DEPOSIT

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APPLICATION FORM FOR AUTHORITY TO PROVIDE INTEREXCHANGE IELECOMMUNICATION SERVICE WITHIN THE STATE OF FLOREDA

DOCUMENT NUMBER-DATE

10579 OCT 15 5

FPSC-RECORDS / PERDETING

- 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.
 - () 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.
 - (v) switchless Rebiller 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.
 - (V) 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.

** 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:

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

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 Administration 2540 Shumard Oak Blvd. Gunter Building Tallahassee, Florida 32399-0850 (904) 413-6251

2.	This is an application for (check one):
	 (J) 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: AMG COMMUNICATIONS CORP
4.	Name under which the applicant will do business (fictitious name, etc.):
5.	National address (including street name & number, post office box, city, state and zip code). 1000 W. ISLAND BLVD, Site 1009, Aventura, Fl. 33160
6.	Florida address (including street name & number, post office box, city, state and zip code): Same as a love
7.	
	() Individual () Corporation () Foreign Corporation () Foreign Partnership () General Partnership () Limited Partnership () Other,
8.	If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners.
	(a) Provide proof of compliance with the foreign limited partnership statute (Chapter 620.169 FS), if applicable.

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

(b) Indicate if the individual or any of the partners 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.
- (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:	
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- (b) Name and address of the company's Florida registered agent.
- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number:	Fictitious	name	registration	number:	
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- (c) Indicate if any of the officers, directors, or any of the ten largest stockholders 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.

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

> (a) The application; GARY GRUENBERG GENERAL MANAGER 1000 W. ISLAND BLVD SUITE 1009 MIAMI, FLORIDA 33160 (b) Official Point of Contact for the ongoing

operations of the company;

Same as above

(c) Tariff;

Some as above

(d) Complaints/Inquiries from customers;

Sameasabore

- 11. List the states in which the applicant:
 - (a) Has operated as an interexchange carrier.
 - (b) Has applications pending to be certificated as an interexchange carrier.

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

- (d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.
- (e) Has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

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

12.	What services will the applicant offer to other certificated telephone companies:
	() Facilities. () Operators. (✓) Billing and Collection. (✓) Sales.
	() Maintenance. (v) Other: Prepaid Phose Card
	(W Other: Mepald Photology
13.	you have a marketing program? Yes, newspaper, mailers, radio, etc
14.	Will your marketing program:
	<pre>(V) Pay commissions? () Offer sales franchises? () Offer multi-level sales incentives? () Offer other sales incentives?</pre>
	() 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.).
	Commission paid to salespersons
16.	Who will receive the bills for your service (Check all that apply)?
	(Residential customers. (Business customers.
	() PATS providers. () PATS station end-users.
	(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?
	(b) Name and address of the firm who will bill for your service.

- 18. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide interexchange telecommunications service in Florida.
 - A. Financial capability. Refer to a Hacked proforma

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
- income statement
- 3. statement of retained un. ings.

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability.

- Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
- Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.
- 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 firancial 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. Refer to a Hacked resume

C. Technical capability.

switchless reseller

- 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). FLORIDA TARIFF NO 1
- 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
E	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 ServicesAvailable to presubscribed customersAvailable to non presubscribed customers (for example to patrons of hotels, students in universities, patients in hospitalsAvailable 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:

** APPLICANT ACKNOWLEDGEMENT 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 its 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.
- 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.
- APPLICATION FEE: A non-refundable application fee of \$250.00 must be submitted with the application.
- 5. RECEIPT AND UNDERSTANDING OF RULES: I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange service.
- 6. ACCURACY OF APPLICATION: By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my knowledge and belief, the information is a true and correct statement.

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 proyided in s. 775.082 and s. 775.083".

Signature

General Manage

Title

10 10 97

Date

200 937-400

Telephone No.

** APPENDIX A **

CERTIFICATE TRANSFER STATEMENT

I, (TYPE NAME)		, of	
holder of certificate nut this application and jost transfer of the above-me	in in the petitioner		
UTILITY OFFICIAL:	Signature		Date
	Title		Telephone No.

** APPENDIX B **

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please check one):

,4,

The applicant will not collect deposits nor will it collect payments for service more than one month in advance.

() The applicant will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

UTILITY OFFICIAL:

Signature

Title

(305)937-4009

** APPENDIX C **

INTRASTATE NETWORK

1.	POP:	Addresses	where	located,	and	indicate	if	owned	or
	lease								

1) NA 2)

3) 4)

 SWITCHES: Address where located, by type of switch, and indicate if owned or leased.

- 1) NA 2)
- 3) 4)

TRANSMISSION FACILITIES: Pop-to-Pop facilities by type of facilities (microwave, fiber, copper, satellite, etc.) and indicate if owned or leased.

- 1) POP-to-POP TYPE OWNERSHIP
- 2) N/A

4. ORIGINATING SERVICE: Please provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate (Appendix D).

(305) (954) (561) (407)

- 5. TRAFFIC RESTRICTIONS: Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4) (a) (copy enclosed).
- 6. CURRENT FLORIDA INTRASTATE SERVICES: Applicant has () or has not () previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:
 - a) What services have been provided and when did these services begin?
 - b) If the services are not currently offered, when were they discontinued?

DTILITY OFFICIAL:

Signature

Grund Munich

Title

10/10/97

Date

10/10/97

Date

Telephone No.

** APPENDIX D **

FLORIDA TELEPHONE EXCHANGES

AND

EAS ROUTES

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

** FLORIDA EAS FOR MAJOR EXCHANGES **

Extended Service Area	with These Exchanges
PENSACOLA:	Cantonment, Gulf Breeze Pace, Milton Holley-Navarre.
PANAMA CITY:	Lynn Haven, Panama City Beach,
	Youngstown-Fountain and Tyndall AFB.
TALLAHASSEE:	Crawfordville, Havana, Monticello, Panacea, Sopchoppy and St. Marks.
JACKSONVILLE:	Baldwin, Ft. George, Jacksonville Beach, Callahan, Maxville, Middleburg Orange Park, Ponte Vedra and Julington.
GAINESVILLE:	Alachua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry and Waldo.
OCALA:	Belleview, Citra, Dunnellon,

Forest Lady Lake (B21),

McIntosh, Oklawaha,

Orange Springs, Salt Springs and

Silver Springs Shores.

DAYTONA BEACH:

New Smyrna Beach.

TAMPA:

Central None

East Plant City
North Zephyrhills
South Palmetto
West Clearwater

CLEARWATER:

St. Petersburg, Tampa-West and

Tarpon Springs.

ST. PETERSBURG:

Clearwater.

LAKELAND:

Bartow, Mulberry, Plant City, Polk City and Winter Haven.

ORLANDO:

Apopka, East Orange, Lake Buena

Vista, Oviedo, Windermere,

Winter Garden,

Winter Park, Montverde, Reedy

Creek, and Oviedo-Winter

Springs.

WINTER PARK: Apopka, East Orange, Lake Buena Vista,

Orlando, Oviedo, Sanford, Windermere, Winter Garden, Oviedo-Winter Springs Reedy Creek, Geneva and Montverde.

TITUSVILLE:

Cocoa and Cocoa Beach.

COCOA:

Cocoa Beach, Eau Gallie, Melbourne and Titusville.

MELBOURNE:

Cocoa, Cocoa Beach, Eau Gallie

and Sebastian.

SARASOTA:

Bradenton, Myakka and Venice.

FT. MYERS:

Cape Coral, Ft. Myers Beach, North Cape Coral, North Ft. Myers, Pine Island, Lehigh

Acres and Sanibel-Captiva Islands.

NAPLES:

Marco Island and North Naples.

WEST PALM BEACH:

Boynton Beach and Jupiter.

POMPANO BEACH:

Boca Raton, Coral Springs,

Deerfield Beach and Ft.

Lauderdale.

FT. LAUDERDALE:

Coral Springs, Deerfield Beach, Hollywood and Pompano Beach.

HOLLYWOOD:

Ft. Lauderdale and North Dade.

NORTH DADE:

Hollywood, Miami and Perrine.

MIAMI:

Homestead, North Dade and

Perrine

** APPENDIX E **

** GLOSSARY **

ACCESS CODE: The term denotes a uniform four or seven digit code assigned to an individual IXC. The five digit code has the form 10XXX and the seven digit code has the form 950-XXXX.

BYPASS: Transmission facilities that go direct from the local exchange end user to an IXC point of presence, thus bypassing the local exchange company.

CARRIERS CARRIER: An IXC that provides telecommunications service, mainly bulk transmission service, to other IXC only.

CENTRAL OFFICE: A local operating unit by means of which connections are established between subscribers' lines and trunk or toll lines to other central offices within the same exchange or other exchanges. Each three (3) digit central office code (NXX) used shall be considered a separate central office unit.

CENTRAL OFFICE CODE: The term denotes the first three digits (NXX) of the seven (7) digit telephone number assigned to a customer's telephone exchange service.

COMMISSION: The Florida Public Service Commission.

COMPANY, TELEPHONE COMPANY, UTILITY: These terms may be used interchangeably herein and shall mean any person, firm, partnership or corporation engaged in the business of furnishing communication service to the public under the jurisdiction of the Commission.

DEDICATED FACILITY: The term denotes a transmission circuit which is permanently for the exclusive use of a customer or a pair of customers.

END USER: The term denotes any individual, partnership, association, corporation, governmental agency or any other entity which (A) obtains a common line, uses a pay telephone or obtains interstate service arrangements in the operating territory of the company or (B) subscribes to interstate services provided by an IXC or uses the services of the IXC when the IXC provides interstate service for its own use.

EQUAL ACCESS EXCHANGE ARTAS: EAEA means a geographic area, configured based on 1987 planned toll center/access tandem areas, in which local exchange companies are responsible for providing equal access to both carriers and customers of carriers in the most economically efficient manner.

EXCHANGE: The entire telephone plant and facilities used in providing telephone service to subscribers located in an exchange area. An exchange may include more than one central office unit.

EXCHANGE (SERVICE) AREA: The territory, including the base rate suburban and rural areas served by an exchange, within which local telephone service is furnished at the exchange rates applicable within that area.

EXTENDED AREA SERVICE: A type of telephone service furnished under tariff provision whereby subscribers of a given exchange or area may complete calls to, and receive messages from, one or more other contiguous exchanges without toll charges, or complete calls to one or more other exchanges without toll message charges.

FACILITIES BASED: An IXC that has its own transmission and/or switching equipment or other elements of equipment and does not rely on others to provide this service.

FOREIGN EXCHANGE SERVICES: A classification of exchange service furnished under tariff provisions whereby a subscriber may be provided telephone service from an exchange other than the one from which he would normally be served.

FEATURE GROUPS: General categories of unbundled tariffs to stipulate related services.

Feature Group A: Line side connections presently serving specialized common carriers.

Feature Group B: Trunk side connections without equal digit or code dialing.

Feature Group C: Trunk side connections presently serving AT&T-C.

Feature Group D: Equal trunk access with subscription.

INTEREXCHANGE COMPANY: means any telephone company, as defined in Section 364.02(4), F.S. (excluding Payphone Providers), which provides telecommunication service between exchange areas as those areas are described in the approved tariffs of individual local exchange companies.

INTER-OFFICE CALL: A telephone call originating in one central office unit or entity but terminating in another central office unit or entity both of which are in the same designated exchange area.

INTRA-OFFICE CALL: A telephone call originating and terminating within the same central office unit or entity.

INTRASTATE COMMUNICATIONS: The term denotes any communications in Florida subject to oversight by the Florida Public Service Commission as provided by the laws of the State.

INTRA-STATE TOLL MESSAGE: Those toll messages which originate and terminate within the same state.

LOCAL ACCESS AND TRANSPORT AREA: LATA means the geographic area established for the administration of communications service. It encompasses designated exchanges, which are grouped to serve common social, economic and other purposes.

LOCAL EXCHANGE COMPANY (LEC): Means any telephone company, as defined in Section 364.02(4), F.S., which, in addition to any other telephonic communication service, provides telecommunication service within exchange areas as those areas are described in the approved tariffs of the telephone company.

OPTIONAL CALLING PLAN: An optional service furnished under tariff provisions which recognizes a need of some subscribers for extended area calling without imposing the cost on the entire body of subscribers.

900 SERVICE: A service similar to 800 service, except this service is charged back to the customer based on first minute plus additional minute usage.

PIN NUMBER: A group of numbers used by a company to identify their customers.

PAY TELEPHONE SERVICE COMPANY: Means any telephone company, other than a Local Exchange Company, which provides pay telephone service as defined in Section 364.335(4), F.S.

POINT OF PRESENCE (POP): Ball-coined term which designates the

actual (physical) location of an IXC's facility. Replaces some applications of the term "demarcation point."

PRIMARY SERVICE: Individual line service or party line service.

RESELLER: An IXC that does not have certain facilities but purchases telecommunications service from an IXC and then resells that service to others.

STATION: A telephone instrument consisting of a transmitter, receiver, and associated apparatus so connected as to permit sending and/or receiving telephone messages.

SUBSCRIBER, CUSTOMER: These terms may be used interchangeably herein and shall mean any person, firm, partnership, corporation, municipality, cooperative organization, or governmental agency supplied with communication service by a telephone company.

SUBSCRIBER LINE: The circuit or channel used to connect the subscriber station with the central office equipment.

SWITCHING CENTER: Location at which telephone traffic, either local or toll, is switched or connected from one circuit or line to another. A local switching center may be comprised of several central office units.

TRUNK: A communication channel between central office units or entities, or private branch exchanges.

ATTACHMENTS:

A - CERTIFICATE TRANSFER STATEMENT

B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

C - INTRASTATE NETWORK

D - FLORIDA TELEPHONE EXCHANGES and EAS ROUTES

E - GLOSSARY

Estimated proforma Balance Sheet and Financial Statement for First Year

BALANCE SHEET START UP

Asscus:

Cash \$ 25,000.00
Office Equipment 5,000.00
Office Furniture 3,000.00

Liabilities

s -0-

Owners Equity

\$ 33,000.00

FINANCIAL STATEMENT FOR FIRST YEAR

 Sales:
 \$ 455,000.00
 100%

 Cost of goods sold:
 \$ 318,500.00
 70%

 Gross margin:
 \$ 136,500.00
 30%

 Operating Expenses:
 \$ 60,000.00
 13%

 Net Income:
 \$ 76,500.00
 17%

Due to the nature of the start up business operating in the capacity of a switchless rebiller and prepaid debit card provider the startup costs and the low expenses will enable us to grow significantly. The suppliers low monthly volume committment and a six month ramp up period enables a start up company to increase its capital quickly while still providing the first class service of a billion dollar company. When we have proven ourselves in the marketplace we will have backing from investors who are willing to increase our capital base for the expansion of our infrastructure and marketing plans.

RESUME

GARY GRUENBERG 1000 W. ISLAND BLVD. SUITE 1009 AVENTURA, FLORIDA 33160

GRADUATE FROM THE UNIVERSITY OF FLORIDA 1977 BSBA DEGREE IN ACCOUNTING AND MARKETING

WORK EXPERIENCE:

1977-1978	HERTZ CORPORATION	AIRPORT MANAGEMENT
1978-1980	CENTEX CORPORATION	ASSISTANT MARKETING DIRECTOR
1980-1982	NETWORK ONE	TELECOMMUNICATION SALES REP.
1982-1984	EXECUTONE COMM.	ACCOUNT EXECUTIVE
1984-1990	UNIVERSAL PERFUMES	PRESIDENT
1990-1997	DUTY FREE USA	PRESIDENT

BORN IN MANHATTEN, NEW YORK IN 1955. MOVED TO MIAMI IN 1960 . LIVED AND WORKED IN NORTH MIAMI BEACH FOR 37 YEARS. MARRIED WITH TWO CHILDREN.

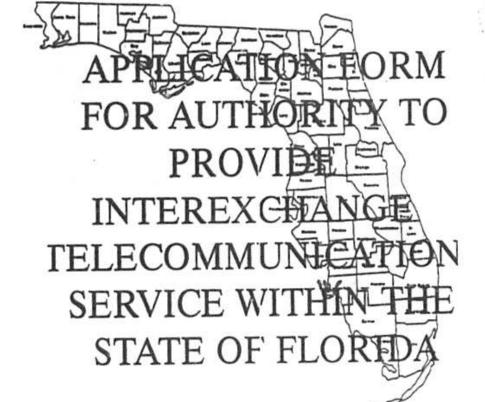
HOBBIES INCLUDE MUSIC, TENNIS, AND READING.

DEPOSIT

DATE

D634 P

OCT 15 1997



GARY GRUENBERG SYLVIE H. GRUENBERG 1861

DATE 10 1397

FLATUBLIC SERVICE COMMISSION

\$ 850.00

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DOLLARS THE

REAT WESTERN BANK

MEMO (XC Application Fee

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FPSC-RECURUS/REP