

GERRY. FRIEND & SAPRONOV, LLP

ATTORNEYS AT LAW

SUITE 1450

THREE KAVINIA DRIVE

ATLANTA, GEORGIA 30346-2131

TELEPHONE 399-0500

FACSIMILE (770) 395-0000

EMAIL: gflaw@gflaw.com

August 21, 1997

via UPS OVERNIGHT

971089-TX

Florida Public Service Commission  
Div. of Communications, Certification  
& Compliance Section  
2440 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0866

Re: Axsys, Inc.'s Application to Provide Alternative Local Exchange Service Within  
the State of Florida (the "Application")

Dear Sir/Madam:

Enclosed are the original and seven (7) copies of the Application. Please file the  
Application in your usual fashion and return one file-stamped copy to us in the enclosed  
envelope.

In addition, enclosed is a check in the amount of \$250.00 to cover the filing fee.

If you have any questions or comments, please call.

Sincerely,

Anne E. Franklin

AEF/bw  
Enc.

cc: Axsys, Inc.  
(with enclosure)  
Charles A. Hudak, Esq.

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:

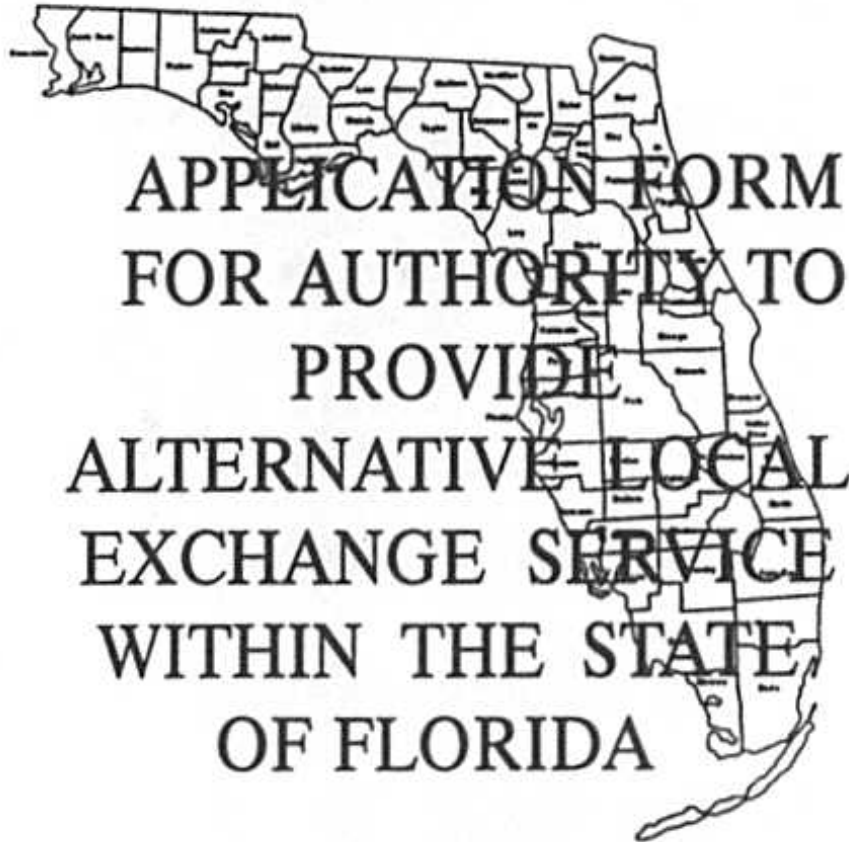
RECEIVED  
26. HY 06 27.004

DOCUMENT NUMBER - DATE

08514 AUG 22 97

FPSC-RECORDS/REPORTING

ORIGINAL  
FILE COPY



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

1. 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 a noncertificated company).
- Approval for transfer of control (To another certificated company).

2. Name of applicant:

**AXSYS, INC.**

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

**AXSYS, INC.  
5909 Airport Blvd., Suite C  
Mobile, Alabama 36608  
P.O. Box 850158  
Mobile, Alabama 36685  
(334) 342-4000**

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

**Axsys, Inc. ("Axsys") conducts business from its headquarters in Mobile, Alabama. Axsys' registered agent in Florida is:**

**Axsys, Inc.  
c/o CT Corporation System  
1200 South Pine Island Road  
Plantation, Florida 33324**

C. Physical address of alternative local exchange service in Florida including street name, number, post office box, city, zip code and phone number.

**At this time, Axsys intends only to resell the local exchange telephone services, including without limitation shared tenant services, provided by other certificated local exchange carriers operating within the State of Florida (e.g., BellSouth Telecommunications, Inc., GTE Corporation, Sprint Communications Company, LP). Consequently, Axsys intends to utilize existing switching and transport capacity of other telecommunications companies to provide its local services.**

4. 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 _____                    |  |

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

Qualification Document Number:

**A copy of Axsys' Application for a Certificate of Authority to Transact Business to the Florida Department of State is attached hereto at Exhibit "B". Axsys will provide the Commission with a copy of its certificate and the Qualification Document Number from the Florida Department of State upon receipt thereof.**

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

**Axsys, Inc.**

7. If applicable, please provide proof of fictitious name registration.

Fictitious name registration number: **Not applicable.**

8. If applicant is an individual, partnership, or joint venture, please give name, title and address of each legal entity.

**Not applicable.**

9. State whether any of the officers, directors, or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

**None of Axsys' officers, directors, or stockholders has been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime. Further, no such proceedings are pending against any of Axsys' officers, directors, or stockholders.**

10. Please provide the name, title, address, telephone number, internet address, and facsimile number for the person serving as ongoing liaison with the Commission, and if different, the liaison responsible for this application.

**For purposes of this Application, the name, address, telephone number, facsimile number and internet address of Axsys' counsel of record is:**

Charles A. Hudak, Esq.  
Anne E. Franklin, Esq.  
Gerry, Friend & Sapronov, LLP  
Three Ravinia Drive, Suite 1450  
Atlanta, Georgia 30346-2131  
Tel: (770) 399-9500  
Fax: (770) 395-0000  
Internet: gfslaw@gfslaw.com

All future correspondence should be directed to Axsys' ongoing liaison with the Commission:

Mr. Richard L. Reiner, President  
Axsys, Inc.  
5909 Airport Blvd., Suite C  
Mobile, Alabama 36608  
P.O. Box 850158  
Mobile, Alabama 36685  
(334) 342-4000

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

At this time, Axsys is authorized to provide local exchange resale services in the State of Alabama.

12. Has the applicant been denied certification in any state? If so, please list the state and reason for denial.

Axsys has not been denied certification to operate as a local exchange carrier in any state.

13. Have penalties been imposed against the applicant in any other state? If so, please list the state and reason for penalty.

Axsys has not been assessed regulatory penalties for violations of any state telecommunications statutes.

14. Please indicate how a customer can file a service complaint with your company.

A customer may make inquiries regarding service or file a service complaint (i) by contacting Axsys' Customer Service Department at 1-888-780-5260, which will be listed on each customer's statement, or (ii) by writing to Axsys' Customer Service Department at P.O. Box 850158, Mobile, Alabama 36685, an address which will also be supplied on each customer's statement. Axsys' toll-free customer service telephone number is available to customers 24 hours a day, 7 days a week.

Customers whose complaints are not resolved satisfactorily by Axsys' Customer Service Department also may file a complaint with the Florida Public Service Commission. These complaints should be forwarded to Mr. Richard L. Reiner, President, Axsys, Inc., P.O. Box 850158, Mobile, Alabama 36685.

15. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida.

A. Financial capability.

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.

**A summary of Axsys' Financial Qualifications is attached hereto at Exhibit "C".**

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.

**A summary of Axsys' Financial Qualifications is attached hereto at Exhibit "C".**

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

**A summary of Axsys' Financial Qualifications is attached hereto at Exhibit "C".**

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

**A summary of Axsys' Financial Qualifications is attached hereto at Exhibit "C".**

**AFFIDAVIT**

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in the foregoing application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of Axsys, Inc. and agree that the company will 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".

Axsys, Inc.

By: Richard L. Remer  
Richard L. Remer  
President

P.O. Box 850158  
Mobile, Alabama 36685

Sworn to before me this 12  
day of Aug, 1997.

Mary B. Wells  
Notary Public

My Commission expires



My Commission Expires April 28, 1999

EXHIBIT "A"

**MANAGERIAL AND TECHNICAL QUALIFICATIONS**

**Richard L. Reiner, President of Axsys, Inc. ("Axsys"), is a seasoned business professional, with a strong background in financial and general management.**

**In 1986, Mr. Reiner founded Axsys as a shared tenant service provider. Axsys has been providing such telecommunications services in the State of Alabama since 1986. In addition to Axsys providing its services, it also manages the telecommunications services of Telecommunications Partners, Ltd., an Alabama limited partnership. In accordance with the recent changes in the telecommunications industry, Axsys has become certificated to provide local exchange services in Alabama.**

**Prior to founding Axsys, Mr. Reiner was one of the founders and an executive of Superstores, Inc., a chain of retail stores. Earlier in his career, Mr. Reiner was an officer in the U.S. Army Reserves, where he attained the rank of colonel before retirement. In addition, Mr. Reiner holds the licenses of a Certified Insurance Associate (CIA), Graduate of Real Estate Institute (GRI), and is a licensed real estate broker.**

**Since founding Axsys, Mr. Reiner has been active in the state and local chapters of the Alabama Telecommunications Managers Association.**



**EXHIBIT "B"**

**FLORIDA DEPARTMENT OF STATE APPLICATION**

# APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS  
SUBMITTED TO REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE  
STATE OF FLORIDA:

1. Axsys, Inc.

(Name of corporation: must include the word "INCORPORATED", "COMPANY", "CORPORATION", or words or abbreviations of like import in language as will clearly indicate that it is a corporation instead of a natural person or partnership if not so contained in the name at present.)

2. Alabama

(State or country under the law of which it is incorporated)

3. 63-0986148

(FEI number, if applicable)

4. September 6, 1988

(Date of incorporation)

5. perpetual

(Duration: Year corp. will cease to exist or "perpetual")

6. Upon approval

(Date first transacted business in Florida. (See sections 607.1501, 607.1502, and 817.156, F.S.))

7. 5909 Airport Blvd., Mobile, Alabama 36608

P.O. Box 850158, Mobile, Alabama 36685-0158

(Current mailing address)

8. Telecommunications services

(Purpose(s) of corporation authorized in home state or country to be carried out in the state of Florida)

9. Name and street address of Florida registered agent:

Name: C T Corporation System

Office Address: c/o C T Corporation System, 1200 South Pine  
Island Road

Plantation, Florida, 33324

(Zip Code)

10. Registered agent acceptance:

*Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application, 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 relative to the proper and complete performance of my duties, and I am familiar with and accept the obligation of my position as registered agent.*

C T Corporation System

\_\_\_\_\_  
(Registered agent's signature) (Officer)

\_\_\_\_\_  
(Type Name and Title of Officer)

11. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

12. Names and addresses of officers and/or directors:

A. DIRECTORS

Chairman: Richard L. Reiner  
Address: 5909 Airport Blvd., Suite C  
Mobile, AL 36608

Vice Chairman: Jean L. Reiner  
Address: 5909 Airport Blvd., Suite C  
Mobile, AL 36608

Director: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Director: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

B. OFFICERS

President: Richard L. Reiner  
Address: 5909 Airport Blvd., Suite C  
Mobile, Alabama 36608

Vice President: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Secretary: Jean L. Reiner  
Address: 5909 Airport Blvd., Suite C  
Mobile, AL 36608

Treasurer: Richard L. Reiner

Address: 5909 Airport Blvd., Suite C  
Mobile, AL 36608

NOTE: If necessary, you may attach an addendum to the application listing additional officers and/or directors.

13. 

(Signature of Chairman, Vice Chairman, or any officer listed in number 12 of the application)

14. Richard L. Reiner, President

(Typed or printed name and capacity of person signing application)

EXHIBIT "C"

FINANCIAL QUALIFICATIONS

AXSYS, INC.  
FINANCIAL STATEMENTS

For the years ended  
DECEMBER 31, 1996  
And  
DECEMBER 31 1995

Member  
American Institute of  
Certified Public Accountants

Alabama Society of  
Certified Public Accountants

**GEORGE GUNN, JR.**  
Certified Public Accountant  
800 Downtowner Blvd.  
Suite 108  
Mobile, Alabama 36609

Mailing Address  
Post Office Box 16012  
Mobile, Alabama 36616

Telephone  
(334) 342-5057

The Stockholders  
Axsys, Inc.  
Mobile, Alabama

I have compiled the accompanying balance sheet income tax basis of Axsys, Inc. (Sub S Corporation) as of December 31, 1996 and 1995 and the related statements of income, expenses, and retained earnings income tax basis for the years then ended, in accordance with Statements on Standards for Accounting and Review Services 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 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 management. I 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 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 the Company's assets, liabilities, equity, income, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

  
May 26, 1997

AXSYS, INC.  
 Balance Sheet  
 December 31, 1996 and 1995  
 SEE ACCOUNTANTS COMPILATION REPORT

	1996	1995
ASSETS		
CURRENT ASSETS		
CASH ON HAND & IN BANKS		
BANK OF MOBILE	\$ 2,101.74	\$ 16,174.68
	2,101.74	16,174.68
TOTAL CASH ON HAND & IN BANKS		
TOTAL CASH ON HAND & IN BANKS		
ACCOUNTS RECEIVABLE	1,704.61	3,870.41
	1,704.61	3,870.41
TOTAL ACCOUNTS RECEIVABLE		
LOANS RECEIVABLE		
FORECLOSURE MANAGEMENT, INC.	21,620.00	16,820.00
SHORT TERM INVESTMENTS	0.00	4,000.00
	21,620.00	20,820.00
TOTAL LOANS RECEIVABLE		
LOANS RECEIVABLE STOCKHOLDERS	20,000.00	0.00
	45,426.35	40,865.09
TOTAL CURRENT ASSETS		
TOTAL ASSETS	\$ 45,426.35	\$ 40,865.09
	*****	*****



	1996	1995
	-----	-----
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 6,134.78	\$ 514.44
CUSTOMER DEPOSITS	8,950.00	0.00
PAYROLL TAXES PAYABLE	8,648.70	6,763.42
NOTES PAYABLE - SHORT TERM	0.00	6,414.83
TOTAL CURRENT LIABILITIES	----- 23,733.48	----- 13,692.69
NON-CURRENT LIABILITIES		
LOAN PAYABLE, OTHER	4,842.49	0.00
TOTAL NON-CURRENT LIABILITIES	----- 4,842.49	----- 0.00
STOCKHOLDERS EQUITY		
COMMON STOCK, \$ 1.00 PAR VALUE, 1,000 SHARES AUTHORIZED, 1,000 SHARES ISSUED, AND 1000 SHARES OUTSTANDING	1,000.00	1,000.00
TREASURY STOCK	( 15,000.00)	( 15,000.00)
RETAINED EARNINGS	30,850.38	41,172.40
TOTAL STOCKHOLDERS' EQUITY	----- 16,850.38	----- 27,172.40
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 45,426.35	\$ 40,865.09
	*****	*****

AXSYS, INC.  
 STATEMENT OF INCOME FOR THE YEAR ENDED  
 December 31, 1996 and 1995  
 SEE ACCOUNTANTS COMPILATION REPORT

	-----1996-----	-----1995-----
	Y T D	Y T D
INCOME		
MANAGEMENT FEES	\$ 233,234.34	\$ 211,053.88
COST OF SALES	61,231.03	52,611.30
	-----	-----
TOTAL INCOME	172,003.31	158,442.58
	-----	-----
OPERATING EXPENSES		
AUTO EXPENSE	1,556.00	243.62
BANK CHARGES	152.12	28.65
BILLING EXPENSE SHC	3,585.12	0.00
CONSULTING FEES	7,943.00	5,700.00
DONATIONS	1,130.00	0.00
DUES AND SUBSCRIPTIONS	1,237.00	57.00
INSURANCE	0.00	58.91
INTEREST	0.00	454.16
MEMBERSHIPS	0.00	1,745.00
MISCELLANEOUS	423.68	385.37
OFFICE SUPPLIES & POSTAGE	2,846.00	8,497.97
POSTAGE	5,948.00	0.00
PAYROLL TAXES	7,590.28	0.00
PRINTING	2,691.21	2,111.77
RENT	8,195.00	8,880.00
REPAIRS & MAINTENANCE	3,024.00	4,020.24
SHIPPING-FEDERAL EXPRESS	0.00	475.09
SALARIES	88,399.92	52,214.70
SALARIES OTHER	498.00	29,520.00
TAXES AND LICENSES	674.00	9,344.89
TELEPHONE	11,208.00	7,149.85
TRAVEL	13,224.00	3,783.04
MEALS & ENTERTAINMENT	0.00	938.00
	-----	-----
TOTAL OPERATING EXPENSES	160,325.33	135,608.26
	-----	-----
NET INCOME (LOSS) BEFORE TAX	11,677.98	22,834.32
	-----	-----
NET INCOME (LOSS)	11,677.98	22,834.32
	-----	-----
RETAINED EARNINGS-BEGINNING OF YEAR	41,172.40	18,338.08
LESS STOCKHOLDER DISTRIBUTIONS	( 22,000.00)	0.00
	-----	-----
RETAINED EARNINGS-END OF YEAR	\$ 30,850.38	\$ 41,172.40
	*****	*****

AXSYS, INC.

DECEMBER 31, 1994  
and  
DECEMBER 31, 1993

**GEORGE GUNN, JR.**

Certified Public Accountant  
800 Downtowner Blvd.  
Suite 108  
Mobile, Alabama 36609

Member  
American Institute of  
Certified Public Accountants

— —  
Alabama Society of  
Certified Public Accountants

Mailing Address  
Post Office Box 16012  
Mobile, Alabama 36616

— —  
Telephone  
(205) 342-5057

The Stockholders  
Axsys, Inc.  
Mobile, Alabama

I have compiled the accompanying statement of assets and liabilities of Axsys, Inc. as of December 31, 1994 and 1993 and the related statement of revenues and expenses, and retained earnings for the years 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. I 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.

  
March 6, 1995

**AXSYS. INC.**  
**Balance Sheet**  
 December 31, 1994 and 1993  
 SEE ACCOUNTANTS COMPILATION REPORT

	1994	1993
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
CASH ON HAND & IN BANKS		
AMSOUTH BANK	\$ 1,397.19	(\$ 208.20)
BANK OF MOBILE	1,000.00	0.00
<b>TOTAL CASH ON HAND &amp; IN BANKS</b>	2,397.19	( 208.20)
TOTAL CASH ON HAND & IN BANKS	4,335.36	8,294.54
ACCOUNTS RECEIVABLE	4,335.36	8,294.54
<b>TOTAL ACCOUNTS RECEIVABLE</b>	4,335.36	8,294.54
LOANS RECEIVABLE	10,820.00	2,500.00
FORECLOSURE MANAGEMENT, INC.	6,500.99	6,500.99
AXSYS SOUTH, INC.	4,319.01	-
<b>TOTAL LOANS RECEIVABLE</b>	17,320.99	9,000.99
<b>TOTAL CURRENT ASSETS</b>	24,053.54	17,087.33
<b>TOTAL ASSETS</b>	\$ 24,053.54	\$ 17,087.33
 <b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	\$ 1,446.96	\$ 949.34
PAYROLL TAXES PAYABLE	3,803.50	3,612.52
CORPORATION INCOME TAXES PAYABLE	( 535.00)	( 700.00)
LOANS PAYABLE K & R	0.00	7,000.00
<b>TOTAL CURRENT LIABILITIES</b>	4,715.46	10,861.86
 <b>STOCKHOLDERS EQUITY</b>		
COMMON STOCK, \$ 1.00 PAR VALUE, 1,000 SHARES AUTHORIZED, 1,000 SHARES ISSUED, AND 1000 SHARES OUTSTANDING	1,000.00	1,000.00
RETAINED EARNINGS	18,338.08	5,225.47
<b>TOTAL STOCKHOLDERS' EQUITY</b>	19,338.08	6,225.47
<b>TOTAL LIABILITIES AND STOCKHOLDERS   EQUITY</b>	\$ 24,053.54	\$ 17,087.33

AXSYS, INC.  
 STATEMENT OF INCOME FOR THE YEAR ENDED  
 December 31, 1994 and 1993  
 SEE ACCOUNTANTS COMPILATION REPORT

	-----1994----- Y T D	-----1993----- Y T D
<b>INCOME</b>		
MANAGEMENT FEES	\$ 158,787.00	\$ 126,397.31
COST OF SALES	19,521.39	12,446.00
	-----	-----
TOTAL INCOME	139,265.61	113,951.31
	-----	-----
<b>OPERATING EXPENSES</b>		
BANK CHARGES	84.00	248.00
CONSULTING FEES	6,589.00	7,424.00
EQUIPMENT RENTAL	1,200.00	0.00
INSURANCE	781.00	0.00
INTEREST	1,865.00	208.00
MISCELLANEOUS	921.00	1,503.00
OFFICE SUPPLIES & POSTAGE	1,490.00	1,225.00
POSTAGE	5,047.00	3,744.00
PRINTING	1,498.00	1,376.00
RENT	8,880.00	0.00
REPAIRS & MAINTENANCE	278.00	253.00
SHIPPING-FEDERAL EXPRESS	675.00	510.00
SALARIES OFFICERS	20,160.00	40,320.00
SALARIES OTHER	55,946.00	33,615.00
TAXES AND LICENSES	6,252.00	6,545.00
TELEPHONE	6,912.00	6,642.00
TRAVEL	5,930.00	9,627.00
	-----	-----
TOTAL OPERATING EXPENSES	124,488.00	113,240.00
	-----	-----
NET INCOME (LOSS) BEFORE TAX	14,777.61	711.31
	-----	-----
CORPORATION INCOME TAX EXPENSE	165.00	0.00
	-----	-----
NET INCOME (LOSS)	14,612.61	711.31
	-----	-----
RETAINED EARNINGS-BEGINNING OF YEAR	5,225.47	4,514.16
DIVIDENDS PAID	( 1,500.00)	0.00
	-----	-----
RETAINED EARNINGS-END OF YEAR	\$ 18,338.08	\$ 5,225.47
	=====	=====

	SEP 97	oct 97	nov 97	dec 97	jan 98
Telephones in operarion	500.00	1,000.00	2,000.00	3,000.00	5,000.0
REVENUE					
LocalService	13,000.00	26,000.00	52,000.00	78,000.00	130,000.0
Installation Fee	9,995.00	19,990.00	39,980.00	59,970.00	99,950.0
Long Distance Calls	21,050.00	42,100.00	84,200.00	126,300.00	210,500.0
L/D Monthly charge	1,250.00	2,500.00	5,000.00	7,500.00	12,500.0
Feature Charges	2,665.00	5,330.00	10,660.00	15,990.00	26,650.0
Voice Mail	487.50	975.00	1,950.00	2,925.00	4,875.0
Misc. Charges	250.00	500.00	1,000.00	1,500.00	2,500.0
TOTAL REVENUE	48,697.50	97,395.00	194,790.00	292,185.00	486,975.0
COST OF SALES					
BELLSOUTH	16,000.00	32,000.00	64,000.00	96,000.00	160,000.0
L/D CARRIERS	11,760.00	23,520.00	47,040.00	70,560.00	117,600.0
COMMISSION OWNERS	3,973.50	7,947.00	15,894.00	23,841.00	39,735.0
PROMOTION COST	7,500.00	7,500.00	15,000.00	15,000.00	30,000.0
BILLING COST	1,000.00	2,000.00	4,000.00	6,000.00	10,000.0
Marketing	1,000.00	2,000.00	3,000.00	3,000.00	3,000.0
TOTAL COST OF SALES	41,233.50	74,967.00	148,934.00	214,401.00	360,335.0
Supervision	1,000.00				
GROSS PROFIT	7,464.00	22,428.00	45,856.00	77,784.00	126,640.0

feb 98	mar 98	apr 98	may 98	jun 98	jul 98
7,000.00	10,000.00	12,000.00	14,000.00	15,000.00	16,000.00
182,000.00	260,000.00	312,000.00	364,000.00	390,000.00	416,000.00
139,930.00	199,900.00	239,880.00	279,860.00	299,850.00	319,840.00
294,700.00	421,000.00	505,200.00	589,400.00	631,500.00	673,600.00
17,500.00	25,000.00	30,000.00	35,000.00	37,500.00	40,000.00
37,310.00	53,300.00	63,960.00	74,620.00	79,950.00	85,280.00
6,825.00	9,750.00	11,700.00	13,650.00	14,625.00	15,600.00
3,500.00	5,000.00	6,000.00	7,000.00	7,500.00	8,000.00
681,765.00	973,950.00	1,168,740.00	1,363,530.00	1,460,925.00	1,558,320.00

224,000.00	320,000.00	384,000.00	448,000.00	480,000.00	512,000.00
164,640.00	235,200.00	282,240.00	329,280.00	352,800.00	376,320.00
55,629.00	79,470.00	95,364.00	111,258.00	119,205.00	127,152.00
30,000.00	45,000.00	30,000.00	30,000.00	15,000.00	15,000.00
14,000.00	20,000.00	24,000.00	28,000.00	30,000.00	32,000.00
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
491,269.00	702,670.00	818,604.00	949,538.00	1,000,005.00	1,065,472.00
190,496.00	271,280.00	350,136.00	413,992.00	460,920.00	492,848.00



aug 98	sep 98	oct 98	nov 98	dec 98	TOTAL
18,000.00	20,000.00	22,000.00	23,000.00	25,000.00	193,500.00
					0.00
					0.00
468,000.00	520,000.00	572,000.00	598,000.00	650,000.00	5,031,000.00
359,820.00	399,800.00	439,780.00	459,770.00	499,750.00	3,868,065.00
757,800.00	842,000.00	926,200.00	968,300.00	1,052,500.00	8,146,350.00
45,000.00	50,000.00	55,000.00	57,500.00	62,500.00	483,750.00
95,940.00	106,600.00	117,260.00	122,590.00	133,250.00	1,031,355.00
17,550.00	19,500.00	21,450.00	22,425.00	24,375.00	188,662.50
9,000.00	10,000.00	11,000.00	11,500.00	12,500.00	96,750.00
1,753,110.00	1,947,900.00	2,142,690.00	2,240,085.00	2,434,875.00	18,845,932.50
					0.00
					0.00
					0.00
					0.00
576,000.00	640,000.00	704,000.00	736,000.00	800,000.00	6,192,000.00
423,360.00	470,400.00	517,440.00	540,960.00	588,000.00	4,551,120.00
143,046.00	158,940.00	174,834.00	182,781.00	198,675.00	1,537,744.50
30,000.00	30,000.00	30,000.00	15,000.00	30,000.00	375,000.00
36,000.00	40,000.00	44,000.00	46,000.00	50,000.00	387,000.00
					0.00
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	45,000.00
					0.00
1,211,406.00	1,342,340.00	1,473,274.00	1,523,741.00	1,669,675.00	13,087,864.50
					0.00
541,704.00	605,560.00	669,416.00	716,344.00	765,200.00	5,758,068.00

**AFFIDAVIT**

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in the attached unaudited financial statements for Axsys, Inc. I have read the attached financial statements 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 Axsys, Inc.

Axsys, Inc.

By:

Richard L. Reiner  
Richard L. Reiner  
President

P.O. Box 850158  
Mobile, Alabama 36685

Sworn to before me this 12  
day of Aug 1997.

Mary R. Still  
Notary Public

My Commission expires: \_\_\_\_\_

F:\TELECOM\merry\FL\LA AFF



My Commission Expires April 26, 1999

GERRY, FRIEND & SAPRONOV, LLP

ATTORNEYS AT LAW

SUITE 1450

THREE RAVINIA DRIVE

ATLANTA, GEORGIA 30346-2131

(770) 399-9500

FACSIMILE (770) 395-0000

EMAIL: gflaw@gflaw.com

DEPOSIT

DATE

D 5 9 8 \*

AUG 22 1997

August 21, 1997

via UPS OVERNIGHT

Florida Public Service Commission  
Div. of Communications, Certification  
& Compliance Section  
2440 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0866

Re: Axsys, Inc.'s Application to Provide Alternative Local Exchange Service Within  
the State of Florida (the "Application")

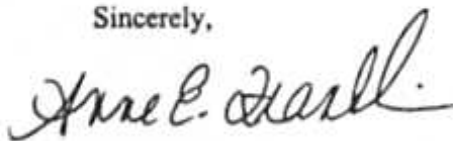
Dear Sir/Madam:

Enclosed are the original and seven (7) copies of the Application. Please file the  
Application in your usual fashion and return one file-stamped copy to us in the enclosed  
envelope.

In addition, enclosed is a check in the amount of \$250.00 to cover the filing fee.

If you have any questions or comments, please call.

Sincerely,



GERRY, FRIEND & SAPRONOV

CLIENT TRUST ACCOUNT

PHONE 770-399-9500

THREE RAVINIA DRIVE SUITE 1450

ATLANTA, GA 30346-2131

1567

Aug 21 19 97

PAY TO THE ORDER OF Florida PSC \$ 250.00  
Two Hundred Fifty and 00/100 DOLLARS

SUNTRUST

SunTrust Bank, Atlanta  
Atlanta, Georgia

FOR Axsys, Inc.



**GERRY. FRIEND & SAPRONOV, LLP**

ATTORNEYS AT LAW  
SUITE 1450  
THREE RAVINIA DRIVE  
ATLANTA, GEORGIA 30346-2131

(770) 399-9500  
FACSIMILE (770) 395-0000  
EMAIL: gflaw@gflaw.com

DEPOSIT

DATE

D 5 9 8

AUG 22 1997

August 21, 1997

via UPS OVERNIGHT

Florida Public Service Commission  
Div. of Communications, Certification  
& Compliance Section  
2440 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0866

Re: Axsys, Inc.'s Application to Provide Alternative Local Exchange Service Within  
the State of Florida (the "Application")

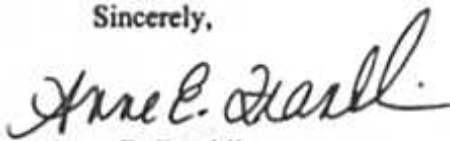
Dear Sir/Madam:

Enclosed are the original and seven (7) copies of the Application. Please file the  
Application in your usual fashion and return one file-stamped copy to us in the enclosed  
envelope.

In addition, enclosed is a check in the amount of \$250.00 to cover the filing fee.

If you have any questions or comments, please call.

Sincerely,



Anne E. Franklin

AEF/bw  
Enc.

cc: Axsys, Inc.  
(with enclosure)  
Charles A. Hudak, Esq.

RECEIVED  
AUG 22 1997