

ORIGINAL

Lance J.M. Steinhart, P.C.

Attorney At Law
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

Also Admitted in New York
and Maryland

Telephone: (770) 232-9200
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July 20, 2001

VIA OVERNIGHT DELIVERY

Florida Public Service Commission
Tariff Section
2540 Shumard Oak Blvd.
Gunter Bldg.
Tallahassee, Florida 32399-0850

RECEIVED - FPSC
JUL 23 AM 11:39
COMMISSION
CLERK

Re: TeleCents Communications, Inc.

010990- TX

Dear Sir/Madam:

Enclosed please find one original and six (6) copies of TeleCents Communications, Inc.'s (TeleCents) Application for Authority to Provide Local Exchange Telecommunications Service Within the State of Florida.

I also have enclosed a check in the amount of \$250.00 payable to the Florida Public Service Commission to cover the cost of filing these documents.

Please return a stamped copy of the extra copy of this letter in the enclosed preaddressed prepaid envelope.

If you have any questions regarding this matter, please do not hesitate to call me. Thank you for your attention to this matter.

Sincerely,



Lance J.M. Steinhart, Esq.
Attorney for TeleCents Communications, Inc.

DIVISION OF
ADMINISTRATION
2001 JUL 23 AM 9:38
FLORIDA
PUBLIC SERVICE COMMISSION

Enclosures
cc: Jeffrey P. Lauzon

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check:

LM

DOCUMENT NUMBER-DATE

08911 JUL 23 01

COMMISSION CLERK

RECEIVED & FILED

RLM

FPSC BUREAU OF RECORDS

Lance J.M. Steinhart, P.C.
Attorney At Law
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

PK4329
\$250.00
MC

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DEPOSIT
D096

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DIVISION OF ADMINISTRATION
2001 JUL 23 AM 9:38
FLORIDA PUBLIC SERVICE COMMISSION

08911-01
7/23/01

**** FLORIDA PUBLIC SERVICE COMMISSION ****

DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION

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

010990-TX

Instructions

This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 12).

Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.

Use a separate sheet for each answer which will not fit the allotted space.

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 Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6480

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

None

6. Structure of organization:

- | | |
|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Corporation |
| <input checked="" type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other _____ | |

7. If individual, provide:

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

8. If incorporated in Florida, provide proof of authority to operate in Florida:

- (a) **The Florida Secretary of State corporate registration number:**

9. **If foreign corporation, provide proof of authority to operate in Florida:**

(a) The Florida Secretary of State corporate registration number:

F00000002029

10. **If using fictitious name-d/b/a, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:**

(a) The Florida Secretary of State fictitious name registration number:

11. **If a limited liability partnership, provide proof of registration to operate in Florida:**

(a) The Florida Secretary of State registration number:

12. **If a partnership, provide name, title and address of all partners and a copy of the partnership agreement.**

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

13. **If a foreign limited partnership, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.**

(a) The Florida registration number: _____

14. **Provide F.E.I. Number(if applicable):** ³⁸⁻³³⁴⁶¹²⁴ _____

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

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. Provide explanation.

No

(b) an 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.

No

16. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

Name: Lance J.M. Steinhart

Title: Regulatory Counsel

Address: 6455 East Johns Crossing; Suite 285

City/State/Zip: Duluth, Georgia 30097

Telephone No.: (770) 232-9200 Fax No.: (770) 232-9208

Internet E-Mail Address: lsteinhart@telecomcounsel.com

Internet Website Address: _____

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

Name: Jeffrey P. Lauzon
Title: President
Address: 8615 Richardson Road Suite 200
City/State/Zip: Walled Lake MI 48390
Telephone No.: (248) 366-7777 Fax No.: (248) 366-9912

Internet E-Mail Address: jeff@telecents.com
Internet Website Address: www.telecents.com

(c) Complaints/Inquiries from customers:

Name: Elizabeth Eberhart
Title: Customer Service Contact
Address: 8615 Richardson Road Suite 200
City/State/Zip: Walled Lake MI 48390
Telephone No.: (248) 366-7777 Fax No.: (248) 366-9912

Internet E-Mail Address: office@telecents.com
Internet Website Address: www.telecents.com

17. List the states in which the applicant:

(a) has operated as an alternative local exchange company.

None

(b) has applications pending to be certificated as an alternative local exchange company.

Wisconsin, Oregon

(c) is certificated to operate as an alternative local exchange company.

Montana, New Jersey, New York, Michigan, Vermont

(d) has been denied authority to operate as an alternative local exchange company and the circumstances involved.

None

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

None

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

None

18. Submit the following:

A. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

B. Technical capability: give 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. Financial capability.

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The 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 descriptions of business relationships with financial institutions.*

Further, the following (which includes supporting documentation) should be provided:

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

THIS PAGE MUST BE COMPLETED AND SIGNED

APPLICANT ACKNOWLEDGMENT STATEMENT

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

Jeffrey P. Lauzon

Print Name

President

Title

(248) 366-7777

Telephone No.



Signature

7/15/01

Date

(248) 366-9912

Fax No.

Address: 8615 Richardson Road Suite 200

Walled Lake MI 48390

THIS PAGE MUST BE COMPLETED AND SIGNED

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange 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."

UTILITY OFFICIAL:

Jeffrey P. Lauzon

Print Name

President

Title

(248) 366-7777

Telephone No.

Signature

Date

(248) 366-9912

Fax No.

Address:

8615 Richardson Road

Suite 200

Walled Lake

MI

48390

LIST OF ATTACHMENTS

FINANCIAL INFORMATION

MANAGEMENT INFORMATION

STATEMENT OF FINANCIAL CAPABILITY

FINANCIAL INFORMATION

TELECENTS COMMUNICATIONS, INC.
(a Michigan S-corporation)
WALLED LAKE, MICHIGAN

FINANCIAL
STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2000

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PFEFFER • HANNIFORD • PALKA
Certified Public Accountants

John M. Pfeffer, C.P.A.
Patrick M. Hanniford, C.P.A.
Kenneth J. Palka, C.P.A.

Members:
AICPA Private Practice Companies Section
MACPA

225 E. Grand River - Suite 104
Brighton, Michigan 48116-1575
(810) 229-5550
FAX (810) 229-5578

March 3, 2001.

To the Stockholder
Telecents Communications, Inc.
8615 Richardson Road
Walled Lake, Michigan 48390

We have compiled the accompanying balance sheet of Telecents Communications, Inc. (an S-corporation) as of December 31, 2000, and the related statement of operations 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.

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

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The company, with the consent of its shareholder, has elected under the Internal Revenue Code, to be an S corporation. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Pfeffer, Hanniford & Palka

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

TELECENTS COMMUNICATIONS, INC.
BALANCE SHEET
DECEMBER 31, 2000

ASSETS

CURRENT ASSETS

Cash

\$ 71,534

FURNITURE AND EQUIPMENT

Office furniture and equipment

50,642

Operating equipment

315,741

366,383

Less accumulated depreciation

183,684

Net furniture and equipment

182,699

Total assets

\$ 254,233

See accountants' report

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 173,648	
Note payable - National City Bank	<u>7,506</u>	

Total current liabilities		-\$ 181,154
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LONG TERM LIABILITIES

Note payable - National City Bank	25,601	
Note payable - officer	<u>47,772</u>	<u>73,373</u>

Total liabilities		254,527
-------------------	--	---------

STOCKHOLDER'S EQUITY

Common stock	1,000	
Retained earnings (deficit)	<u>(1,294)</u>	

Total stockholder's equity (deficit)		<u>(294)</u>
--------------------------------------	--	--------------

Total liabilities and stockholder's' equity		<u>\$ 254,233</u>
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TELECENTS COMMUNICATIONS, INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Amount</u>	<u>Percent</u>
REVENUE		
Sales	<u>\$ 4,744,033</u>	<u>100.00</u>
COST OF SALES		
Card costs	182,700	3.90
Phone lines	3,524,378	74.30
Licenses, fees, permits	125,501	2.60
Depreciation	80,853	1.70
Freight	<u>13,533</u>	<u>.30</u>
Total cost of sales	<u>3,926,965</u>	<u>82.80</u>
Gross profit	<u>817,068</u>	<u>17.20</u>
SELLING AND ADMINISTRATIVE EXPENSES		
Advertising	21,745	.50
Auto expenses	13,293	.30
Bank charges	3,622	
Contracted services	35,306	.70
Depreciation	12,420	.30
Education and seminars	8,792	.11
Entertainment and meals	2,850	.10
Insurance	19,574	.40
Legal and accounting	65,138	1.40
Lease - equipment and vehicle	9,562	.20
Office expense	46,751	.90
Rent building	35,875	.80
Repairs and maintenance	1,217	
Phone - office and cellular	17,473	.40
Taxes	38,930	.80
Travel	18,676	.40
Utilities	960	
Wages	<u>319,838</u>	<u>6.70</u>
Total general and administrative expenses --	<u>672,022</u>	<u>14.10</u>
Operating income	<u>145,046</u>	<u>3.10</u>
OTHER INCOME (EXPENSES)		
Miscellaneous income	11,505	.20
Interest expense	<u>(5,688)</u>	<u>(.10)</u>
Total other income	<u>5,817</u>	<u>.10</u>
Net income	<u>\$ 150,863</u>	<u>3.20</u>

See accountants' report

MANAGEMENT INFORMATION

Cynthia Brown

Corporate Secretary and Office Manager for TeleCents Communications, Inc.

Ms. Brown brings 23 years experience in sales, management, consulting and office administration. Ms. Brown first came to TeleCents Communications in 1999, from a Drug-free Workplace consulting firm. As a consultant, she researched and wrote legal training and DFWP policy documents for corporations. Her research and experience included federal DOT compliance issues and updates. Her background and corporate experience, along with her multi-tasking abilities, gives her the edge in handling the individual customer, our distributors, working as liaison with legal counsel on state and federal compliance issues and preparation of documents and records for our accountants.

Ms. Brown maintains all inventory records, processes orders, and directly supports our sales and customer service departments, as well as being the assistant to the CEO, Jeffrey Lauzon.

Jeffrey P. Lauzon
President and CEO of TeleCents Communications, Inc.

Mr. Lauzon began working in the telecommunications industry in 1993 under the name of *Pulse Communications* as a reseller of pre-paid calling cards, acting as an independent representative for many card companies, selling cards throughout the United States.

In 1995, Mr. Lauzon began a debit card platform by purchasing his own switch and began working under contract with LCI/Qwest Communications, providing telecommunications services. In 1997, Pulse Communications became *TeleCents Communications*, incorporating and signing contracts with AT&T to provide local access service in the state of Michigan. Soon after, TeleCents Communications co-located with AT&T in their switch facility located in Southfield, Michigan.

Today, Mr. Lauzon oversees the daily operation of TeleCents Communications, Inc. which continues to provide local access service in Michigan and provides 800 access country-wide for pre-paid calling cards, providing excellent service and quality at a low cost to their customers. We continue to own and maintain our own switch and provide telecommunications services through AT&T and Qwest Communications.

Mark Lauzon

Vice-President and Sales Manager of TeleCents Communications, Inc.

Mr. Lauzon began working in the telecommunications industry in 1992 as an independent representative/reseller of pre-paid calling cards, representing several companies, and distributing cards throughout the United States. He joined TeleCents Communications, Inc. in 1997 as a sales representative and in 1998 became sales manager.

As sales manager, Mr. Lauzon serves the Detroit area customer base, recruits distributors, and maintains marketing research on the pre-paid calling card industry, both locally and nationally. He attends industry conferences and seminars throughout the United States. His knowledge and contacts in the industry keep TeleCents Communications, Inc. abreast of the latest trends, allowing TeleCents Communications, Inc. to continue providing our customers with the best rates and services.

**STATEMENT OF FINANCIAL CAPABILITY
TELECENTS COMMUNICATIONS, INC.**

Applicant has sufficient financial capability to provide the requested service in the State of Florida and has sufficient financial capability to maintain the requested service and to meet its lease or ownership obligations. In support of Applicant's stated financial capability, a copy of its Statement of Operations for the year ended December 31, 2000 and Balance Sheet as of December 31, 2000 is attached to its application. The Statement of Operations for the year ended December 31, 2000 and Balance Sheet as of December 31, 2000 demonstrates that the company has sufficient cash and assets, and the income statement for the demonstrates that the company is profitable. Applicant intends to fund the provision of service through internally generated cash flow. Applicant also has the ability to borrow funds, if required, based upon its financial capabilities, to provide service in the State of Florida.