAVELERS UTILITY SUPPLY, INC.

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TRAVELERS UTILITY SUPPLY, INC.

Balance Sheet

December 31, 1994

Assets

Current assets:	
Cash	\$13,802
Accounts receivable(note 2 and 3)	98,520
Inventory	51,429
Employee advances	6,844
Due from affiliates (note 4)	102,559
Prepaid expenses	<u>20,972</u>
Total current assets	<u>294,126</u>
Property and equipment (note 2 and 3)	
Vehicles	31,536
Office equipment	9,530
Furniture and fixtures	4,694
Miscellaneous equipment	1,241
Leasehold improvements	<u>608</u>
	47,609
Less accumulated depreciation	<u>18,354</u>
Net property and equipment	<u>29,255</u>
	<u>\$323,381</u>

See accompanying accountant's review report and notes to financial statements.

Liabilities and Stockholder's Equity

Current liabilities:	
Note payable to bank(note 2)	\$30,000
Current installments of long-term debt(note 3)	53,986
Accounts payable	112,565
Accrued expenses	<u>10,123</u>
Total current liabilities	206,674
Long-term debt, excluding current installmens(note 3)	<u>61,900</u>
Total liabilities	<u>268,574</u>
Stockholder's equity:	
Common stock, no par value, authorized 750 shares, issued and outstanding 100 shares	100
Retained earnings	<u>54,707</u>
Total stockholder's equity	<u>54,807</u>
	<u>\$323,381</u>

TRAVELERS UTILITY SUPPLY, INC.

Statement of Income and Retained Earnings

Year ended December 31, 1994

Net sales	\$1,257,566
Cost of sales	<u>1,062,586</u>
Gross profit	194,980
General and administrative expenses	<u>106,954</u>
Operating income	88,026
Other income and (deductions):	
Miscellaneous income	6,250
Interest expense	<u>-13,012</u>
	<u>-6,762</u>
Net income	81,264
Retained earnings, beginning of period	9,535
Distributions	<u>36,092</u>
Retained earnings, end of period	<u>\$54,707</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

Statement of Cash Flows

Year ended December 31, 1994

Cash flows provided by operating activities:	
Net income	\$81,264
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	12,875
Decrease in accounts receivable	34,701
Increase in employee advances	-3,182
Decrease in inventory	11,589
Increase in prepaid expenses	-16,680
Decrease in accounts payable	-85,533
Increase in accrued expenses	9,062
Net cash provided by operating activities	<u>44,103</u>
Cash flows from investing activities:	
Decrease in due from affiliates	5,542
Purchase of property and equipment	<u>-4,631</u>
Net cash provided by investing activities	911
Cash flows from financing activities:	
Net borrowings on note payable	-45,000
Payments on shareholder loan	-400
Proceeds from long-term debt	100,000
Principal payments on long-term debt	-80,511
Distributions to shareholders	<u>-26,092</u>
Net cash used for financing activities	<u>-62,003</u>
Net decrease in cash	<u>-16,989</u>
Cash at beginning of period	<u>30,791</u>
Cash at end of period	<u>13,802</u>
Cash paid during period for interest	<u>\$13,012</u>

See accompanying accountant's review report and notes to financial statements.

TRAVELERS UTILITY SUPPLY, INC.

Notes to Financial Statements

Year ended December 31, 1994

(1) Summary of Significant Accounting Policies

(a) Description of Business

Travelers Utility Supply, Inc. sells cable accessories. The customer base is obtained from current and past customers of Travelers Cable TV, Inc., a related company.

(b) Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated using straight-line methods over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalized. Deduction is made for retirements resulting from renewals or betterments.

(c) Income Taxes

The Company has elected to be treated as a "S Corporation" for Federal income tax purposes. Because the tax effects of a "S Corporation" are passed through to its shareholders, no provision for income taxes is made in the accompanying statements.

TRAVELERS UTILITY SUPPLY, INC.

Notes to Financial Statements

(2) Note Payable to Bank

The Company has a line of credit, secured by accounts receivable, all personal property, equipment and assignment of cable contracts and easements, in the amount of \$100,000. The line is due on demand and interest accrues at 1.5% above prime (10.0% at December 31, 1994). The Company has borrowed \$30,000 against this line at December 31, 1994.

(3) Long-Term Debt

Long-term debt consists of the following:

Note payable in monthly installments of \$4,000 plus interest at 1.5% above prime (10.0% at December 31, 1994) with a final payment of \$8,000 due on January 1, 1996, secured by accounts receivable, all personal property, equipment, cable systems and assignment of cable contracts and easements.	\$100,000
Note payable in monthly installments of \$141, including interest at 7.49% through June, 1997, secured by vehicle with a book value of \$4,853.	3,908
Note payable in monthly installments of \$195, including interest at 7.59% through June, 1997, secured by vehicle with a book value of \$7,248.	5,313
Note payable in monthly installments of \$244, including interest at 7.24% through June, 1997, secured by vehicle with a book value of \$8,923.	<u>6,665</u>
Subtotal	<u>115,886</u>

TRAVELERS UTILITY SUPPLY, INC.

Notes to Financial Statements

Less current maturities	<u>53,986</u>
Long-term debt, excluding current installments	<u>\$61,900</u>

Aggregate maturities of long-term debt for each year subsequent to December 31, 1994 are as follows:

<u>Year ended</u> <u>December 31</u>	
1995	53,986
1996	54,444
1997	7,456
1998	<u>0</u>
	<u>115,886</u>

(4) Related Party Transactions

A Company, owned 40% by this Company's sole shareholder, has borrowed \$44,647 from this Company at December 31, 1994. This amount is due on demand and has no stated interest rate.

Another Company, owned 100% by this Company's sole shareholder, has borrowed \$57,912 from the Company at December 31, 1994. This amount is due on demand and has no stated interest rate.

TRAVELERS UTILITY SUPPLY, INC.

General and Administrative Expenses

Year ended December 31, 1994

Bank service charges	\$1,631
Contributions	225
Depreciation	12,875
Insurance	4,051
Miscellaneous	625
Office supplies	5,419
Professional fees	1,075
Rents	18,702
Sales expense	32,920
Software support	3,177
Taxes and licenses	10,382
Telephone	13,475
Utilities	<u>2,397</u>
	<u>\$106,954</u>

See accompanying accountant's review report and notes to financial statements.

BE SURE NAME, BUSINESS AND
ADDRESS MATCH YOUR FILE.
11061

CONTINUOUS
SERVICE

SUBSCRIBER: 205-151404
MGROSS

017206

FULL REVISION-RATING CHANGE

DUNS: 80-986-0521
TRAVELERS UTILITY SUPPLY, INC
309 FRIES MILL RD
AND BRANCH(ES) OR DIVISION(S)
SEWELL NJ 08080
TEL: 609 256-9000

DATE PRINTED
JAN 10 1997
WHOL ELECTRICAL
SUPPLY
SIC NOS
36 99 50 63

SUMMARY
RATING 1R3
FORMERLY 2R3
STARTED 1992
SALES \$8,500,000
(PROJ)
EMPLOYEES 22 (19 HERE)
HISTORY CLEAR
FINANCING SECURED

CHIEF EXECUTIVE: REBECCA BELL, PRES

***** CUSTOMER SERVICE *****

If you need any additional information, would like a credit recommendation, or have any questions, please call our Customer Service Center at (800) 234-3867 from anywhere within the U.S. From outside the U.S., please call your local D&B office.

***** SUMMARY ANALYSIS *****

The Summary Analysis section reflects information in D&B's file as of January 10, 1997.

RATING SUMMARY

The Rating was changed on November 26, 1996 because of a change in the company's total number of employees. The "1R" portion of the Rating (the Rating Classification) indicates business size of 10 or more employees for this company. The "3" on the right (Composite Credit Appraisal) indicates an overall "fair" credit appraisal. This credit appraisal was assigned because this company's number of years in business and the presence of "Secured Financing" in D&B's file.

Below is an overview of the company's D&B Rating(s) since 04/01/94:

RATING	DATE APPLIED
1R3	11/26/96
2R3	10/16/96
BB2	09/23/95
2R3	09/14/95
--	04/01/94

***** PAYMENT SUMMARY *****

The Payment Summary section reflects payment information in D&B's file as of the date of this report.

The PAYDEX for this company is 78.

This PAYDEX score indicates that payments to suppliers average 3 days beyond terms, weighted by dollar amounts. When dollar amounts are not considered, approximately 87% of the company's payments are within terms.

Below is an overview of the company's dollar-weighted payments, segmented by its suppliers' primary industries:

TOTAL RCV'D	TOTAL DOLLAR AMOUNTS	LARGEST HIGH CREDIT	% W/IN TERMS	DAYS SLOW
			<31	31-60 61-90 91+

(CONTINUED)

TRAVELERS UTILITY SUPPLY, INC
SEWELL NJ

JAN 10 1997

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FULL REVISION-RATING CHANGE

11061

017207

PAY SUMM (Cont'd)	#	\$	\$	%	%	%	%	%
Total in D&B's file	18	252,050	200,000					
Top 10 Industries:								
1 Trucking non-local	4	3,350	2,500	90	10	-	-	-
2 Mfg relays/controls	1	200,000	200,000	100	-	-	-	-
3 Mfg electric wire dev	1	15,000	15,000	100	-	-	-	-
4 Mfg broadcasting equip	1	15,000	15,000	-	100	-	-	-
5 Whol electronic parts	1	7,500	7,500	100	-	-	-	-
6 Whol electrical equip	1	2,500	2,500	100	-	-	-	-
7 Mfg misc plastic prdt	1	2,500	2,500	100	-	-	-	-
8 Mfg valve/pipe fitting	1	2,500	2,500	100	-	-	-	-
9 Ret mail-order house	1	1,000	1,000	50	50	-	-	-
10 Radiotelephone commun	1	1,000	1,000	100	-	-	-	-
11 Other Industries	4	700	500	100	-	-	-	-
Other Payment Categories:								
Cash experiences	0	0	0					
Payment record unknown	1	1,000	1,000					
Unfavorable comments	0	0	0					
Placed for collection with D&B other	0 0	0 N/A						

The highest "Now Owe" on file is \$80,000
The highest "Past Due" on file is \$500

The aggregate dollar amount of the 18 payment experiences in D&B's file equals 35.6% of this company's average monthly sales. In Dun & Bradstreet's opinion, payment experiences exceeding 10% of a company's average monthly sales can be considered representative of payment performance.

PAYMENTS (Amounts may be rounded to nearest figure in prescribed ranges)

Antic - Anticipated (Payments received prior to date of invoice)
Disc - Discounted (Payments received within trade discount period)
Ppt - Prompt (Payments received within terms granted)

REPORTED	PAYING RECORD	HIGH CREDIT	NOW OWES	PAST DUE	SELLING TERMS	LAST SALE WITHIN
12/96	Ppt	7500	250	-0-	2 10 N30	1 Mo
	(002)	1000	1000	100	N30	1 Mo
11/96	Disc	2500	-0-	-0-		2-3 Mos
	Ppt	200000	80000	500		1 Mo
	Ppt	15000	750	-0-		1 Mo
	Ppt	2500	2500	-0-		1 Mo
	Ppt	2500	2500	-0-	2 15 N30	1 Mo
	Ppt	2500	-0-	-0-	N7	4-5 Mos
	Ppt	1000	50	-0-		1 Mo
	Ppt	250	-0-	-0-		6-12 Mos
	Ppt	100	50	-0-		1 Mo
	Ppt-Slow 30	500	500	100		1 Mo
	Slow 30	15000	-0-	-0-		1 Mo
10/96	Ppt	500	500	-0-		4-5 Mos
	Ppt-Slow 30	1000	250	100		1 Mo
04/96	Slow 30	100	100	100	N7	1 Mo
03/96	Disc	50	-0-	-0-	1 10 N30	6-12 Mos
02/96	Ppt	50	-0-	-0-		6-12 Mos

* Payment experiences reflect how bills are met in relation to the

(CONTINUED)

TRAVELERS UTILITY SUPPLY, INC JAN 10 1997
SEWELL NJ

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FULL REVISION-RATING CHANGE
017208

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PAYMENTS
(Cont'd)

terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc.
* Each experience shown represents a separate account reported by a supplier. Updated trade experiences replace those previously reported.

FINANCE
01/08/97

Lease expires 1995.
Submitted SEP 18 1995 by Tyler Bell, comptroller. Extent of audit, if any, not indicated.

--0--

On JAN 08 1997 Tyler Bell, comptroller, declined financial statement.
He submitted the following partial estimates dated JAN 08 1997:
Projected annual sales are \$ 8,500,000.
As of Jan 8 1997, a search of Dun & Bradstreet's Public Record Database found no open suits, liens or judgments to which Travelers Utility Supply, Inc at 309 Fries Mill Rd, Sewell, NJ was a named defendant or debtor. Public records received hereafter will be entered into the Database and will be included in reports which contain a Public Filings section.

PUBLIC FILINGS

The following data is for information purposes only and is not the official record. Certified copies can only be obtained from the official source.

*** UCC FILING(S) ***

COLLATERAL: Accounts receivable including proceeds and products - Inventory including proceeds and products - Machinery including proceeds and products - Equipment including proceeds and products - Fixtures including proceeds and products

FILING NO:	1700073	DATE FILED:	05/28/1996
TYPE:	Original	LATEST INFO RECEIVED:	06/17/1996
SEC. PARTY:	THE BANK OF GLOUCESTER COUNTY, WOODBURY, NJ	FILED WITH:	SECRETARY OF STATE/UCC DIVISION, NJ
DEBTOR:	TRAVELERS UTILITY SUPPLY, INC.		

The public record items contained in this report may have been paid, terminated, vacated or released prior to the date this report was printed.

HISTORY
01/08/97

REBECCA BELL, PRES
DIRECTOR(S): THE OFFICER(S)

BUSINESS TYPE: Corporation - Profit
DATE INCORPORATED: 03/30/1992
STATE OF INCORP: Delaware

Business started 1992 by Rebecca Bell. 100% of capital stock is owned by Rebecca Bell. Starting capital is undetermined.
REBECCA BELL born 1962. OCCUPATIONAL BACKGROUND: 1989-present employed as a tax manager for KPMG, Philadelphia, PA. Has been active

(CONTINUED)

TRAVELERS UTILITY SUPPLY, INC
 SEWELL NJ

JAN 10 1997

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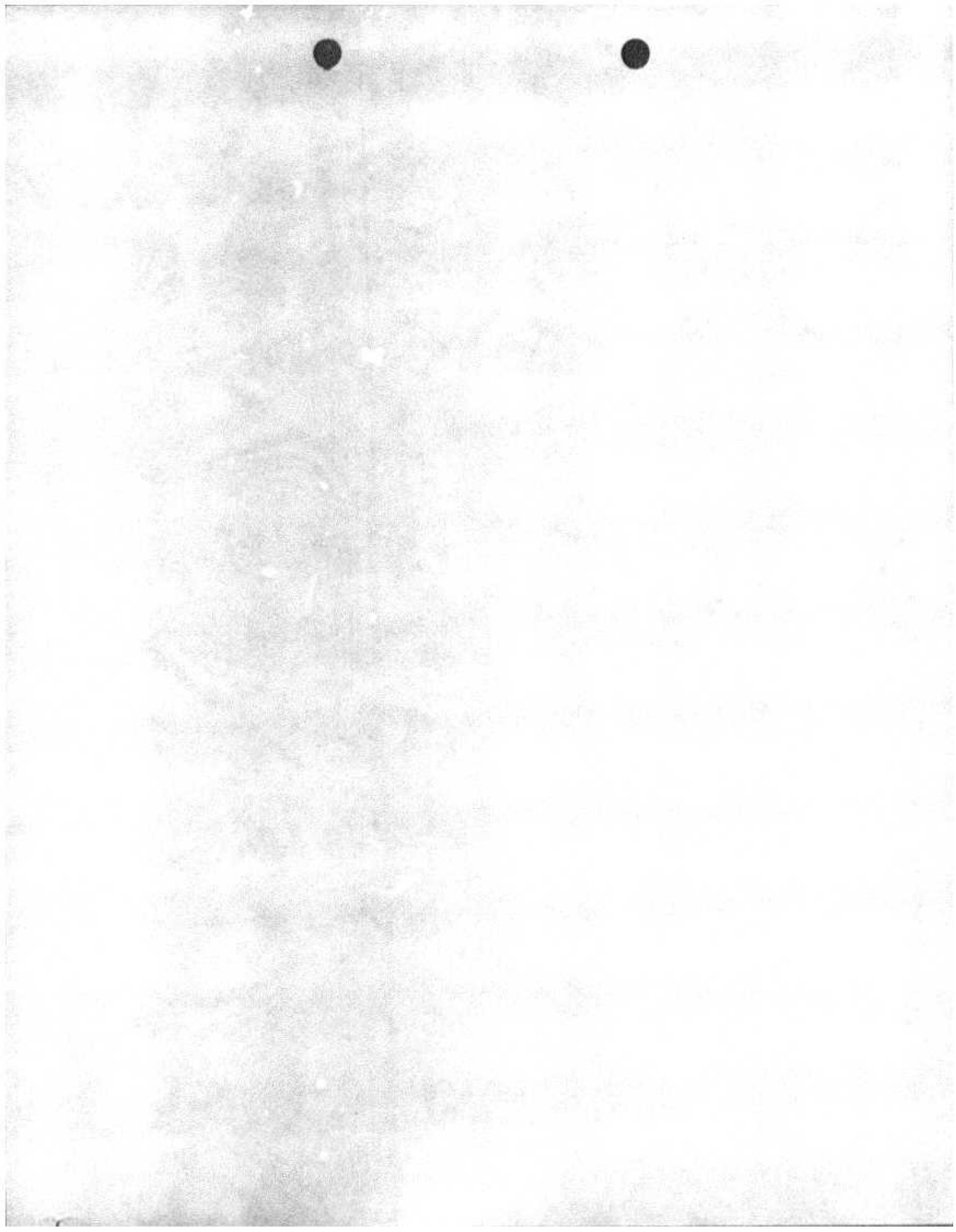
017209

HISTORY
 (Cont'd)

as a certified public accountant all career. Received Masters degree from University of South Florida.
 Affiliate: The following is related through common principals, management and/or ownership. Travelers Cable Communications Inc, Deptford, NJ, started 1987. DUNS #18-719-3222. Operates as private cable television and installs cable systems. Intercompany relations: None reported by management.

OPERATION
 01/08/97

Manufacture & Wholesale electrical supplies (100%).
 Terms: net 30. Sells to retailers and wholesalers. Territory : United States, Canada and Caribbean.
 Nonseasonal.
 EMPLOYEES: 22 which includes officer(s). 19 employed here.
 FACILITIES: Leases 22,000 sq. ft. in one story steel building in normal condition.
 LOCATION: Central business section on main street. The corporation is in the process of building a 35,000 square foot facility in Sewell, NJ which is expected to be completed by the end of 1995.
 BRANCHES: BRANCH: 2334 Tropical Shores Dr, St Peters, FL.
 01-10(582 /582) 00000 004004004 NH



NATIONAL ELECTRIC & TELEPHONE CO.
1061 WEST BOOT ROAD
DOWNINGTOWN, PA 19335

We have compiled the accompanying statement of assets, liabilities, and equity - income tax basis of NATIONAL ELECTRIC & TELEPHONE CO. as of December 31, 1995 and the related statement of revenues and expenses - income tax basis for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accounting basis used by the Company for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of the owners. 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.

The owners have elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Noll & Company, Inc.
Certified Public Accountants
Malvern, Pennsylvania

Noll & Company, Inc.

June 4, 1996

NATIONAL ELECTRIC & TELEPHONE CO

1061 WEST BOOT ROAD
 DOWNINGTOWN, PA 19335

Year End Adjusted December 31, 1995

1865

STATEMENT OF ASSETS, LIABILITIES, AND EQUITY -
 INCOME TAX BASIS

12-31

ACCT DESCRIPTION

ASSETS

CURRENT ASSETS			
103	Petty Cash	\$	98.30
104	Cash In Bank - Ckg I V - Wilm Trust		33,662.99
110	Accounts Receivable		6,967.42
115	Dreyfus Growth & Income		1,359.20
	TOTAL CURRENT ASSETS		\$ 42,087.91
FIXED ASSETS			
142	Buildings		24,830.00
145	Transportation Equipment		16,483.11
148	Machinery & Equipment		520,081.58
152	Acc. Dep. - Buildings		(3,056.00)
155	Acc. Dep. - Trans. Equip.		(7,638.00)
158	Acc. Dep. - Machinery & Equip.		(494,155.00)
	TOTAL FIXED ASSETS		56,545.69
OTHER ASSETS			
173	Intangible Asset - Time Share		30,000.00
	TOTAL OTHER ASSETS		30,000.00
	TOTAL ASSETS		\$ 128,633.60

LIABILITIES & EQUITY

CURRENT LIABILITIES			
202	Accounts Payable - Trade	\$	12,622.80
203	Accounts Payable - Credit Cards		7,324.18
205	Shareholder Interest Payable		1,359.00
222	Federal Payroll Tax		2,183.44
224	State Withholding Tax		291.99
226	State Unemployment Tax		51.14
227	Federal Unemployment Tax		1.94
228	City Wage Tax		411.24
	TOTAL CURRENT LIABILITIES		\$ 24,245.73
LONG TERM LIABILITIES			
261	Notes Payable - Dodge Van		3,025.92
263	Notes Payable - Route Acquisitions		8,268.96
279	Loans from Stockholders		20,658.63
	TOTAL LONG TERM LIABILITIES		31,953.51
	TOTAL LIABILITIES		56,199.24
EQUITY			
280	Common Stock		1,000.00
283	Accumulated Adjustment Account		77,852.00
285	Retained Earnings		(2,451.06)
	Loss		(3,966.58)
	TOTAL EQUITY		72,434.36
	TOTAL LIABILITIES & EQUITY		\$ 128,633.60

NATIONAL ELECTRIC & TELEPHONE CO
 1061 WEST BOOT ROAD
 DOWNINGTOWN, PA 19335
 Year End Adjusted December 31, 1995

1865

STATEMENT OF REVENUES AND EXPENSES -
 INCOME TAX BASIS

12-31

		FINAL	
SALES			
301	Pay Phone Vending	\$ 424,774.54	68.8
302	Pay Phone Sales And Service	184,541.31	29.9
304	Networks Unlimited	861.49	.1
305	Miscellaneous	8,552.89	1.4
330	Refunds & Adjustments	(1,607.00)	(.3)
	TOTAL SALES	<u>617,123.23</u>	<u>100.0</u>
COST OF SALES			
401	Pay Phone Vending Expenses	206,505.31	33.5
407	Subcontractors	1,661.00	.3
	TOTAL COST OF SALES	<u>208,166.31</u>	<u>33.7</u>
	GROSS PROFIT	\$ 408,956.92	66.3
OPERATING EXPENSES			
510	Salaries - General	30,306.86	4.9
511	Salaries - Officers	110,601.91	17.9
521	Advertising & Promotion	371.83	.1
522	Bank Charges	14.39	
530	Cleaning	1,595.00	.3
532	Commissions	137,291.07	22.3
538	Depreciation	46,425.00	7.5
543	Entertainment & Meals	814.66	.1
545	Gas, Oil & Tolls	8,417.81	1.4
550	Insurance - Business	2,234.72	.4
551	Insurance - Medical	3,742.51	.6
553	Interest	2,627.52	.4
554	Licenses, Fees & Permits	4,411.35	.7
560	Office Expense	9,150.25	1.5
566	Postage	1,512.76	.3
567	Professional Fees	14,853.00	2.4
568	Rent - Premises	2,400.00	.4
569	Rent - Equipment	627.94	.1
572	Repairs & Maintenance	13,781.91	2.2
576	Supplies	5,713.10	.9
581	Taxes - Payroll	10,803.51	1.8
582	Taxes - Other	1,669.73	.3
590	Telephone	4,410.37	.7
591	Travel	2,290.39	.4
	TOTAL OPERATING EXPENSES	<u>416,067.59</u>	<u>67.4</u>
	OPERATING PROFIT or (LOSS)	\$ (7,110.67)	(1.2)
OTHER INCOME & (EXPENSE)			
902	Interest Income	220.55	
903	Dividend Income	439.90	.1
906	Capital Gains	1,434.64	.2
911	Taxable Fringe Benefit	2,408.00	.4
955	Interest Expense - S/H Loans	(1,359.00)	(.2)
	TOTAL OTHER INCOME & (EXPENSE)	<u>3,144.09</u>	<u>.5</u>
	NET PROFIT or (LOSS)	\$ (3,966.58)	(.6)

NATIONAL ELECTRIC & TELEPHONE CO.

1061 WEST BOOT ROAD
DOWNINGTOWN, PA 19335

We have compiled the accompanying statement of assets, liabilities, and equity - income tax basis of NATIONAL ELECTRIC & TELEPHONE CO. as of December 31, 1994 and the related statement of revenues and expenses - income tax basis for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accounting basis used by the Company for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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Noll & Company, Inc.
Certified Public Accountants
Malvern, Pennsylvania

Noll & Company, Inc.

September 15, 1995

NATIONAL ELECTRIC & TELEPHONE CO

1061 WEST BOOT ROAD
 DOWNINGTOWN, PA 19335
 Year End Adjusted December 31, 1994

1865

STATEMENT OF REVENUES AND EXPENSES -
 INCOME TAX BASIS

12-31

FINAL

SALES			
30101	Pay Phone	\$ 605,421.70	96.8
30301	Service	14,536.67	2.3
30501	Miscellaneous	6,935.06	1.1
33001	Refunds & Adjustments	(1,141.81)	(.2)
	TOTAL SALES	<u>625,751.62</u>	<u>100.0</u>
COST OF SALES			
40101	Purchases	189,918.20	30.4
40301	Wages	111,727.15	17.9
40701	Subcontractors	9,026.50	1.4
	TOTAL COST OF SALES	<u>310,671.85</u>	<u>49.7</u>
	GROSS PROFIT	\$ 315,079.77	50.4
OPERATING EXPENSES			
52101	Advertising & Promotion	769.96	.1
52201	Bank Charges	111.27	.0
53001	Cleaning	1,105.00	.2
53201	Commissions	141,468.77	22.6
53801	Depreciation	79,986.00	12.8
54301	Entertainment	806.52	.1
54501	Gas, Oil & Tolls	7,018.62	1.1
55001	Insurance	2,354.92	.4
55101	Insurance - Blue Cross	869.55	.1
55201	Insurance - Shareholder	3,439.49	.6
55301	Interest	7,548.58	1.2
55401	Licenses, Fees & Permits	5,424.04	.9
55901	Miscellaneous	137.50	.0
56001	Office Expense	2,676.92	.4
56601	Postage	1,871.98	.3
56701	Professional Fees	9,047.00	1.5
56901	Rent - Equipment	9,349.44	1.5
57201	Repairs & Maintenance	5,191.30	.8
57601	Supplies	5,238.69	.8
58101	Taxes - Payroll	9,560.46	1.5
58201	Taxes - Other	101.50	.0
559001	Telephone	7,189.69	1.2
59101	Travel	2,152.69	.3
59401	Uniforms	809.99	.1
	TOTAL OPERATING EXPENSES	<u>304,229.88</u>	<u>48.6</u>
	OPERATING PROFIT or (LOSS)	\$ 10,849.89	1.7
OTHER INCOME & (EXPENSE)			
90201	Interest Income	472.06	.1
90301	Dividend Income	999.76	.2
90501	Other Income (Loss) - Tornado Damage	(13,176.95)	(2.1)
94901	Sale of Capital Assets	61.86	.0
95501	Interest Expense - S/H Loans	(1,657.68)	(.3)
	TOTAL OTHER INCOME & (EXPENSE)	<u>(13,300.95)</u>	<u>(2.1)</u>
	NET PROFIT or (LOSS)	\$ (2,451.06)	(.4)

Amendment "B"

Travelers Telecom Corporation appreciates this opportunity to present to you our managerial and technical qualifications for Authority to Provide Interexchange Telecommunications Service within the State of Florida.

Travelers Telecom Corporation appreciates this opportunity to present to you our managerial and technical qualifications for ALEC status.

Travelers Telecom is a start-up company jointly owned by Karl Albrecht of National Electric and Telephone (NET) and by Russell Bell who has been the C.E.O. of Travelers Cable TV, Inc. for the last ten years.

NET is a telecommunications firm specializing in public telephones and business telephone systems. Headquartered in Downingtown, Pennsylvania, this Delaware-based corporation serves southeastern Pennsylvania and northern Delaware.

Since 1987 NET has strived to provide superior service, and as a result, their list of clients has grown to include many local shopping malls, food stores, restaurants, service stations, and truck stops. NET currently owns over three hundred public phones and monitors or services over twelve hundred phones provided by other independent pay phone providers. Live operators are provided by NET for exceptional calling service and customer assistance. Utilizing in-house operators also enables NET to reduce refund costs and provide instant identification of equipment or pay phone service requirements.

The president of NET, Karl Albrecht, received his Bachelor of Science degree in electrical engineering at Drexel University. He owned and operated an electrical contracting firm in the early 1970's and then went on to hold engineering management positions with several companies prior to starting NET.

The vice-president of NET, Kurt W. Albrecht, received his Bachelor of Science degree in electrical and computer engineering at Drexel University. He has extensive experience in programming and troubleshooting of public telephones and electronic telephone systems. Kurt served as a board member of the Central Atlantic Pay phone Association from 1992 through 1994. During this time he created a self-enforcement program for independent pay phone providers in Pennsylvania to ensure compliance with state and federal pay phone rules and regulations. This program has served as a model for other state associations. Kurt has written several articles which have appeared in industry publications. He has designed several enhancements for public telephones to make them more customer friendly. These enhancements have been implemented by pay phone manufacturers.

Travelers Cable TV, Inc. has serviced a unique niche in the market. For over ten years, Travelers Cable has furnished resort RV Parks and mobile home developments along the east coast, as well as Washington state and The Bahamas, with private cable television systems. Travelers Cable owns over fifty private cable systems and operates an additional fifty. Current subscribership is approximately fifteen thousand customers.

Travelers Cable has designed and installed custom systems and hardware which has totally eliminated potential competition. Travelers service is also without rival and has attained nearly one hundred percent customer satisfaction. Travelers utilizes only in-house personnel for cable installation and service on a national level. These abilities have allowed Travelers to become the nations largest private cable company servicing the resort campground industry, an industry of over twenty-seven thousand parks throughout the United States. This statement is evidenced by the fact that Travelers was recently awarded "Supplier of the Year" by the National Campground Association.

Russell Bell, serving as CEO, personally oversees the installation and service of all systems. He designed custom software and hardware which combines in-house or park television channels with the cable television system. This unique system is gaining popularity with public cable systems and hotels as well.

Russell's current management responsibilities include marketing, training of project supervisors and field technicians, material and equipment purchasing, cash flow analysis and budgeting.

TITLE SHEET

FLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Travelers Telecom Corp., with principal offices at 309 Fries Mill road, Sewell, NJ 08080. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

September 25, 1997

EFFECTIVE: _____

By:

Russell Bell, Vice President
309 Fries Mill Road
Sewell, NJ 08080

CHECK SHEET

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

SHEET	REVISION
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original

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TARIFF FORMAT SHEETS

A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc, the FPSC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2.
2.1.
2.1.1.
2.1.1.A.
2.1.1.A.1.
2.1.1.A.1.(a).
2.1.1.A.1.(a).I.
2.1.1.A.1.(a).I.(i).
2.1.1.A.1.(a).I.(i).(1).

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

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to the Company's network switching center.

Authorization Code - A numerical code, one or more of which are available to a customer to enable him/her to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

Company or Carrier - Travelers Telecom Corp.

Customer - the person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with the Company's tariff regulations.

Day - From 7:00 AM up to but not including 7:00 PM local time.

Evening - From 7:00 PM up to but not including 7:00 AM local time.

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SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company.

The Company's services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this tariff.

The Company's installs, operates, and maintains the communications services provided herein in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Company's network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

The selling of IXC telecommunication service to uncertificated IXC resellers is prohibited.

2.2 Limitations.

2.2.1 Service is offered subject to the availability of facilities and provisions of this tariff.

The Company's reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control; or when the customer is using service in violation of the law or the provisions of this tariff.

2.2.3 All facilities provided under this tariff are directly controlled by the Company and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

2.2.4 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

2.2.5 Customers reselling or rebilling services must have a Certificate of Public Convenience and Necessity as an interexchange carrier for the Florida Public Service Commission.

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SECTION 2 - RULES AND REGULATIONS continued

2.3 Liabilities of the Company.

2.3.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.

2.3.2 The Company shall be indemnified and held harmless by the customer against:

(A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over the Company's facilities.

(B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by the Company.

2.4 Interruption of Service.

2.4.1 Credit allowance for the interruption of service which is not due to The Company's testing or adjusting, negligence or the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the customer's obligation to notify the Company immediately of any service interruption for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, if any, furnished by the customer and connected to the Company's facilities. No refund or credit will be made for the time that the Company stands ready to repair the service and the subscriber does not provide access to the Company for such restoration work.

2.4.2 No credit shall be allowed for an interruption of a continuous duration of less than seventy-two hours after the subscriber notifies the Company.

2.4.3 The customer shall be credited for an interruption of more than seventy-two hours as follows:

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SECTION 2 - RULES AND REGULATIONS continued

2.4 Interruptions of Services continued

Credit Formula:

Credit = A/B x C

"A" - outage time in hours

"B" - total days in month

"C" - total monthly charge for affected facility

2.5 Disconnection of Service by Carrier.

The company (carrier), upon 5 working days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- 2.5.1 Non-payment of any sum due to carrier for regulated service for more than thirty days beyond the date of rendition of the bill for such service.
- 2.5.2 A violation of any regulation governing the service under this tariff.
- 2.5.3 A violation of any law, rule, or regulation of any government authority having jurisdiction over such service.
- 2.5.4 The company has given the customer notice and has allowed a reasonable time to comply with any rule, or remedy, and deficiency as stated in Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company.

2.6 Deposits

The Company does not require a deposit from the customer.

2.7 Advance Payments

For customers whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month.

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SECTION 2 - RULES AND REGULATIONS continued

2.8 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.9 Billing of Calls

All charges due by the subscriber are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

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SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

3.1.1 When Billing Charges Begin and End For Phone Calls

The customer's long distance usage charge is based on the actual usage of the Company's network. Usage begins when the called party picks up the receiver, (i.e. when 2 way communication, often referred to as "conversation time" is possible.). When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. When software answer supervision is employed, up to 120 seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

The minimum call duration for billing purposes is 2 minutes for a connected call and calls beyond 2 minutes are billed in 1 minute increments.

3.1.3 Per Call Billing Charges

Billing will be rounded up to the nearest penny for each call.

3.1.4 Uncompleted Calls

There shall be no charges for uncompleted calls.

3.2 Calculation of Distance

The Company does not calculate calls based on mileage.

3.3 Minimum Call Completion Rate

A customer can expect a call completion rate of not less than 90% during peak use periods for all FG D services ("1+" dialing).

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SECTION 3 - DESCRIPTION OF SERVICE continued

3.4 Service Offerings

3.4.1 Long Distance Service

Long Distance Service is offered to residential and business customers. The service permits direct dialed outbound calling at a single per minute rate. Service is provided from a presubscribed, dedicated or shared use access lines. Calls are billed in one minute increments. No monthly recurring charges or minimum monthly billing requirements apply.

3.4.2 Basic Dial Tone

Basic dial tone is offered at a flat rate per month for an unlimited number of calls in the local service area.

September 25, 1997

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SECTION 4 - RATES

4.1 Travelers Long Distance Service

Rate per minute - \$0.12.
Plan is billed in full minute increments.

4.2 Travelers Basic Service

4.2.1 Rate per calendar month - Extension - \$14.00

4.2.2 Rate per calendar month - Private number - \$18.00

4.2.3 Plan is billed in full minute increments.

4.3 Miscellaneous Charges

4.3.1 Disconnect Fee - \$8.00

4.3.2 Reconnect Fee - \$8.00

4.3.3 Voice mail - \$4.00

4.4 Payment of Calls

4.4.1 Late Payment Charges

Interest charges of 1.5% per month will be assessed on all unpaid balances more than thirty days old.

4.4.2 Return Check Charges

A return check charge of \$25.00 will be assessed for checks returned for insufficient funds if the face value does not exceed \$50.00, \$30.00 if the face value does exceed \$50.00 but does not exceed \$300.00, \$40.00 if the face value exceeds \$300.00 or 5% of the value of the check, which ever is greater.

4.7 Restoration of Service

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for customers who had been disconnected for non-payment.

September 25, 1997

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Russell Bell, Vice President
309 Fries Mill Road
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December 3, 1998

DEPOSIT
D042

DATE
DEC 07 1998

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd
Gunter Building
Tallahassee, FL 32339-0850

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FLORIDA PUBLIC
SERVICE COMMISSION
98 DEC -7 AM 9:19
MAIL ROOM

Gentlemen;

Enclosed for your review and consideration are original and six (6) copies of our application for Authority to Provide Interexchange Telecommunications Service within the State of Florida. Included are three copies (per Tom Williams) of supporting documentation for financial capability

Also enclosed find original and six (6) copies of the Florida Telecommunications Tariff and our check in the amount of \$250.00.

If there are any questions or need of further explanation, I can be reached at our Florida office, 727-394-7094.

Sincerely,

Laura Blanes

Laura Blanes



TRAVELERS TELECOM CORP.
309 FRIES MILL RD
SEWELL, NJ 08080

PNC BANK, N.A. 020
PHILADELPHIA, PA

0861

12/3/98

PAY TO THE ORDER OF FL Public Service Commission

\$ 250.00

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

FL Public Service Commission

DOCUMENT NUMBER-DATE

13715 DEC-7 98

FPSC-RECORDS/REPORTING

MEMO IXC Application

Laura Blanes

