

REQUEST TO ESTABLISH DOCKET
(PLEASE TYPE)

Date: December 3, 1997

Docket No. 971569-TI

1. Division Name/Staff Name: Commissioner Strong

2. OPR: Strong

3. OCR: _____

4. Suggested Docket Title: Application for certificate to provide
interexchange telecommunications service by National
Telecom, Inc.

5. Suggested Docket Mailing List (attach separate sheet if necessary)

- A. Provide NAMES ONLY for regulated companies or ACRONYMS ONLY regulated industries, as shown in Rule 23-22.104, F.A.C.
- B. Provide COMPLETE name and address for all others. (Do not abbreviate or aliases.)

1. Parties and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. Interested Persons and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

6. Check one:
 Documentation is attached.
 Documentation will be provided with the recommendation.

DOCUMENT NO
1220-97
12-1-97

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

Also Admitted in New York
and Maryland

Telephone: (770) 232-9200
Facsimile: (770) 232-9208

November 25, 1997

VIA OVERNIGHT DELIVERY

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Bldg.
Tallahassee, Florida 32399-0850

Re: National Telecom, Inc.

Dear Sir/Madam:

Enclosed please find one original and twelve (12) copies of National Telecom, Inc.'s Application for Authority to Provide Interexchange Telecommunications Service Within the State of Florida, along with an original and twelve (12) copies of National Telecom, Inc.'s proposed tariff.

National Telecom, Inc. 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 National Telecom, Inc.'s stated financial capability, attached to its application is a copy of the Company's Balance Sheet as of November 20, 1997. As a switchless reseller, National Telecom, Inc. does not intend to make a capital investment to provide service in the State of Florida, however, National Telecom, Inc. intends to fund the provision of service through internally generated cash flow, and to the extent necessary, from cash contributions from its principals. National Telecom, Inc. also has the ability to borrow funds, if required, based upon its financial capabilities. Since the company is a start-up, I have also enclosed pro forma financial information for the first 3 years of operation.

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.

RECEIVED

DEC 01 1997

CMU

971569-TI



Florida Public Service Commission

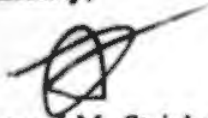
November 25, 1997

Page 2

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

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

Sincerely,

A handwritten signature in black ink, appearing to be "Lance J.M. Steinhart", written over a faint rectangular box.

Lance J.M. Steinhart, Esq.
Attorney for National Telecom, Inc.

Enclosures

cc: Thomas Mitchell
LJS/lmb

**** 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 twelve (12) 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

FORM PSC/CMU 31 (11/91)

Required by Commission Rule Nos. 25-24.471, 25-24.473, 25-24.480(2)

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. 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.
- 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

3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship:

National Telecom, Inc.

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):

**2235 East Flamingo Road, Suite 405
Las Vegas, Nevada 89119**

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

None.

7. 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, _____ | |

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 620.160 FS), if applicable.

(b) Indicate if the individual or any of the partners have previously been:

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

No.

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

No.

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: _____

Applicant has applied to the Secretary of State and will file evidence of qualification upon receipt.

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

**Richard A. Murdoch, Esq.
980 N. Federal Highway, Suite 410
Boca Raton, Florida 33432**

- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number: _____

- (d) 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.

Yes. Tom Mitchell, officer/director/shareholder, filed a personal bankruptcy which was discharged in 1996.

- (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.

No.

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

- (a) The application;

**Lance J.M. Steinhart
6455 East Johns Crossing, Suite 285
Duluth, GA 30097
770-232-9200**

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

Thomas Mitchell
National Telecom, Inc.
2235 East Flamingo Road, Suite 405
Las Vegas, Nevada 89119
702-735-1578

- (c) Tariff:

Lance J.M. Steinhart
6455 East Johns Crossing, Suite 285
Duluth, GA 30097
770-232-9200

- (d) Complaints/Inquiries from customers:

Thomas Mitchell
National Telecom, Inc.
2235 East Flamingo Road, Suite 405
Las Vegas, Nevada 89119
888-736-7939

11. List the state in which the applicant:

- (a) Has operated as an interexchange carrier.

None.

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

Applicant is in the process of filing Applications in the 48 contiguous states and Hawaii.

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

None.

- (d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.

None.

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

None.

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

None.

12. What services will the applicant offer to other certificated telephone companies:

- | | |
|---|------------------------------------|
| <input type="checkbox"/> Facilities | <input type="checkbox"/> Operators |
| <input type="checkbox"/> Billing and Collection | <input type="checkbox"/> Sales |
| <input type="checkbox"/> Maintenance | |
| <input type="checkbox"/> Other: _____ | |

None.

13. Do you have a marketing program?

Yes.

14. Will your marketing program:

- Pay commissions?
 Offer sales franchises?
 Offer multi-level sales incentives?
 Offer other sales incentives?

15. Explain any of the offers checked in question 14 (To whom, what amount, type of franchise, etc.).

Applicant will pay commissions to sales representatives.

16. Who will receive the bills for your service (Check all that apply)?

- | | |
|---|--|
| <input checked="" type="checkbox"/> Residential customers | <input checked="" type="checkbox"/> Business customers |
| <input type="checkbox"/> PATS providers | <input type="checkbox"/> PATS station end-users |
| <input type="checkbox"/> Hotels & motels | <input type="checkbox"/> Hotel & motel guests |
| <input type="checkbox"/> Universities | <input type="checkbox"/> Univ. dormitory residents |
| <input type="checkbox"/> 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?

Applicant's name and toll free number will appear on all end-users' bills.

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

Billing will be provided by the Customers' local exchange carrier.

18. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.482 (example enclosed).
19. The applicant will provide the following interexchange carrier services (Check all that apply):

- MTS with distance sensitive per minute rates
 - Method of access is FGA
 - Method of access is FGB
 - Method of access is FGD
 - Method of access is 800

- MTS with route specific rates per minute
 - Method of access is FGA
 - Method of access is FGB
 - Method of access is FGD
 - Method of access is 800

- MTS with statewide flat rates per minute (i.e. not distance sensitive)
 - Method of access is FGA
 - Method of access is FGB
 - Method of access is FGD
 - Method of access is 800

- MTS for pay telephone service providers

- Block-of-time calling plan (Reach out Florida, Ring America, etc.)

- 800 Service (Toll free)

- WATS type service (Bulk or volume discount)
 - Method of access is via dedicated facilities
 - Method of access is via switched facilities

- Private Line services (Channel Services)
(For ex. 1.544 mba., DS-3, etc.)

- Travel Service**
 Method of access is 950
 Method of access is 800
- 900 service**
- Operator Services**
 Available to presubscribed customers
 Available to non presubscribed customers (for example to patrons of hotels, students in universities, patients in hospitals)
 Available to inmates

Services included are:

- Station assistance
 Person to Person assistance
 Directory assistance
 Operator verify and interrupt
 Conference Calling

20. What does the end user dial for each of the interexchange carrier services that were checked in services included (above).

1 + area code + number or 1-800-XXX-XXXX

21. **Other:**
- A. See attached Balance Sheet as of November 20, 1997 and Pro Forma Financial Information for first 3 years of operations.
- B. See attached resumes of Applicant's key employees.
- C. Applicant will use the network services of its underlying carrier to provide services to customer in the State of Florida.

ATTACHMENTS:

- A - CERTIFICATE TRANSFER STATEMENT
 B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS
 C - INTRASTATE NETWORK
 APPLICANT ACKNOWLEDGMENT STATEMENT
 D - FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES
 E - GLOSSARY

**** 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):

- (X) 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:

Thomas Mitchell

11/24/97
Date

Thomas Mitchell

President
Title

702-735-1578
Telephone No

**** 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.
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:** 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 AAV 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.

UTILITY OFFICIAL:

Thomas Mitchell

Signature

11/24/97
Date

Thomas Mitchell

President
Title

702-735-1578
Telephone No.

LIST OF ATTACHMENTS

PROPOSED TARIFF

FINANCIAL INFORMATION

MANAGEMENT INFORMATION

PROPOSED TARIFF

TITLE SHEETFLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by National Telecom, Inc. ("NTI"), with principal offices at 2235 East Flamingo Road, Suite 404, Las Vegas, Nevada 89119. This tariff applies for telecommunications services furnished within the State of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

Issued: November 26, 1997

Effective:

By:

Thomas Mitchell, President

National Telecom, Inc.

2235 East Flamingo Road, Suite 404

Las Vegas, Nevada 89119

CONCURRING, CONNECTING OR
OTHER PARTICIPATING CARRIERS AND
BILLING AGENTS

1. Concurring Carriers - None
2. Connecting Carriers - None
3. Other Participating Carriers - None
4. Billing Agents - None

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Effective:

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National Telecom, Inc.

2235 East Flamingo Road, Suite 404
Las Vegas, Nevada 89119

CHECK SHEET

Sheets 1 through 32 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom right-hand side of this sheet.

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2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original
25	Original
26	Original
27	Original
28	Original
29	Original
30	Original
31	Original
32	Original

* Original or Revised Sheet Included in the most recent tariff filing

Issued: November 26, 1997

Effective:

By:

Thomas Mitchell, President
National Telecom, Inc.

2235 East Flamingo Road, Suite 404
Las Vegas, Nevada 89119

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Thomas Mitchell, President

National Telecom, Inc.

2235 East Flamingo Road, Suite 404

Las Vegas, Nevada 89119

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SYMBOLS

The following are the only symbols used for the purposes indicated below:

- D - Delete or Discontinue
- I - Change Resulting In An
Increase to A Customer's Bill
- M - Moved from Another Tariff Location
- N - New
- R - Change Resulting In A
Reduction to A Customer's Bill
- T - Change in Text or Regulation
But No Change In Rate or Charge

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National Telecom, Inc.

2235 East Flamingo Road, Suite 404
Las Vegas, Nevada 89119

TARIFF FORMAT

A. Sheet Numbering: Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between pages 11 and 12 would be page 11.1.

B. Sheet Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current page version on file with the Commission. For example, 4th Revised Sheet 13 cancels 3rd Revised Sheet 13. Consult the Check Sheet for the sheets currently in effect.

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

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

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

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to NTI's location or switching center.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable NTI to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

Commission - Used throughout this tariff to mean the Florida Public Service Commission.

Customer - The person, firm, corporation or other legal entity which orders the services of NTI or purchases a NTI Prepaid Calling Card and/or originates prepaid calls using such cards, and is responsible for the payment of charges and for compliance with the Company's tariff regulations.

Company or NTI - Used throughout this tariff to mean National Telecom, Inc., a Nevada corporation.

Holiday - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

Prepaid Account - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card.

Prepaid Calling Card - A card issued by the Company, containing an Authorization Code which identifies a specific Prepaid Account of Telecom Units, which enables calls to be processed, account activity to be logged, and balances to be maintained, on a prepayment basis.

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Telecom Unit - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of Florida.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

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SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of the Company**

This tariff contains the regulations and rates applicable to intrastate resale telecommunications services provided by NTI for telecommunications between points within the State of Florida. Resale services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff in compliance with limitations set forth in the Commission's rules. The Company's services are provided on a statewide basis and are not intended to be limited geographically. The Company offers service to all those who desire to purchase service from the Company consistent with all of the provisions of this tariff. Customers interested in the Company's services shall file a service application with the Company which fully identifies the Customer, the services requested and other information requested by the Company. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Customer, to allow connection of a Customer's location to a service provided by the Company. The Customer shall be responsible for all charges due for such service arrangement. The Company does not own any switching, transmission or other physical facilities in Florida.

- 2.1.1 The services provided by NTI are not part of a joint undertaking with any other entity providing telecommunications channels, facilities, or services, but may involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers subject to the jurisdiction of this Commission.

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- 2.1.2 The rates and regulations contained in this tariff apply only to the resale services furnished by NTI and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carriers for use in accessing the services of NTI.
- 2.1.3 The Company reserves the right to limit the length of communications, to discontinue furnishing services, or limit the use of service necessitated by conditions beyond its control, including, without limitation: lack of satellite or other transmission medium capacity; the revision, alteration or repricing of the Underlying Carrier's tariffed offerings; or when the use of service becomes or is in violation of the law or the provisions of this tariff.

2.2 Use and Limitations of Services

- 2.2.1 NTI's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of NTI's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- 2.2.3 The use of NTI's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.

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Effective:

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- 2.2.4 NTI's services are available for use twenty-four hours per day, seven days per week.
- 2.2.5 NTI does not transmit messages, but the services may be used for that purpose.
- 2.2.6 NTI's services may be denied for nonpayment of charges or for other violations of this tariff.
- 2.2.7 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.2.8 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

2.3 Liability of the Company

- 2.3.1 The Company shall not be liable for any claim, loss, expense or damage for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by the Underlying Carrier, an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.3.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.
- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.

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Effective:

By:

Thomas Mitchell, President

National Telecom, Inc.

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- 2.3.4 The Company's liability for damages, resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors, or other defects or misrepresentations shall not exceed an amount equal to the charges provided for under this tariff for the long distance call for the period during which the call was affected. No other liability in any event shall attach to the Company.
- 2.3.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others.
- 2.3.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.
- 2.3.7 The remedies set forth herein are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

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2.4 Responsibilities of the Customer

- 2.4.1 The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.
- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by NTI on the Customer's behalf.
- 2.4.3 If required for the provision of NTI's services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to NTI.
- 2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to NTI and the Customer when required for NTI personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of NTI's services.
- 2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of NTI's equipment to be maintained within the range normally provided for the operation of microcomputers.
- 2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with NTI's facilities or services, that the signals emitted into NTI's network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not

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Section 2.4.6 Continued

damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, NTI will permit such equipment to be connected with its channels without the use of protective interface devices. If the Customer fails to maintain the equipment and/or the system properly, with resulting imminent harm to NTI equipment, personnel or the quality of service to other Customers, NTI may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, NTI may, upon written notice, terminate the Customer's service.

- 2.4.7 The Customer must pay NTI for replacement or repair of damage to the equipment or facilities of NTI caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.
- 2.4.8 The Customer must pay for the loss through theft of any NTI equipment installed at Customer's premises.
- 2.4.9 If NTI installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.
- 2.4.10 The Customer must use the services offered in this tariff in a manner consistent with the terms of this tariff and the policies and regulations of all state, federal and local authorities having jurisdiction over the service.

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2.5 Cancellation or Interruption of Services

- 2.5.1** Without incurring liability, upon five (5) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, NTI may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:
- 2.5.1.A** For nonpayment of any sum due NTI for more than thirty (30) days after issuance of the bill for the amount due,
- 2.5.1.B** For violation of any of the provisions of this tariff,
- 2.5.1.C** For violation of any law, rule, regulation, policy of any governing authority having jurisdiction over NTI's services, or
- 2.5.1.D** By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting NTI from furnishing its services.
- 2.5.2** Without incurring liability, NTI may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of Customer and NTI's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.

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- 2.5.3 Service may be discontinued by NTI without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges, or by blocking calls using certain Customer authorization codes, when NTI deems it necessary to take such action to prevent unlawful use of its service. NTI will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new authorization code to replace the one that has been deactivated.
- 2.5.4 The Customer may terminate service upon thirty (30) days written notice for the Company's standard month to month contract. Customer will be liable for all usage on any of the Company's service offerings until the Customer actually leaves the service. Customers will continue to have Company usage until the Customer notifies its local exchange carrier and changes its long distance carrier. Until the Customer so notifies its local exchange carrier, it shall continue to generate and be responsible for long distance usage.

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2.6 Credit Allowance - Interruption of Service

- 2.6.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence of the Customer, or to the failure of channels or equipment provided by the Customer, are subject to the general liability provisions set forth in 2.3 herein. It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission by the Customer within his control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's facilities.
- 2.6.2 No credit is allowed in the event that service must be interrupted in order to provide routine service quality or related investigations.
- 2.6.3 Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company or in the event that the Company is entitled to a credit for the failure of the facilities of the Company's Underlying Carrier used to furnish service.
- 2.6.4 Credit for interruption shall commence after the Customer notifies the Company of the interruption or when the Company becomes aware thereof, and ceases when service has been restored.
- 2.6.5 For purposes of credit computation, every month shall be considered to have 720 hours.

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2.6.6 No credit shall be allowed for an interruption of a continuous duration of less than two hours.

2.6.7 The Customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" - outage time in hours

"B" - monthly charge for affected activity

2.7 Deposit

The Company does not require deposits.

2.8 Advance Payments

The Company does require advance payments.

2.9 Payment and Billing

2.9.1 Service is provided and billed on a billing cycle basis, beginning on the date that service becomes effective. Billing is payable upon receipt.

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2.9.2 The customer is responsible for payment of all charges for services furnished to the Customer, as well as to all persons using the Customer's codes, exchange lines, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's Authorization Codes, subscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, subscribed exchange lines, or Authorization Codes will be billed to and must be paid by the Customer. Recurring charges and non-recurring charges are billed in advance. Charges based on actual usage during a month and any accrued interest will be billed monthly in arrears.

2.10 Collection Costs

In the event Company is required to initiate legal proceedings to collect any amounts due to Company for regulated or non-regulated services, equipment or facilities, or to enforce any judgment obtained against a Customer, or for the enforcement of any other provision of this tariff or applicable law, Customer shall, in addition to all amounts due, be liable to Company for all reasonable costs incurred by Company in such proceedings and enforcement actions, including reasonable attorneys' fees, collection agency fees or payments, and court costs. In any such proceeding, the amount of collection costs, including attorneys' fees, due to the Company, will be determined by the court.

2.11 Taxes

All federal, state and local taxes, assessments, surcharges, or fees, including sales taxes, use taxes, gross receipts taxes, and municipal utilities taxes, are billed as separate line items and are not included in the rates quoted herein, except as described for prepaid calling card service.

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2.12 Late Charge

A late fee will be charged on any past due balances.

2.13 Returned Check Charge

A fee will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.

2.14 Location of Service

The Company will provide service to Customers within the State of Florida.

2.15 Sale of Telecommunications Services to Uncertified IXCs Prohibited

Customers reselling or rebilling the Company's telecommunications services must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Commission.

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SECTION 3 - DESCRIPTION OF SERVICE**3.1 Computation of Charges**

3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the call. The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. All calls are measured in one minute increments. All calls are rounded up to the next whole increment.

3.1.2 Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of the call. The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V&H Coordinates Tape and Bell's NECA Tariff No. 4.

Formula:

$$\sqrt{\frac{(V1-V2)^2 + (H1-H2)^2}{10}}$$

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- 3.1.3 Timing begins when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. Recognition of answer supervision is the responsibility of the Underlying Carrier. Timing for each call ends when either party hangs up. NTI will not bill for uncompleted calls.

3.2 Customer Complaints and/or Billing Disputes

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

2235 East Flamingo Road, Suite 404
Las Vegas, Nevada 89119
(888) 736-7939

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3.2 Continued

Any objection to billed charges should be reported promptly to NTI or its billing agent. Subject to Section 2.10.3 of this tariff, adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. A Customer who is unable to resolve a billing dispute with the Company may contact the Commission by telephone at 1-800-342-3552 to intervene in the billing dispute.

3.3 Level of Service

A Customer can expect end to end network availability of not less than 99% at all times for all services.

3.4 Billing Entity Conditions

When billing functions on behalf of NTI or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply. NTI's name and toll-free telephone number will appear on the Customer's bill.

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3.5 Service Offerings**3.5.1 1+ Dialing**

The customer utilizes "1+" dialing, or "10XXX" dialing followed by "1 + ten digits" for interLATA calls, or dials "10XXX" followed by "1 + 7 digits" or "1 + 10 digits" for intraLATA calls.

3.5.2 Travel Cards.

The Customer utilizes an 11 digit "800" access number established by NTI to access a terminal. Upon receiving a voice prompt, the Customer uses push button dialing to enter an identification code assigned by the Company, followed by the ten digit number of the called party.

3.5.3 800 Service (Toll free).

This service is inbound calling only where an 800 or 888 number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility.

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3.5.4 NTI Prepaid Calling Cards.

This service permits use of NTI Prepaid Calling Cards for placing long distance calls. Customers may purchase NTI Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. NTI Prepaid Calling Cards are available at a variety of face values ranging from five dollars (\$5.00), in five dollar (\$5) increments. NTI Prepaid Calling Card service is accessed using the NTI toll-free number printed on the card. The caller is prompted by an automated voice response system to enter his/her Authorization Code, and then to enter the terminating telephone number. NTI's processor tracks the call duration on a real time basis to determine the number of Telecom Units consumed. The total consumed Telecom Units for each call, which includes applicable taxes, is deducted from the remaining Telecom Unit balance on the Customer's NTI Prepaid Calling Card.

All calls must be charged against an NTI Prepaid Calling Card that has a sufficient Telecom Unit balance. A Customer's call will be interrupted with an announcement when the balance is about to be depleted.

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3.5.4 Continued

In order to continue the call, the Customer can either call the toll-free number on the back of the NTI Prepaid Calling Card and "recharge" the balance on the card using a nationally recognized credit card, or the Customer can throw the card away and purchase a new one. Calls in progress will be terminated by the Company if the balance on the NTI Prepaid Calling Card is insufficient to continue the call and the Customer fails to enter the number of another valid NTI Prepaid Calling Card prior to termination.

A card will expire 12 months from the date of purchase, or the date of the last recharge, whichever is later.

A credit allowance for NTI Prepaid Calling Card Service is applicable to calls that are interrupted due to poor transmission, one-way transmission, or involuntary disconnection of a call. A Customer may also be granted credit for reaching a wrong number. To receive the proper credit, the Customer must notify the Company at the designated toll-free customer service number printed on the NTI Prepaid Calling Card and furnish the called number, the trouble experienced (e.g. cut-off, noisy circuit, reached wrong number, etc.), and the approximate time that the call was placed.

When a call charged to an NTI Prepaid Calling Card is interrupted due to cut-off, one-way transmission, or poor transmission conditions, the Customer will receive a credit equivalent of one Telecom Unit.

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Section 3.5.4 Continued

Credit allowances for calls pursuant to NTI Prepaid Card Service do not apply for interruptions not reported within one week to the Company or interruptions that are due to the failure of power, equipment or systems not provided by the Company.

Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company.

The Company will block all calls beginning with the NPA "900" and NXX "976" calls, therefore such calls can not be completed.

3.5.5 Local Calls and Directory Assistance.

Local calls will not be accepted or completed. NTI does not provide local directory assistance. Access to long distance directory assistance is obtained by dialing 1 + 555-1212 for listings within the originating area code and 1 + (area code) + 555-1212 for other listings. When more than one number is requested in a single call, a charge will be applicable for each number requested, whether or not the number is listed or published.

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3.5.6 Reserved for Future Use.

3.5.7 Emergency Call Handling Procedures

Emergency "911" calls are not routed to company, but are completed through the local network at no charge.

3.5.8 Promotional Offerings

The Company may offer approved special promotions of new or existing services or products for limited time periods as approved by the Commission. These promotions will include specific tariffed starting and ending dates. All such promotions will be offered on a completely non-discriminatory basis. All such tariffed promotions must be approved by the Commission and must state exactly what charges are being reduced or waived, who is eligible, and what Customers have to do to be eligible.

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SECTION 4 - RATES

4.1 1+ Dialing

\$0.219 per minute

A monthly service charge of \$5.00 will apply per billing telephone number.

4.2 Travel Cards

\$0.249 per minute

A per call charge of \$.35 will apply for all calls originated from a payphone.

4.3 800 Service (Toll Free)

\$0.219 per minute

A monthly service charge of \$10.00 will apply per toll-free number.

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4.4 Prepaid Calling Cards

Prepaid Calling Cards are available in various Telecom Unit denominations. Prepaid Calling Cards may be recharged in \$1 increments (min. \$5). Prices are inclusive of all taxes.

Price Per Telecom Unit

\$.30

Cards will be decremented by one Telecom Unit for each minute or fractional part of a minute for intrastate calls. These rates apply twenty-four hours per day, seven days per week.

4.5 Directory Assistance

\$.75 per phone number provided from a directory assistance call.

4.6 Returned Check Charge

\$20.00 per check

4.7 Rate Periods

	Monday - Friday	Sat.	Sun.
8 a.m. to 5 p.m.*	Daytime Rate Period		
5 p.m. to 11 p.m.*	Evening Rate Period		Evening Rate Period
11 p.m. to 8 a.m.*	Night/Weekend Rate Period		

* To, but not including
When a message spans more than one rate period, total charges for the minutes in each rate period are calculated and the results for each rate period are totaled to obtain the total message charge. If the calculation results in a fractional charge, the amount will be rounded down to the lower cent.

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4.8 Rates Applicable for Hearing/Speech Impaired Persons

For intrastate toll messages which are communicated using a telecommunications device for the deaf (TDD) by properly certified business establishments or individuals equipped with TDDs for communications with hearing or speech impaired persons, the rates shall be evening rates for daytime calls and night rates for evening and night calls.

Intrastate toll calls received from the relay service, each local exchange and interexchange telecommunications company billing relay call will be discounted by 50 percent of the applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call will be discounted 60 percent off the applicable rate for voice nonrelay calls.

Florida Public Service Commission Rules and Regulations require the Company to provide the first 50 directory assistance calls initiated per billing cycle by handicapped persons free of charge.

4.9 Employee Concessions

The Company does not offer employee concessions.

4.10 Late Charge

1.5% monthly or the amount otherwise authorized by law, whichever is lower.

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FINANCIAL INFORMATION

NATIONAL TELECOM, INC.
FINANCIAL STATEMENTS
WITH ACCOUNTANTS' COMPILATION REPORT
November 20, 1997

Raynes, Houldsworth and Company

CERTIFIED PUBLIC ACCOUNTANTS
CLARK-WASHOE BUILDING, SUITE 1
500 SOUTH THIRD STREET
LAS VEGAS, NEVADA 89101
(702) 386-2888
FAX (702) 384-0433

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
National Telecom, Inc.
Las Vegas, Nevada

We have compiled the accompanying balance sheet of National Telecom, Inc. as of November 20, 1997, 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.

Raynes Houldsworth & Company

November 21, 1997

NATIONAL TELECOM, INC.

BALANCE SHEET

November 20, 1997

ASSETS

CURRENT ASSETS

Cash	\$100,000
------	-----------

PROPERTY AND EQUIPMENT	8,000
------------------------	-------

OTHER ASSETS	<u>1,000</u>
--------------	--------------

	<u>\$109,000</u>
--	------------------

SHAREHOLDERS' EQUITY

SHAREHOLDERS' EQUITY

Common stock - no par value authorized, issued and outstanding; 2,500 shares	<u>\$109,000</u>
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See accompanying accountants' compilation report.

NATIONAL TELECOM, INC.**NOTES TO THE FINANCIAL STATEMENTS**

November 20, 1997

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and nature of business - National Telecom, Inc. (the Company) a corporation, is in the process of being licensed in various states to be a long distance reseller across the United States.

Property and equipment are carried at cost. Depreciation of property and equipment is provided using an accelerated method. Gains or losses on disposals are recognized in the period incurred. Renewals and betterments that materially extend the life of the assets are capitalized.

NOTE 2. CONCENTRATION OF CASH ON DEPOSIT

The Company has concentrated its credit risk for cash by maintaining deposits in a financial institution in excess of amounts covered by insurance provided by the Federal Deposit Insurance Corporation (FDIC). The Company has experienced no losses in such accounts and believes its exposure to loss is minimal.

REPORT #3

SALES

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
New Anis	1,500	1,500	1,500	2,000	2,000	2,000	2,000	3,000	4,000
Prev. Anis -18%		1,230	2,230	3,088	4,154	5,046	5,778	6,378	7,880
Net Anis	1,500	2,730	3,730	5,088	6,154	7,046	7,778	9,378	11,880
Billing of Anis @15.00	\$ 22,500.00	\$ 40,950.00	\$ 55,950.00	\$ 75,984.78	\$ 92,308.00	\$ 105,692.17	\$ 116,667.58	\$ 140,667.00	\$ 175,347.28
MRC @ \$5.00 Per Customer	\$ 3,750.00	\$ 6,825.00	\$ 9,345.00	\$ 12,685.00	\$ 15,385.00	\$ 17,615.00	\$ 19,445.00	\$ 23,445.00	\$ 29,225.00
# of Customers @ Ave. 2 Anis	750	1,365	1,869	2,533	3,077	3,523	3,889	4,689	5,945
Total Billing Revenue	\$ 26,250.00	\$ 47,775.00	\$ 65,295.00	\$ 88,669.78	\$ 107,693.00	\$ 123,307.17	\$ 136,112.58	\$ 164,112.00	\$ 204,572.28

COST OF MARKETING

Cost of New Anis @ \$14.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 42,000.00	\$ 56,000.00
Verification Cost @ \$1.75 Per	\$ 2,625.00	\$ 2,625.00	\$ 2,625.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 5,250.00	\$ 7,000.00
Total Marketing Cost	\$ 23,625.00	\$ 23,625.00	\$ 23,625.00	\$ 31,500.00	\$ 31,500.00	\$ 31,500.00	\$ 31,500.00	\$ 47,250.00	\$ 63,000.00

BILLING COST

Network Cost @ 46% of Billing = \$1.19	\$ 10,350.00	\$ 18,837.00	\$ 25,796.34	\$ 34,953.00	\$ 42,461.66	\$ 48,618.40	\$ 53,667.09	\$ 64,706.82	\$ 80,659.75
Billing cost @ 16% of Billing	\$ 3,600.00	\$ 6,552.00	\$ 8,972.84	\$ 12,157.58	\$ 14,789.28	\$ 16,910.75	\$ 18,688.81	\$ 22,506.72	\$ 28,055.58
Investor payback @ 1.6% monthly	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00
Total Billing Cost	\$ 15,550.00	\$ 26,989.00	\$ 36,369.18	\$ 48,710.58	\$ 58,850.94	\$ 67,129.14	\$ 73,955.90	\$ 88,813.54	\$ 110,315.31
Total Marketing & Billing Cost	\$ 39,175.00	\$ 50,614.00	\$ 60,034.18	\$ 80,210.58	\$ 90,330.94	\$ 98,629.14	\$ 105,433.90	\$ 136,063.54	\$ 173,315.31
Total Gross Income	\$ (12,925.00)	\$ (2,839.00)	\$ (4,739.18)	\$ (4,438.22)	\$ 17,362.06	\$ 24,678.02	\$ 38,678.68	\$ 28,048.46	\$ 31,256.97

OPERATING EXPENSES

Office	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Phones	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Cars	\$ 10,000.00	\$ 6,500.00	\$ 6,300.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Legal & Accounting	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,000.00
Supplies	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,000.00
Officer Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consulting Fee	\$ 10,000.00	\$ -	\$ -	\$ -	\$ 8,000.00	\$ 8,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00

Total Operating Expenses	\$ 28,000.00	\$ 14,500.00	\$ 14,500.00	\$ 8,000.00	\$ 14,000.00	\$ 16,000.00	\$ 20,000.00	\$ 20,000.00	\$ 21,000.00
Total Marketing & Operation Cost	\$ 51,625.00	\$ 38,125.00	\$ 38,125.00	\$ 39,500.00	\$ 45,500.00	\$ 47,500.00	\$ 51,500.00	\$ 67,250.00	\$ 84,000.00
Total Operating Profit w/ Factoring	\$ (48,825.00)	\$ (17,339.00)	\$ (8,608.00)	\$ 439.22	\$ 3,362.06	\$ 8,678.02	\$ 18,678.68	\$ 8,648.46	\$ 10,256.97
Total Marketing, Billing & Operating Expenses (No Factoring)	\$ (67,175.00)	\$ (65,114.00)	\$ (74,493.00)	\$ (P ⁿ 210.56)	\$ (104,330.96)	\$ (114,629.14)	\$ (125,433.90)	\$ (156,063.54)	\$ (194,315.31)
Accumulative Total Operating Profit	\$ (48,825.00)	\$ (86,264.00)	\$ (87,333.00)	\$ (86,894.78)	\$ (83,532.72)	\$ (54,854.70)	\$ (44,176.02)	\$ (38,127.56)	\$ (25,870.00)
Cash Flow	(\$67,175.00)	(\$132,289.00)	(\$106,039.00)	(\$40,435.56)	\$ (38,908.98)	\$ (25,979.36)	\$ (17,740.90)	\$ (32,758.37)	\$ (58,202.74)

REPORT #3

Month 10	Month 11	Month 12	Total 1st Year
6,000	6,000	6,000	37,500
9,586	12,780	15,400	
15,586	18,780	21,400	21,400
\$ 233,786.00	\$ 281,783.81	\$ 328,887.68	\$ 1,842,881.31
\$ 38,985.00	\$ 48,950.00	\$ 53,500.00	\$ 277,115.00
7,793	9,380	10,700	10,700
\$ 272,790.00	\$ 320,663.81	\$ 374,487.68	\$ 1,838,766.31
\$ 84,000.00	\$ 84,000.00	\$ 84,000.00	\$ 525,000.00
\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 65,625.00
\$ 94,500.00	\$ 94,500.00	\$ 94,500.00	\$ 590,625.00
\$ 107,541.10	\$ 129,583.81	\$ 147,858.62	\$ 764,833.40
\$ 37,405.80	\$ 45,872.58	\$ 51,358.52	\$ 288,029.01
\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 18,200.00
\$ 148,546.70	\$ 176,256.18	\$ 200,818.14	\$ 1,050,062.41
\$ 241,046.70	\$ 270,756.18	\$ 295,118.14	\$ 1,640,887.41
\$ 31,783.30	\$ 97,887.33	\$ 78,378.88	\$ 288,188.88
\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 24,000.00
\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00
\$ -	\$ -	\$ -	\$ 23,000.00
\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 49,500.00
\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 8,000.00
\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 8,000.00
\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 98,000.00
\$ -	\$ -	\$ -	\$ 10,000.00
\$ 25,500.00	\$ 25,500.00	\$ 25,500.00	\$ 232,500.00
\$ 128,000.00	\$ 128,000.00	\$ 128,000.00	\$ 823,125.00
\$ 6,283.30	\$ 32,387.33	\$ 53,878.88	\$ 88,888.88
\$ (288,546.70)	\$ (298,256.18)	\$ (32,118.14)	\$ 1,873,187.41
\$ (18,887.30)	\$ 12,738.84	\$ 88,888.88	
\$ (102,434.70)	\$ (91,883.90)	\$ (47,868.14)	

REPORT #3

	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21
SALES									
New Anis	6,000	8,000	8,000	8,500	9,000	9,000	9,000	9,000	10,000
Prev. Anis - 10%	17,548	17,548	20,949	23,738	26,435	29,057	31,207	32,970	34,415
Net Anis	23,548	25,548	28,949	32,238	35,435	38,057	40,207	41,970	44,415
Billing of Anis @ \$15.00	\$ 353,226.00	\$ 383,226.00	\$ 434,235.00	\$ 483,578.00	\$ 531,525.00	\$ 578,856.00	\$ 603,186.00	\$ 628,588.00	\$ 668,225.00
MRC @ \$5.00 Per Customer	\$ 58,870.00	\$ 63,870.00	\$ 72,375.00	\$ 80,595.00	\$ 88,590.00	\$ 95,145.00	\$ 100,520.00	\$ 104,925.00	\$ 111,040.00
# of Customers @ Ave. 2 Anis	11,774	12,774	14,475	16,119	17,718	19,029	20,104	20,985	22,208
Total Billing Revenue	\$ 412,096.00	\$ 447,096.00	\$ 506,610.00	\$ 564,173.00	\$ 620,115.00	\$ 674,001.00	\$ 703,706.00	\$ 733,513.00	\$ 779,265.00
COST OF MARKETING									
Cost of New Anis @ \$14.00	\$ 84,000.00	\$ 112,000.00	\$ 112,000.00	\$ 119,000.00	\$ 126,000.00	\$ 126,000.00	\$ 126,000.00	\$ 126,000.00	\$ 140,000.00
Verification Cost @ \$1.75 Per	\$ 10,500.00	\$ 14,000.00	\$ 14,000.00	\$ 14,875.00	\$ 15,750.00	\$ 15,750.00	\$ 15,750.00	\$ 15,750.00	\$ 17,500.00
Total Marketing Cost	\$ 94,500.00	\$ 126,000.00	\$ 126,000.00	\$ 133,875.00	\$ 141,750.00	\$ 141,750.00	\$ 141,750.00	\$ 141,750.00	\$ 157,500.00
BILLING COST									
Network Cost @ 40% of Billing = \$.199	\$ 162,481.20	\$ 176,281.20	\$ 199,748.10	\$ 222,442.20	\$ 244,501.50	\$ 262,593.30	\$ 277,428.30	\$ 289,593.00	\$ 306,463.50
Billing cost @ 16% of Billing	\$ 56,515.20	\$ 61,315.20	\$ 69,477.60	\$ 77,371.20	\$ 85,044.00	\$ 91,336.80	\$ 96,488.80	\$ 100,728.00	\$ 108,596.00
Investor payback @ 2.1% monthly	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00
Total Billing Cost	\$ 221,096.40	\$ 239,696.40	\$ 271,325.70	\$ 301,913.40	\$ 331,645.50	\$ 356,030.10	\$ 376,025.10	\$ 392,421.00	\$ 415,159.50
Total Marketing & Billing Cost	\$ 315,596.40	\$ 365,696.40	\$ 397,325.70	\$ 435,788.40	\$ 473,395.50	\$ 497,780.10	\$ 517,775.10	\$ 534,171.00	\$ 572,659.50
Total Gross Income	\$ 96,499.60	\$ 81,399.60	\$ 109,284.30	\$ 128,378.60	\$ 146,719.50	\$ 166,218.90	\$ 185,930.90	\$ 200,342.00	\$ 204,105.50
OPERATING EXPENSES									
Office	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Phones	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Certs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
Legal & Accounting	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Supplies	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Officer Salaries	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Consulting Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Expenses	\$ 31,000.00	\$ 31,000.00	\$ 41,000.00	\$ 41,000.00	\$ 41,000.00	\$ 42,000.00	\$ 52,000.00	\$ 52,000.00	\$ 52,000.00
Total Marketing & Operation Cost	\$ 125,500.00	\$ 157,000.00	\$ 167,000.00	\$ 174,875.00	\$ 182,750.00	\$ 183,750.00	\$ 183,750.00	\$ 183,750.00	\$ 200,500.00
Total Operating Profit w/ Factoring	\$ 65,493.60	\$ 58,399.60	\$ 68,284.30	\$ 87,378.60	\$ 105,719.50	\$ 126,218.90	\$ 133,930.90	\$ 148,394.00	\$ 152,605.50
Total Marketing, Billing & Operating Expenses (No Factoring)	\$ (346,596.40)	\$ (306,696.40)	\$ (438,325.70)	\$ (476,788.40)	\$ (514,395.50)	\$ (539,780.10)	\$ (589,775.10)	\$ (586,171.00)	\$ (624,659.50)
Accumulative Total Operating Profit	\$ 65,493.60	\$ 115,887.20	\$ 184,171.50	\$ 271,548.10	\$ 377,267.60	\$ 503,487.50	\$ 637,337.40	\$ 785,841.40	\$ 938,246.90
Cash Flow	\$ (17,942.89)	\$ (22,199.40)	\$ (26,235.70)	\$ (29,698.40)	\$ (7,785.50)	\$ 24,384.90	\$ 50,339.90	\$ 79,629.00	\$ 78,985.50

REPORT #3

Month 22	Month 23	Month 24	Total of 2nd year	Total 1st & 2nd Year
10,000	10,000	10,000	100,50	144,000
38,420	38,084	38,412		
46,420	46,084	46,412	49,412	70,812
\$ 886,308.00	\$ 728,888.00	\$ 741,188.00	\$ 8,813,848.00	\$ 8,476,628.31
\$ 116,050.00	\$ 120,180.00	\$ 123,530.00	\$ 1,135,870.00	\$ 1,412,785.00
23,210	24,032	24,706	24,706	24,706
\$ 812,358.00	\$ 841,128.00	\$ 864,710.00	\$ 7,949,815.00	\$ 8,889,411.31
\$ 140,000.00	\$ 140,000.00	\$ 140,000.00	\$ 1,481,000.00	\$ 2,016,000.00
\$ 17,500.00	\$ 17,500.00	\$ 17,500.00	\$ 188,375.00	\$ 252,000.00
\$ 157,500.00	\$ 157,500.00	\$ 157,500.00	\$ 1,677,375.00	\$ 2,268,000.00
\$ 320,298.00	\$ 331,841.80	\$ 340,942.80	\$ 3,134,414.70	\$ 3,808,248.10
\$ 111,408.00	\$ 115,363.80	\$ 118,588.80	\$ 1,090,231.20	\$ 1,398,260.21
\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 25,200.00	\$ 44,400.00
\$ 433,808.00	\$ 449,095.20	\$ 461,631.80	\$ 4,249,845.90	\$ 5,299,908.31
\$ 591,308.00	\$ 606,595.20	\$ 619,131.80	\$ 5,827,220.90	\$ 7,567,908.31
\$ 221,844.80	\$ 234,524.80	\$ 245,578.48	\$ 2,022,384.18	\$ 2,321,883.00
\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 24,000.00	\$ 48,000.00
\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00	\$ 24,000.00
\$ -	\$ -	\$ -	\$ -	\$ 23,000.00
\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 79,000.00	\$ 128,500.00
\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00	\$ 20,000.00
\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00	\$ 20,000.00
\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 400,000.00	\$ 488,000.00
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 52,000.00	\$ 52,000.00	\$ 52,000.00	\$ 538,000.00	\$ 771,500.00
\$ 208,500.00	\$ 208,500.00	\$ 208,500.00	\$ 2,218,375.00	\$ 3,038,500.00
\$ 189,844.80	\$ 182,524.80	\$ 183,578.48	\$ 1,483,384.18	\$ 1,596,883.00
\$ (643,308.00)	\$ (658,595.20)	\$ (671,131.80)	\$ 5,488,220.90	\$ 6,338,408.31
\$ 1,187,290.80	\$ 1,288,815.70	\$ 1,483,384.18		
\$ 91,169.00	\$ 118,668.80	\$ 141,218.40		

REPORT #3

SALES

	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32
New Anis	10,000	10,000	10,000	12,000	12,000	12,000	12,000	14,000
Prev. Anis - 18%	40,518	58,068	55,814	53,967	54,093	54,196	54,281	54,350
Net Anis	50,518	68,068	65,814	65,967	66,093	66,196	66,281	68,350
Billing of Anis @ \$15.00	\$ 757,778.00	\$ 1,028,990.00	\$ 987,216.00	\$ 989,585.00	\$ 991,395.00	\$ 992,949.00	\$ 994,215.00	\$ 1,025,298.00
MRC @ \$5.00 Per Customer	\$ 126,295.00	\$ 170,165.00	\$ 164,535.00	\$ 164,920.00	\$ 165,235.00	\$ 165,490.00	\$ 165,705.00	\$ 170,875.00
# of Customers @ Ave. 2 Anis	25,259	34,033	32,907	32,984	33,047	33,098	33,141	34,175
Total Billing Revenue	\$ 884,073.00	\$ 1,199,155.00	\$ 1,151,751.00	\$ 1,154,425.00	\$ 1,156,630.00	\$ 1,158,439.00	\$ 1,160,920.00	\$ 1,196,173.00

COST OF MARKETING

Cost of New Anis @ \$14.00	\$ 140,000.00	\$ 140,000.00	\$ 140,000.00	\$ 168,000.00	\$ 168,000.00	\$ 168,000.00	\$ 168,000.00	\$ 196,000.00
Verification Cost @ \$1.75 Per	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 24,500.00
Total Marketing Cost	\$ 157,500.00	\$ 157,500.00	\$ 157,500.00	\$ 189,000.00	\$ 189,000.00	\$ 189,000.00	\$ 189,000.00	\$ 220,500.00

BILLING COST

Network Cost @ 40% of Billing = \$1.90	\$ 348,574.20	\$ 480,655.40	\$ 454,116.60	\$ 455,172.30	\$ 456,041.70	\$ 456,752.40	\$ 457,338.90	\$ 471,615.00
Billing cost @ 10% of Billing	\$ 121,243.20	\$ 163,358.40	\$ 157,953.60	\$ 153,320.60	\$ 156,623.20	\$ 156,870.40	\$ 158,074.40	\$ 164,040.00
Total Billing Cost	\$ 469,817.40	\$ 644,013.80	\$ 612,070.20	\$ 608,492.90	\$ 612,664.90	\$ 613,622.80	\$ 615,413.30	\$ 635,655.00
Total Marketing & Billing Cost	\$ 627,317.40	\$ 801,513.80	\$ 769,570.20	\$ 766,985.80	\$ 775,329.80	\$ 777,645.60	\$ 780,827.20	\$ 820,155.00
Total Gross Income	\$ 256,747.60	\$ 397,641.20	\$ 389,680.80	\$ 387,932.10	\$ 384,265.10	\$ 384,793.40	\$ 385,092.70	\$ 375,518.00

OPERATING EXPENSES

Office	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Phones	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Cars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Legal & Accounting	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Supplies	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Officer Salaries	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
Consulting Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Expenses	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00
Total Marketing & Operation Cost	\$ 213,500.00	\$ 213,500.00	\$ 213,500.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	\$ 276,500.00
Total Operating Profit w/ Factoring	\$ 299,747.60	\$ 344,141.20	\$ 306,174.80	\$ 279,931.80	\$ 278,265.10	\$ 277,793.40	\$ 278,592.70	\$ 269,018.00
Total Marketing, Billing & Operating Expenses (No Factoring)	\$ (663,317.40)	\$ (846,513.80)	\$ (845,570.20)	\$ (878,493.10)	\$ (879,664.90)	\$ (880,622.80)	\$ (881,413.30)	\$ (932,155.00)
Accumulative Total Operating Profit	\$ 299,747.60	\$ 545,388.80	\$ 851,963.60	\$ 1,127,495.50	\$ 1,404,460.60	\$ 1,682,267.80	\$ 1,960,774.50	\$ 2,224,744.50
Cash Flow	\$ 157,802.60	\$ 18,196.20	\$ 36,404.80	\$ 312,661.90	\$ 272,080.10	\$ 273,802.20	\$ 275,218.70	\$ 226,275.00

REPORT #3

	Month 33	Month 34	Month 35	Month 36	Total of 3rd Year	Total 1st, 2nd & 3rd Year
SALES						
New Anis	14,000	14,000	14,000	14,000	148,000	329,500
Prev. Anis -18%	58,047	57,439	58,580	59,51		
Net Anis	70,047	71,439	72,580	73,516	73,516	255,016
Billing of Anis @15.00	\$ 1,050,795.00	\$ 1,071,585.00	\$ 1,088,708.00	\$ 1,102,748.00	\$ 12,073,006.00	\$ 22,212,312.82
MRC @ \$5.00 Per Customer	\$ 175,120.00	\$ 178,601.00	\$ 181,450.00	\$ 183,790.00	\$ 2,012,180.00	\$ 3,702,000.00
# of Customers @ Ave. 2 Anis	35,024	35,720	36,290	36,758	33,758	36,758
Total Billing Revenue	\$ 1,225,825.00	\$ 1,250,185.00	\$ 1,270,158.00	\$ 1,286,538.00	\$ 14,085,186.00	\$ 25,914,382.82
COST OF MARKETING						
Cost of New Anis @ \$14.00	\$ 196,000.00	\$ 196,000.00	\$ 196,000.00	\$ 196,000.00	\$ 2,072,000.00	\$ 4,813,000.00
Verification Cost @ \$1.75 Per	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00	\$ 259,000.00	\$ 576,625.00
Total Marketing Cost	\$ 220,500.00	\$ 220,500.00	\$ 220,500.00	\$ 220,500.00	\$ 2,331,000.00	\$ 5,189,625.00
BILLING COST						
Network Cost @ 40% of Billing @4.100	\$ 483,321.30	\$ 482,929.10	\$ 500,802.00	\$ 507,280.40	\$ 5,553,582.30	\$ 10,217,663.81
Billing cost @ 18% of Billing	\$ 188,112.80	\$ 171,453.90	\$ 174,182.00	\$ 176,438.40	\$ 1,851,680.80	\$ 3,553,970.02
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,600.00
Total Billing Cost	\$ 651,437.10	\$ 654,382.70	\$ 674,994.00	\$ 683,698.80	\$ 7,485,263.10	\$ 13,835,233.82
Total Marketing & Billing Cost	\$ 871,937.10	\$ 884,882.70	\$ 885,494.00	\$ 904,198.80	\$ 9,816,263.10	\$ 19,024,858.82
Total Gross Income	\$ 383,887.90	\$ 385,302.30	\$ 374,668.00	\$ 382,331.20	\$ 4,268,921.90	\$ 6,889,533.80
OPERATING EXPENSES						
Office	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00	\$ 108,000.00
Phones	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 18,000.00	\$ 54,000.00
Certs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,000.00
Salaries	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 96,000.00	\$ 274,000.00
Legal & Accounting	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 18,000.00	\$ 48,000.00
Supplies	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 24,000.00	\$ 52,000.00
Officer Salaries	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 760,000.00	\$ 1,396,000.00
Consulting Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00
Total Operating Expenses	\$ 96,000.00	\$ 98,000.00	\$ 96,000.00	\$ 96,000.00	\$ 952,000.00	\$ 1,966,000.00
Total Marketing & Operation Cost	\$ 316,500.00	\$ 316,500.00	\$ 316,500.00	\$ 316,500.00	\$ 3,283,000.00	\$ 7,145,625.00
Total Operating Profit w/Factoring	\$ 257,887.90	\$ 289,302.30	\$ 278,668.00	\$ 288,331.20	\$ 3,316,921.90	\$ 4,833,533.88
Total Marketing, Billing & Operating Expenses (No Factoring)	\$ (987,937.10)	\$ (980,882.70)	\$ (991,494.00)	\$ (1,000,198.80)	\$ 10,768,283.10	\$ 20,980,858.82
Accumulative Total Operating Profit	\$ 2,482,832.40	\$ 2,751,934.76	\$ 3,030,590.76	\$ 3,316,921.90		
Cash Flow	\$ 191,982.90	\$ 215,242.30	\$ 234,331.00	\$ 249,986.20		

MANAGEMENT INFORMATION

THOMAS MITCHELL

17 Crown Valley Drive
Henderson, Nevada 89014

Home (702) 361-3608
Cellular (702) 493-3313

OBJECTIVE

Seeking a position as a Sales Manager or Sales Representative where my background, education, and expertise can be effectively utilized.

SUMMARY OF QUALIFICATIONS

- ◆ 20 years of strong and diverse sales work experience within the advertising and automotive industries.
- ◆ Consistently perform in the top 5% of sales and new account development. Sold over \$750K annually in new business. Consistently receive awards for top sales representative annually.
- ◆ Strong sales and marketing skills encompass cold calling, telemarketing, person-to-person sales, and outstanding closing techniques.
- ◆ Licensed Real Estate Agent in the state of Nevada. Familiar with all types of real estate sales including; time-sharing and club vacation packages.
- ◆ Excellent supervisory capabilities include: interviewing, hiring, and training; developing work schedules and assigning job duties; monitoring work performance and completing performance appraisals; handling disciplinary action; and motivating up to 15 sales representatives to promote high quality customer relations.
- ◆ Highly successful communication and interpersonal relations skills. Relate quickly and effectively to a wide range of individuals in a fast paced setting.
- ◆ Technical expertise in the use and operation of a variety of computer software programs including: Microsoft Works, Quicken, Peachtree, and more.
- ◆ Highly competitive, goal-oriented, and hardworking.

PROFESSIONAL EXPERIENCE

1995-1996 MITCHELL & ASSOCIATES, INC., LAS VEGAS, NEVADA

President & Sales Manager

- ▶ Developed and managed an advertising and telemarketing firm. Generated \$1.5 million in new account sales in one year.
- ▶ Supervised 15 sales representative. Responsibilities included: interviewing, hiring, and training, developing work schedules and assigning job duties; monitoring work performance and completing performance appraisals; handling disciplinary action; and motivating staff members to promote high quality customer relations.
- ▶ Coordinated contracts for services and products with outside contract services for payroll and advertising development.
- ▶ Monitored all communications equipment, environment, and systems, including periodic systems testing, made arrangements to accomplish necessary maintenance and repairs.
- ▶ Developed telemarketing scripts and trained sales representatives in successful

1992-1993

WESTMARK SYSTEMS, INC., LAS VEGAS, NEVADA

Sales Representative

- ▶ Sold advertising products to businesses nationwide.
- ▶ Developed new accounts, maintained and reactivated existing accounts through successful telemarketing efforts.
- ▶ Analyzed company needs and made recommendations to customer regarding advertising that would best suit their needs.
- ▶ Quoted prices, delivery dates, and payment terms.
- ▶ Excellent sales closing techniques.
- ▶ Entered customer information into sales database system including: name, address, purchases, and comments from customer. Completed order form, including delivery date and customer credit information. Confirmed order with credit, production, and shipping departments.
- ▶ Completed end of shift and activity reports for sales department. Maintained accurate and timely information.

1981-1993

LOGAN PARK ENTERPRISES, LAS VEGAS, NEVADA

Sales Representative

- ▶ Sold advertising to businesses and industrial establishments.
- ▶ Generated new accounts, maintained and reactivated existing accounts by coordinating telemarketing efforts.
- ▶ Analyzed company needs and made recommendations to customer regarding advertising that would best suit their needs.
- ▶ Followed up on quotations and services provided to customer.
- ▶ Provided excellent customer service on all accounts.
- ▶ Submitted weekly activity/call reports concerning customer-related activities.
- ▶ Consistently exceeded company sales goals.
- ▶ Received numerous awards and honors for top sales.

1977-1981

HANNA NISSAN, LAS VEGAS, NEVADA

Sales Representative

- ▶ Sold new and used automobiles, trucks, and vans to customers.
- ▶ Explained features and demonstrated vehicle operations in both the showroom and on the road.
- ▶ Suggested optional equipment for customer to purchase.
- ▶ Computed and quoted sales price including: tax, trade-in allowance, license fee, and discounts.
- ▶ Explained requirements for financing payment of vehicle on credit.
- ▶ Promoted outstanding customer relations.

MILITARY

UNITED STATES MARINE CORP

Sergeant

- ▶ Held a Top Secret Security Clearance Level. Received a variety of service medal awards and ribbons. Awarded an Honorable Discharge.

EDUCATION

REAL ESTATE SCHOOL OF NEVADA, LAS VEGAS, NEVADA

Licensed: Real Estate Agent

CITY COLLEGE, NEW YORK, NEW YORK

Robert D. Williamson
1716 Ivanhoe
Las Vegas, NV 89102
Phone : 702-385-6038

DOB : 6/15/49

Educational Background:

BS Accountancy 1971
Ferris State College - Big Rapids, MI

Work Experience:

Essex Wire Corp. Lafayette, In 1971-73 Assistant Plant Accountant
Hoffman Industries Spring Arbor, MI 1973-76 Assistant Controller
Canyon State Motor Lodge Tucson, AZ 1976-1980 Hotel Manager
D & E Enterprises Las Vegas, NV 1980-1982 Controller
Gerovicap Pharmaceutical Las Vegas, NV 1982-1995 Controller
Long Distance Resellers Las Vegas, NV 1996 - present