

PATRICK D. CROCKER patrick@crockerlawfirm.com

June 22, 2009

Ann Cole Office of the Commission Clerk Florida Public Service Commission Capital Circle Office Center 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re: Elite Telnet, LLC

Dear Ms. Cole:

Enclosed herewith for filing with the Commission, please find an original and 1 (one) copy of the above captioned corporation's *APPLICATION FOR AUTHORITY TO PROVIDE COMPETITIVE LOCAL EXCHANGE SERVICE WITHIN THE STATE OF FLORIDA*, along with checks in the amount of \$400.00 to cover filing fees relating to same.

Also enclosed is an exact duplicate of this letter. Please stamp the duplicate received and return same in the postage-paid envelope attached thereto.

Please contact me if you have additional questions or concerns.

ery truly yours, CROCKER & CROCKER, P.C. Patrick D. Crocker PDC/pas

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The Kalamazoo Building

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE

APPLICATION FORM

for

AUTHORITY TO PROVIDE COMPETITIVE LOCAL EXCHANGE TELECOMMUNICATIONS COMPANY SERVICE WITHIN THE STATE OF FLORIDA

Instructions

- A. This form is used as an application for an original certificate and for approval of sale, assignment or transfer of an existing certificate. In the case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Page 8).
- B. Print or type all responses to each item requested in the application. If an item is not applicable, please explain.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. Once completed, submit the original and one copy of this form along with a non-refundable application fee of **\$400.00** to:

Florida Public Service Commission Office of Commission Clerk 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6770

- E. A filing fee of **\$400.00** is required for the sale, assignment or transfer of an existing certificate to another company (Chapter 25-24.815, F.A.C.).
- F. If you have questions about completing the form, contact:

Florida Public Service Commission Division of Regulatory Compliance 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6600

FORM PSC/RCP 8 (5/08) Commission Rule Nos. 25-24.810, and 25-24.815 Note: To complete this interactive form Required by using your computer, use the tab key to navigate between data entry fields.

- 1 -

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

Original certificate (new company).

Approval of transfer of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority rather that apply for a new certificate.

Approval of assignment of existing Certificate: Example, a certificated company purchases an existing company and desires to retain the existing certificate of authority and tariff.

- 2. Name of company: Elite Telnet, LLC
- 3. Name under which applicant will do business (fictitious name, etc.):

Not applicable ("N/A")

Official mailing address: 4.

> Street/Post Office Box: 3307 Evergreen Way, Suite 770-395 City: Washougal State: WA Zip: 98671

5. Florida address:

Street/Post	Office	Box:	N/A
City:			
State:			
Zip:			

Structure of organization: 6.

	Individual		Corporation
	Foreign Corporation		Foreign Partnership
	General Partnership		Limited Partnership
Z	Other, Foreign Limited Lia	ability Com	pany

Other, Foreign Limited Liability Compa

FORM PSC/RCP 8 (5/08) Commission Rule Nos. 25-24.810, and 25-24.815

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7. If individual, provide:

Name: N/A	
Title:	
Street/Post Office Box	X :
City:	
State:	
Zip:	
Telephone No.:	
Fax No.:	
E-Mail Address:	
Website Address:	

- 8. <u>If incorporated in Florida</u>, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is:
- 9. <u>If foreign corporation</u>, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is: M09000001445
- **10.** <u>If using fictitious name (d/b/a)</u>, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida. The Florida Secretary of State fictitious name registration number is: N/A
- **11.** <u>If a limited liability partnership</u>, please proof of registration to operate in Florida. The Florida Secretary of State registration number is: N/A
- 12. <u>If a partnership</u>, provide name, title and address of all partners and a copy of the partnership agreement.

Name: N/A
Title:
Street/Post Office Box:
City:
State:
Zip:
Telephone No.:
Fax No.:
E-Mail Address:
Website Address:

13. <u>If a foreign limited partnership, provide proof of compliance with the foreign limited</u> partnership statute (Chapter 620.169, FS), if applicable. The Florida registration number is: N/A

FORM PSC/RCP 8 (5/08) Commission Rule Nos. 25-24.810, and 25-24.815

14. Provide F.E.I. Number(if applicable): 20-4729719

- 15. Who will serve as liaison to the Commission in regard to the following?
 - (a) The application:

Name: Patrick D. Crocker Title: Attorney Street name & number: 107 W. Michigan Ave, 4th Floor Post office box: City: Kalamazoo State: MI Zip: 49007 Telephone No.: (269) 381-8893 Fax No.: (269) 381-4855 E-Mail Address: patrick@crockerlawfirm.com Website Address: www.compliancelawfirm.com

(b) Official point of contact for the ongoing operations of the company:

Name: Jerry Cady Title: Managing Director Street name & number: 3307 Evergreen Way, Suite 770-395 Post office box: City: Washougal State: WA Zip: 98671 Telephone No.: (360) 837-3851 Fax No.: (360) 843-1467 E-Mail Address: jcady@elitetel.net Website Address:

(c) Complaints/Inquiries from customers:

Name: Jerry Cady Title: Managing Director Street/Post Office Box: 3307 Evergreen Way, Suite 770-395 City: Washougal State: WA Zip: 98671 Telephone No.: (360) 837-3851 Fax No.: (360) 843-1467 E-Mail Address: jcady@elitetel.net Website Address:

FORM PSC/RCP 8 (5/08) Commission Rule Nos. 25-24.810, and 25-24.815

16. List the states in which the applicant:

(a) has operated as a Competitive Local Exchange Telecommunications Company.

Applicant is authorized as a competitive local exchange telecommunications company in the State of Illinois.

(b) has applications pending to be certificated as a Competitive Local Exchange Telecommunications Company.

Applicant is filing applications to be certificated as a competitive local exchange telecommunications company contemporaneously with this filing in the States of California, Georgia, New York, Pennsylvania, and Texas.

(c) is certificated to operate as a Competitive Local Exchange Telecommunications Company.

Applicant is certified to operate as a competiive local exchange telecommunications company in Illinois.

(d) has been denied authority to operate as a Competitive Local Exchange Telecommunications Company and the circumstances involved.

Applicant has not been denied authority to operate as a competitive local exchange telecommunications company in any jurisdiction.

(e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

Applicant has had no regulatory penalties imposed for violations of telecommunications statutes.

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

Applicant has not been involved in any civil court proceedings with in interexchange carrier, local exchange company, or other telecommunications entity.

17. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent (and not had his or her competency restored), or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, <u>provide explanation</u>.

None have been adjudged bankrupt, mentally incompetent, or guilty of any felony or crime.

(b) granted or denied a competitive local exchange certificate in the State of Florida (this includes active and canceled competitive local exchange certificates). If yes, provide explanation and list the certificate holder and certificate number.

None have been granted or denied a competivie local exchange certificate in the State of Florida.

(c) an officer, director, partner or stockholder in any other Florida certificated or registered telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

None are an officer, directory, partner, or stockholder in any other Florida certificated or registered telephone company.

18. Submit the following:

(a) <u>Managerial capability</u>: resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

(b) <u>Technical capability</u>: resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

(c) <u>Financial Capability</u>: applicant's audited financial statements for the most recent three (3) years. If the applicant does not have audited financial statements, it shall so be stated. Unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

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

Note: This documentation may include, but is not limited to, financial statements, a
projected profit and loss statement, credit references, credit bureau reports, and
FORM PSC/RCP 8 (5/08)Note: To complete this interactive form Required
by using your computer, use the tab key to
navigate between data entry fields.

descriptions of business relationships with financial institutions.

FORM PSC/RCP 8 (5/08) Commission Rule Nos. 25-24.810, and 25-24.815

THIS PAGE MUST BE COMPLETED AND SIGNED

REGULATORY ASSESSMENT FEE: I understand that all telephone companies must pay a regulatory assessment fee. Regardless of the gross operating revenue of a company, a minimum annual assessment fee, as defined by the Commission, is required.

RECEIPT AND UNDERSTANDING OF RULES: I acknowledge receipt and understanding of the Florida Public Service Commission's rules and orders relating to the provisioning of competitive local exchange telecommunications company (CLEC) service in Florida.

APPLICANT ACKNOWLEDGEMENT: By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide competitive local exchange telecommunications company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

Company Owner or Officer

Print Name: Jerry Cady Title: Managing Director Telephone No.: (360) 837-3851 E-Mail Address: jcady@elitetel.net

Signature:

Date: 6/22/2009

FORM PSC/RCP 8 (5/08) Commission Rule Nos. 25-24.810, and 25-24.815 Note: To complete this interactive form Required by using your computer, use the tab key to navigate between data entry fields.

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EXHIBIT A

Articles of Organization



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

APRIL 10, 2006

0182398-1

GARY P. HOLLANDER 30 NORTH LASALLE ST. STE 3900 CHICAGO, IL 60602-0000

RE ELITE TELNET, LLC

DEAR SIR OR MADAM:

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF ORGANIZATION THAT CREATED YOUR LIMITED LIABILITY COMPANY. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

THE LIMITED LIABILITY COMPANY MUST FILE AN ANNUAL REPORT PRIOR TO THE FIRST DAY OF ITS ANNIVERSARY MONTH NEXT YEAR. A PRE-PRINTED ANNUAL REPORT FORM WILL BE SENT TO THE REGISTERED AGENT AT THE ADDRESS SHOWN ON THE RECORDS OF THIS OFFICE APPROXIMATELY 60 DAYS PRIOR TO ITS ANNIVERSARY MONTH.

DUE TO STATUTORY CHANGES IN THE LIMITED LIABILITY COMPANY ACT, CERTIFICATES OF ORGANIZATION WILL NO LONGER BE ISSUED WITH THE ARTICLES OF ORGANIZATION.

SINCERELY YOURS,

eace White

JESSE WHITE SECRETARY OF STATE

DEPARTMENT OF BUSINESS SERVICES LIMITED LIABILITY COMPANY DIVISION TELEPHONE (217)524-8008

JW:LLC

Springfield, Illinois 62756

Form LLC-5.5 June 2005	Illinois Limited Liability Company Act Articles of Organization	RLEO 0182-398-				
Secretary of State Jaces White		This space for use by Secretary of State.				
Department of Business Services Limited Liability Division Room 351 Howlett Building	SUBCTER DUP BOATE Must be typewritten.	FILED				
501 S. Second St. Springfield, IL 62756	This space for use by Secretary of State.	APR 10 2006				
www.cyberdrtvelllinois.com						
Payment must be made by certified check, cashier's check, illinois attorney's check, C.P.A.'s check or money order payable to Secretary of State.		JESSE WHITE SECRETARY OF STATE				

1. Limited Liability Company Name: Elite Teinet, LLC

The LLC name must contain the words Limited Uebliny Company, L.L.C. or LLC and cannot contain the terms Corporation, Corp., incorporated, Inc., Ltd., Co., Limited Partnership or L.P.

2. Address of principal place of business where records of the company will be kept: (P.O. Box alone or c/o is unacceptable.) 2800 N. Lake Shore Drive, Unit 3306

Chicago, Illinois 60657

- 3. Articles of Organization effective on: (oneck one)
 - 👿 the filing date

a later date (not to exceed 60 days after the filing date): ____

4. Registered Agent's Name and Registered Office Address:

Registered Agent:Gary	P.	Hollander
First Name	Middle Initial	Last Name
Registered Office: 30 North LaSaile Street	Suite 3900	
(P.O. Box alone or Number c/o is unacceptable.) Chicago, Illinois 60602	Street	Suile #
City	ZIP Code	County

Month, Day, Year

5. Purpose(s) for which the Limited Liability Company is organized: (if more space is needed, attach additional 8 1/2" x 11" sheets.)

"The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."

To develop, produce, provide, market, sell, and resell telecommunications services, internet services, and related services, and to conduct the transaction of any or all lawful business for which limited llability companies can be organized under the Illinois Liability Company Act, including the ownership of real property.

Printed by authority of the State of Illinois. August ~ 2005 - 5.5M - LUC-4,10

LLC-5.5

• • •.

- (OPTIONAL) Other agreed upon events of dissolution and/or provisions for the regulation of the internal atfairs of the Company: (If more space is needed, attach additional 8 1/2" x 11" sheets.)
- The Limited Liability Company: (Check either a or b below.)
 a. III is managed by the manager(s) (List names and business addresses.)

Donald L. Winton 2800 N. Lake Shore Drive Unit 3306 Chicago, Illinois 60657

.

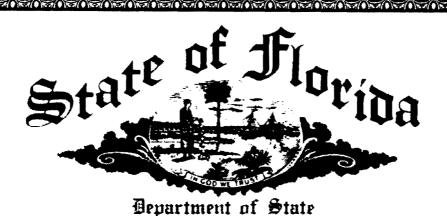
b. O has management vested in the member(s) (List names and addresses.)

9. I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

Dated _Ap	<u>rij 6/2006</u>	, <u>200</u>		
1//	Bigneture	1.	2800 N. Lake Shor	e Drive Unit 3306
Donald	L. Winton, Manager		Chicago	
	Name and Title (type or print)			City/Town
			lilinois	60657
	Name II a Corporation or other entity		State	ZIP Code
2		2.		
£	Signature	.	Number	Street
<u></u>	Name and Title (type or print)	-	William	City/Tawn
	Name If a Corporation or other entity		State	ZIP Code

Signatures must be in black ink on an original document. Carbon copy, photocopy or rubber stamp signatures may only be used on contormed copies.

Printed by authority of the State of Minols. August 2005 - 5.5M - LLC-4.10



I certify from the records of this office that ELITE TELNET, LLC, is an Illinois limited liability company authorized to transact business in the State of Florida, qualified on April 16, 2009.

The document number of this limited liability company is M09000001445.

I further certify that said limited liability company has paid all fees due this office through December 31, 2009, and its status is active.

I further certify that said limited liability company has not filed a Certificate of Withdrawal.



CR2EO22 (01-07)

Given under my hand and the Great Seal of the State of Florida at Tallahassee, the Capitol, this the Seventeenth day of April, 2009

Kurt Browning Secretary of State

APPLICATION BY FOREIGN LIMITED LIABILITY COMPANY FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 608.503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN LIMITED LIABILITY COMPANY TO TRANSACT BUSINESS IN THE STATE OF FLORIDA:

1. ELITE TELNET, LLC

(Name of Foreign Limited Liability Company; must include "Limited Liability Company," "L.L.C.," or "LLC.")

(If name unavailable, enter alternate name adopted for the purpose of transacting business in Florida and attach a copy of the written consent of the managers or managing members adopting the alternate name. The alternate name must include "Limited Liability Company," "L.L.C.," "LLC.")

	Illinois 3. (Jurisdiction under the law of which foreign limited liability company is organized) 3.	20-4729719 (FEI number, if applicable)		_
4.	April 10, 2006 5. (Date of Organization)	perpetual (Duration: Year limited liability company will ceater exist or "perpetual")	ase to	
6.	Upon registration (Date first transacted business in Flori (See sections 608.501 & 608.502 F.S. to	da, if prior to registration.) determine penalty liability)		- 01
7.	3307 Evergreen Way)9 AF	VISIO
	Washougal, WA 98671		R 6	NOF
	(Street Address of	Principal Office)	2	
8.	If limited liability company is a manager-managed c		N Ö: 2	F STATE PORATIONS
9.	The name and usual business addresses of the manage	ing members or managers are as follows:	22	ONS
		NA/ 1		

Don Winton, 3307 Evergreen Way, Washougal, WA 98671

10. Attached is an original certificate of existence, no more than 90 days old, duly authenticated by the official having custody of records in the jurisdiction under the law of which it is organized. (A photocopy is not acceptable. If the certificate is in a foreign language, a translation of the certificate under oath of the translator must be submitted.)

To develop, produce, provide, 11. Nature of business or purposes to be conducted or promoted in Florida:

market, sell and resell telecommunications services, internet services and related services

ighature of a member or an authorized representative of a member. (In accordance with section 608.408(3), F.S., the execution of this document constitutes an affirmation under the penalties of perjury that the facts stated herein are true.) Director MANAGING Typed or printed name of signee

CERTIFICATE OF DESIGNATION OF REGISTERED AGENT/REGISTERED OFFICE

PURSUANT TO THE PROVISIONS OF SECTION 608.415 or 608.507, FLORIDA STATUTES, THE UNDERSIGNED LIMITED LIABILITY COMPANY SUBMITS THE FOLLOWING STATEMENT TO DESIGNATE A REGISTERED OFFICE AND REGISTERED AGENT IN THE STATE OF FLORIDA.

1. The name of the Limited Liability Company is:

ELITE TELNET, LLC

If name unavailable, the alternate name to be used in the state of Florida is:

2. The name and the Florida street address of the registered agent and office are:

Edwin F. Blanton

(Name)

810 Thomasville Road

Florida Street Address (P.O. Box NOT ACCEPTABLE)

Tallahassee,

<u>FL 32303</u>

City/State/Zip

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, Florida Statutes.

(Signature

- S 100.00 Filing Fee for Application
- S 25.00 Designation of Registered Agent
- \$ 30.00 Certified Copy (optional)
 - **S** 5.00 Certificate of Status (optional)

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EXHIBIT B

Management Resumes

JERRY L. CADY 2106 NE 384th Ct Washougal, WA 98671

Phone: (503) 545-9000

Jerry.cady@gmail.com

Home: (360) 837-3275

EXECUTIVE SUMMARY

Seasoned technology executive with a proven record of success leading organizations in start-up, growth and turn-around environments. Broad experience including general management, sales growth, product development, marketing, network operations, customer relationship management and strategic leadership. Participate in speaking engagements at industry events and conferences.

Business expertise:

- Financial Modeling
- Outsourcing Strategy & Implementation
- Margin Enhancement
- Cost Reductions
- Capital Formation

- New Business Initiatives
- Operational Efficiencies
- Customer/Service Enhancements
- Developing Profitable Operations
- Talent Development & Utilization

PROFESSIONAL EXPERIENCE

NEWEDGE NETWORKS, AN EARTHLINK COMPANY Vancouver, WA

2006 - 2007

2005 - 2006

2002 - 2005

Vice President Operations

Recruited by the founder and former CEO as successor with the intent of taking over as President CEO within 12 months. Earthlink's change in strategic direction caused a rethinking of plans for NewEdge Networks placing an Earthlink insider into the position. Initial staff of 125 with a budget of \$35M.

- Successfully launched three outsource call centers, one domestic and two offshore with a total of over 85
 agents operating at 80/240 service levels for both customer service and technical support calls.
- Developed an atmosphere of accountability and established a customer centric culture.
- Upgraded talent level for critical technical and management positions.
- Reduced major account churn to the lowest levels in company history. Churn was reduced from over 2% per month to just over 1% per month with major account churn at well below 1% per month.
- Reduced statting levels by >35% by focusing on standardizing processes, reducing touch points, rewarding high performers and creating a culture of accountability.

ICORE NETWORKS, McLean, VA

Co-Founder, President and Chief Operating Officer

Retained under an 18-month management agreement by a hosted IP PBX market investor to provide the technical and operational expertise necessary to start a business. Also assisted in attracting additional investors.

- Developed five-year financial model that has proven accurate without modification to proceeding three years.
- Developed an operating plan including all aspects of the company infrastructure including customer activation and installation, billing system, financial systems, customer support, sales support, carrier interconnect agreements, vendor agreements, regulatory matters, product development and marketing. Formation of company to the first customer activation was achieved in less than six months.
- Reached positive EBITDA in less than 24 months.
- Successfully raised \$9M commitment in outside capital oversubscribing the \$7M raise.
- iCore is now one of the fastest growing VoIP Hosted PBX companies in the country, finishing 2007 at over \$12M in annual sales and growing at \$75K per month.

PINGTONE COMMUNICATIONS, Herndon, VA

President, Chief Executive Officer

Recruited by the Board of Directors and investors to turn the company around. Took over company when nearly \$5M had been invested with no meaningful results. Successfully led the company to gain a prominent position in the market and became one of the success models for the industry.

PINGTONE COMMUNICATIONS continued

- Re-engineered the deployment of the technology with an emphasis on reliability and product marketability.
- Developed a go to market strategy that leveraged the Cisco channels and management within Cisco. Strategy proved successful enough that Cisco used it as a national strategy following Pingtone's lead.
- Developed a product strategy that delivered higher than normal margins as compared to counterpart companies maintaining margins of over 50% on sales of over \$5M. The company currently maintains the same margins following the same product strategy and had 2007 sales of over \$7M.
- Worked closely with the Chairman and lead investor to secure additional angel investments totaling over \$7M.
- Obtained venture commitment of \$15M to \$25M to open new geographic markets, however, the board decided not to proceed in order to avoid dilution.
- Upon departure, company was EBITDA positive and remains profitable today with a free cash flow of approximately 10° s.

INDEPENDENT CONSULTANT, Seattle, WA

Chief Restructuring Officer, Ardent Communications

Ardent was a publicly traded company (formerly NASDAQ ARDT) that entered bankruptcy October 2001. Retained by the board initially to assess options for the outcome of the bankruptcy. Developed a plan to position the intact assets for sale as a viable ongoing entity, maximizing the value to creditors.

- Reduced expenses bringing the company to an EBITA positive state allowing for an orderly sale.
- Developed a comprehensive due diligence package for potential buyers.
- Successfully sold the company to a division of Hong Kong Telephone.
- Improved cash position to a higher level on the sale date.
- Staved on to integrate the organizations, attaining full integration in less than four months

Acquisitions

Formed a partnership group to raise capital for the acquisition of distressed assets.

- Performed six months due-diligence and business plan development for the potential acquisition of Winstar Communications.
- Successfully attracted \$100M in equity capital and a commitment for another \$100M in debt in order to bid on the assets of Winstar.

BAZILLION, Seanle, WA

Chief Operating Officer

Worked closely with the board, CEO, primary investor and potential "B round" institutional investors and venture capital firms. In addition, continued to lead the Engineering and Operations teams.

Executive Vice President of Engineering and Operations

I ed the Engineering and Operations teams of this early VoIP start-up from early development through launch.

Up-graded engineering talent and management leading to launch of Internet-based toll quality voice service.

Implemented operating environment that allowed the company to quickly scale following launch.

FLECTRIC LIGHTAVE, Vancouver, WA

Executive Vice President of Engineering and Operations

Led Engineering organization tasked with gaining control of a major build that was significantly over budget.

Successfully led the completion of the 3300-mile fiber build and brought costs under control.

Executive Vice President of Operations

Hired to turn around the dysfunctional back-office and operations organizations. Upon joining the company order flow, customer satisfaction and network management where the primary inhibitors to sales growth and customer churn was excessive.

Created an environment of accountability at every level in the organization.

1997 - 1999

1997 1998

2001 - 2002

2001 - 2002

2001

1999 - 2001

PAGE TWO

2000 2001

1999 - 2000

1998 1999

ELECTRIC LIGHTAVE continued

- Reorganized operations to ensure minimal hand-off between teams leading to greater than 10 fold improvement in order cycle time
- Made improvements while reducing staff by 15% by creating a culture of positive reinforcement, accountability and eliminating work group silo's,
- Identified = \$25M in sunk inventory, which was then recovered and redeployed in new enstonier locations.
- Re-organized and automated Customer Service, which led to high customer satisfaction.
- Reduced eastomer churn to well below industry average.

PACNET - MIDCOM COMMUNICATIONS, Seattle, WA

Vice President Engineering and Operations, Midcom

bollowing the success of PacNet, led all Engineering, Operations and all independent business units of Midcom.

- Completed the deployment of 5 I ucent DMS 500 carrier switches nationwide transitioning Midcom from a long distance reseller to a facilities-based carrier.
- Increased profitability and achieved significant growth in all independent business units during this time.
- Improved Back-office operations thus eliminating the need for additional staff as company grew.

Vice President Operations, General Manager PacNet

After the departure of the founder of PacNet, was brought in to run all of PacNet operations.

During this time PacNet became a model in the industry for product innovation and market penetration.

- Developed a strategy that emphasized quality with a price premium for that quality. The pricing strategy placed PacNet 15% higher than AT&T.
- Achieved customer churn that was far below industry average at <1% per year.
- Successfully managed division providing 12% free eash flow.

Regional Sales Director, Midcom

After PacNet's acquisition by Midcom, assumed the roll as Regional Sales Director in order to develop a strategy that would maximize the Midcom sales force.

- I ed the sales team from the bottom producer to the top-producing region in the country. Took team from attaining \$70% of sales target to attaining \$120% of an increased sales target.
- Determined that the methods needed to obtain high volumes of long distance customers was inconsistent with selling complex networks. Developed a referral program instead of launching Frame Relay to the long distance sales force.

Program Manager, PacNet

Developed a plan for the company to enter the Frame Relay Market. Subsequently launched the product and implemented the plan.

- the product launch was successful and had its foundation in an industry leading go to market plan and product strategy
- Maximized market penetration by developing a wide but controlled channel partner strategy.
- Developed innovative factics including implementing the first inter-carrier interfaces to share network.
- Founded UniSPAN, a consortium of regional Frame Relay providers joined together creating the largest Frame Relay network in the world.

EDUCATION & PROFESSIONAL DEVELOPMENT

Financial and Business Management college coursework Organizational Change Management I cadership Management

> Member, Frame Relay Forum Business Owner

1992 - 1993

1996 - 1997

1994 1996

1003 1004

1992 - 1997

PAGE THREE

EXHIBIT C

Financial Capability

Elite Telnet, LLC is a wholly owned subsidiary of Service Manager Holdings, Inc.

Elite Telnet does not have financials and is submitting the financial information for its parent company.

Service Manager Holdings, Inc. Business Plan

BALANCE SHEET

	Opening Balance	Norsth 1	Monsth 2	Mones 3	Month 4	Month S	Mor ^{un} S	Month 7	Month 8	₩ontn Q	Month 10	Menth 11	North 12	¥øar 2009	Year 2010	Year 2011
Fixed Assets																
IT / Office Equipment Plant & Machines Intangible Assets (Development) Other Fixed Assets									122 396	3 91? 119 846	7 752 1*7 34 9	11 507 237 300	35,184 232,3 56	15 184 232,356	101 388 1 111 767 903 600	156 041 1 771 325 2 475 000
									122,396	123,763	128,101	248,807	247,540	247,540	2,113,155	4,412,368
Current Assets																
Cash Trade Debtors Stock				451 -	37 390 25 000	138-079 150,000	325,461 275,000	229,075 425,000	45 609 575 000	50 652 725 000	72 902 875 000	56.855 1.025.000	211 924 1 175,000	211 924 1 175,000	2 413 366 1 175,000	9,256,047 1 175,000
				461	12,390	288,079	600,461	653,075	820,809	775,652	947,902	1,081,655	1,386,924	1,386,924	3,588,388	10,433,047
Current Liablities																
Trade Creditors & Accruais VAT Creditor (Debtor) Other Creditors				3,748 -	521 -	s 030 -	25.176	43,879	56 322	49,669	95 357	· °09,275	126 193	· 126 193	607,615 -	1,232,942
				3,748 -	621 -	5,030 -	25,176	- 43,879 -	- 66,322	- 49,689	- 96,357	108,275	- 126,193	- 126,193 -	607,615 -	1,232,942
Net Current Assets				4,199	11,869	293,108	625,637	896,954	666,931	825,341	1,043,259	1,190,130	1,513,117	1, 513 ,117	4,196,003	11,665,989
Total Assets less Current Liabilities				4,199	11,869	293,108	625,637	896,954	809.327	949,104	1,168,360	1,438,937	1,760,657	1,760,667	6,309,158	16.078,355
Long Term Creditors																
Eorg Term Loans Loans from Directors Other Croditors due after 1 year				60 OX	100 000	500,000	900.000	990,000	1 065 000	1 155,000	1,245,000	1.335.000	* 425 000	1,425,000	1,425,000	300,000
				60,000	100,000	500,900	900,000	990,000	1,065,090	1,155,000	1,245,000	1,335,000	1,425,000	1,425,000	1,425,000	300,000
NET ASSETS				- 55,801 -	111.869 -	206,892 -	274,363	- 293,046 -	- 258,673	- 205,896	76,640	103,937	335,657	336,657	4,884,158	15,778,355
SHAREHOLDERS FUNDS				- 55,801 -	111,869 -	206,892	274,363	- 293,046	265.673	- 205,895	76,640	103.937	335,657	336.667	4,884,158	15.778.355
Share Capital & Premium Profit & Loss Account				8.57	111 869	200 892	234 (9 33	243 046	- 28 6/3	RSHA	- 78.64.)-	,0 e 3e ;	335 8 52	336 6 57	હ સમય મધ્ય	65 J.78 355

PROFIT & LOSS ACCOUNT

Service Manager Holdings, Inc. Business Plan

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Mooth 11	Month 12	Year 2009	Year 2010	Year 2011
Sales				25 000	150 000	275 000	425,000	575.000	725,000	875,000	1 825 000	1 175.000	5,250 000	25,071.000	44.871.000
Cost of Sales				12,750	76 500	136.043	210,248	284 453	358,658	432,863	507.068	581,273	2,599-853	12,034,080	20,191 950
Gross Profit				12,250	73,500	138,958	214,753	290,548	366,343	442,138	517,933	593,728	2,650,148	13,036,920	24,679.050
Administrative Expenses Offices & Rates G&A Salaries & Load Sales Salaries & Load Utilities			50,126	50,126	1,000 102,690 29,500 200	1,000 120,675 37,367 200	1,000 134 599 37,367 200	1,000 139,821 37,367 200	4.000 139.821 49.167 200	4.000 139.821 56.050 800	4,000 139,821 56,050 800	4,000 139.821 63.917 800	20,000 1.257,573 366,785 3.400	116,000 2,674,568 767,004 5,400	184,000 3.474,038 767,004 5,400
Telephones Insurance Stationery & Post Office Equipment Rental			200	350	500 350	500 350	500 500	500 500 500	500 500 500	1.200 500 500 500	1,200 500 500 500	1.200 500 500 500	3.600 4.000 4.250 2.500	26,000 13,200 9,000 12,000	60,000 15,840 13,500 15,000
Website Costs Accountancy Costs Legal & Professional Fees Travel & Subsistence			1,000 3,500	75 5,000 1,200	75 400 5.000 3.000	75 400 5 000 3 000	75 400 10 000 3 000	75 400 10,000 3,000	25,000 400 10,000 4,000	250 400 10,000 4,000	250 400 10 000 4.000	250 400 10,000 4,000	26 125 3 200 76 000 32 700	35,000 19,200 180,000 105,600	43 750 48 000 270 000 158 400
Motor Expenses Other Expenses Bank Charges Network Operating Costs Marketing Costs			75 500	75 325 10,000 500	150 325 20.000 500	150 400 20.000 2.000	150 400 20.000 2.000	500 400 20 003 2 000	500 400 30,000 3,000	700 400 30 000 3,000	709 400 40.000 3.000	700 400 40.500 8.500	3,700 3,450 230,000 24,500	21.000 7.200 900.000 96.000	31,500 10,800 2 340,000 144,000
Research Costs Provision for Bad Debts			55,401	67,651	163,690	191,117	375 210,565	2.250 218,513	4 125 272.113	6.375 258,496	8 625 270,746	10 875 285,863	32,625 2,094,408	183,000 1,002 840 6,170,012	270.000 1.794.840 9,646,072
Sales & Distribution Costs					1 500	9,000	16,500	25,500	3 4 500	43 500	52 500	61,500	244,500	1 504,260	2,692 260
Depreciation								2,604	2 633	2 662	5 294	5,267	18 460	704,385	1,470,789
Operating Profit (EBIT)			- 55,401 -	55,401	91,690 -	61,160	12,314	43,931	57.097	137,480	189,393	241,098	292,780	4,658,263	10,869,929
Interest Payable										.					
Overdraft Interest (interest Received) Loan Interest Payable			400	667	3.333	312 6.000	230 6.600	542 7,100	380 7,700	76 8 309	84 8 900	122 9,530	- 1 124 - 58 500	4.238 114,000	48,268 24 000
Profit Before Corporation Tax			- 55,801 -	56,068	95,022	67,471 -	18,683	37,373	49,777	129,256	180.578	231,720	235,404	4,548,502	10,894,197
Corporation Tax															
Net Profit / (Loss)			- 55,801 -	56,068	95.022	67,471	18,683	37,373	49,777	129,256	180.578	231,720	235,404	4,548,502	10,894,197
Dividens Payable Profit to Reserves			法的	56.048	95022 -	67. 4 71 -	18 58 1	37 373	49,777	129-25 8	180 6学品	231 720	235,464	4 54 8 502	10.894 197
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Statement of Financial Accuracy

Financial projections and financial statements provided have been reviewed by the officers of Elite Telnet, LLC and are accurate and based on the best information available from market understanding, research and years of direct experience.

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Pon Winton, Partner Date: 6-9-0 9