OPIRINAL

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF COMMUNICATIONS BUREAU OF SERVICE EVALUATION

971576.74

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 Boulevard 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



- 1. 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 cleaninghouse services to bill such calls.
 - (X) 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.
 - () **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.
- 2. This is an application for:

(X) 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.)
- 3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship:

Kenarl Inc.

Name under which the applicant will do business (fictitious name, etc.): 4.

Same. Kenarl will provide service to the Lake Wellington Professional Center.

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

12230 Forest Hill Boulevard, Suite 103

Wellington, Florida 33414

Telephone: (561) 793-5204; (561) 685-7578

Facsimile: (561) 793-8678

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

See #5 Above

- 7. Structure of organization:
 - () Individual
 - () Foreign Corporation
 - () General Partnership

(X) Corporation

() Foreign Partnership

() Limited Partnership

() Other,

8. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners.

Not applicable.

Provide proof of compliance with the foreign partnership statute (Chapter (a) 620.169 FS), if applicable.

Not applicable.

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

(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 the 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: P 920-0000-8954 (9)

- (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.

Not applicable.

Fictitious name registration number: Not Applicable

- (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.

No officer, director or stockholder of the Company has been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime. No officer, director or stockholder of the Company are involved in proceedings which may result in such action.

(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 the company, give reason why not.

No officer, director, partner or stockholder of the Company is an officer, director or stockholder in any other Florida certificated telephone company.

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

<u>Connie Wightman</u> <u>Consultant to</u> <u>Technologies Management. Inc.</u> <u>P.O. Drawer 200</u> <u>Winter Park. FL 32790-0200</u> (407) 740-8575 (FAX) 740-0613

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

Kenneth M. Adams. President Kenarl Inc. Lake Wellington Professional Center 12230 Forest Hill Boulevard. Suite 103 Wellington, Florida 33414 Telephone: (561) 793-5204; (561) 685-7578 Facsimile: (561) 793-8678

(c) Tariff:

<u>Connie Wightman</u> <u>Consultant to</u> <u>Technologies Management. Inc.</u> <u>P.O. Drawer 200</u> <u>Winter Park. FL 32790-0200</u> (407) 740-8575

(d) Complaints/Inquiries from customers:

Customer Service Manager See (b) above.

- 11. List the states in which the applicant:
 - (a) Has operated as an interexchange carrier.

None.

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

None.

(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 carrier or other telecommunications entity, and the circumstances involved.

<u>None</u>

- 12. What services will the applicant offer to other certified telephone companies:
 - () Facilities () Operators
 - () Billing and Collection () Sales
 - () Maintenance
 - (X) Other: None anticipated at this time
- 13. Do you have a marketing program?

No, sales will be handled by in-house personnel.

- 14. Will your marketing program:
 - () Pay commissions?
 - () Offer sales franchises?
 - () Offer multi-level sales incentives?
 - () Offer other sales incentives?

Sales will be handled by in-house personnel.

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

Not applicable.

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

() Residential custo	omers (X) Business customers
() PATS providers	() PATS station end-users
() Hotels & motels	() Hotel & motel guests
() Universities	() Univ. dormitory residents
(X) Other:(specify)	Tenants at Lake Wellington Professional Center

- 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?

Yes.

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

In-house billing only.

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

Regarding the showing of financial capability, the following applies:

The application <u>should contain</u> the applicant's financial statements for the most recent 3 years, including:

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

See Attachment III.

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

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

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FORM PSC/CMU 31 (11/95)
Required by Commission Rule Nos. 25-24.471, 25-24.473, and 25
24.480(2).
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2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.

3. 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 financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should <u>affirm that the financial statements are true</u> and correct.

B. Managerial capability.

See Attachment IV.

C. Technical capability.

As a reseller. Applicant relies on the technical expertise of its underlying carrier for maintenance of the network.

19. 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).

See Attachment II.

- 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

X MTS with statewide fiat rates per minute (i.e. not distance sensitive)

- Method of access is FGA
- Method of access is FGB
- X 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 mbps, 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, 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
- What does the end user dial for each of the interexchange carrier services that were checked in services included (above).

For direct dial services, the customer dials 1+ the destination number.

22. Other:

** APPLICANT ACKNOWLEDGMENT STATEMENT **

- REGULATORY ASSESSMENT FEE: I understand that all telephone companies must pay a regulatory assessment fee in the amount of <u>.15 of one percent</u> 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.
- 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.

7. 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 provided in 3. 775.082 and s. 775.083".

Hallan Pasident 11/20, UTILITY OFFICIAL: 84 Signature

Mr. Kenneth M. Adams Kenarl Inc. 12230 Forest Hill Boulevard, Suite 103 Wellington, FL 33414 Telephone: (561) 793-5204

APPENDICES:

A - CERTIFICATE TRANSFER STATEMENT

B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

C - INTRASTATE NETWORK

D - FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES

ATTACHMENTS:

I - AUTHORITY TO OPERATE IN FLORIDA

II - PROPOSED TARIFF

III - FINANCIAL STATEMENTS

IV - MANAGERIAL AND TECHNICAL CAPABILITIES

** APPENDIX A **

CERTIFICATE OF TRANSFER STATEMENT

I, (TYPE NAME)	,
	, of (NAME OF COMPANY)
	, and current holder
of certificate number	, have reviewed this application
and join in the petitioner's requ	est for a transfer of the above-mention
certificate.	

Not Applicable.

UTILITY OFFICIAL:

Signature

Date

Title

Telephone

** 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.)

Odan President 11/26/9 UTILITY OFFICIAL:

<u>Mr. Kenneth M. Adams</u> <u>Kenarl Inc.</u> <u>12230 Forest Hill Boulevard. Suite 103</u> <u>Wellington. FL 33414</u> <u>Telephone: (561) 793-5204</u> Facsimile: (561) 793-8678

** APPENDIX C **

INTRASTATE NETWORK

- 1. POP: Addresses where located, and indicate if owned or leased.
 - 1) None. 2)
 - 3) 4)
- 2. SWITCHES: Address where located, by type of switch and indicate if owned or leased.
 - 1) None 2)
 - (3) 4)
- 3. TRANSMISSION FACILITIES: POP-to-POP facilities by type of facilities (microwave, fiber copper, satellite, etc.) and indicate if owned or leased.
 - POP-to-POP TYPE OWNERSHIP
 - 1) None
 - 2)
 - 3)
- 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)

Statewide.

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).

Not applicable.

- CURRENT FLORIDA INTRASTATE SERVICES: Applicant has () or has not (X) 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 service begin?

Not applicable.

(b) If the services are not currently offered, when were they discontinued?

Not applicable.

Idan President 11/26/17 UTILITY OFFICIAL: Signature

Mr. Kenneth M. Adams Kenarl Inc. 12230 Forest Hill Boulevard. Suite 103 Wellington. FL 33414 Telephone: (561) 793-5204 Facsimile: (561) 793-8678

** 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.
GAINESVILLE :	Al achua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry and Waldo.
OCALA:	Belleview, Citra, Dunnellon, Forest Lady Lake (B21), McIntosh, Iklawaha, 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 Creet, 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.								

Kenarl Inc. intends to offer service in Wellington, Florida.

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

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ATTACHMENT I

AUTHORITY TO OPERATE IN FLORIDA

1:-



ARTMENT OF STATE

THE REAL PROPERTY IN STITE 1200

The AENARS INC. were filed on the AENARS INC. were filed on the stream tumper P9200008954. Please that we generate the stream this office.

oration annual report with the use this office between January 1 and May 1ystry. A Foders Financial Identification (FEI) number will be required to a set can be used. Finance apply NOW with the Internal Revenue is a set of the descent requesting form SS-4.

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Hatter Number: 592A00007347

MET THE OF INCORPORATION

OF

FEMARL, INC.

1 -

1

the undersigned incorporator, hereby make, acknowledge and a cness Achicles of Incorporation for the purpose of forming a sub-the under the aut of the State of Florida.

HADIGTER I

NAME

the shall be:

". nati. Inc.

VELTCLE II

ADDRESS

the principal office and the mailing address of the

113 Cindy Drive

West Pale Beach, Florida. 33414

SHOUCLE III

MITHORIZEU SHARES

the Competation shall be authorized to create and issue One the cond (1,000) shares of Common Stock having a par value of Ten that (\$10.00) per three. All shares shall be of the same class of the shareholders only unlimited voting rights.

ARTICLE IV

REAL REAL PERED OFFICE AND AGENT

entry data a the initial registered office of this

1945 Film Brach Lakes Boulevard Tribe 1200 West Film Frach, Florida 33437

the second a second redistered agent of this

innand Gaptin

ARTICLE V

HANNE OF DIFECTORS

The powers of the torpotation shall be exercised by or the etherity of and the business and affairs of the increa such be beneged under the direction of, a Board of interest, which shall have two (2) directors initially. The cancer of directors may be increased or decreased by the there iders from time to time as provided in the Bylaws (but the time shall there of less than one (1) director of the

VALUE VI

AND STREET ADDRESSES

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131.13

Street Address

aman sut. M. Adams

and the statement

483 Cindy Drive West Palm Beach, FL 33414

433 Cindy Drive Wast Palm Beach, FL 33414

· 1037 911

176, CREORATOR

The name and strep: Address of the incorporator signing

+ * + max * #

Stiest Address

** 1 * 1 ***** 1 f

1645 Palm Beach Lakes Blvd. Suite 1200 West Palm Beach, FL 33401

LA WILLES WELLES, the undersigned incorporator has made the proscribed these Activities of Incorporation at West Palm Fred Florida, for the 1998 and purposes aforesaid, this 23rd

" and Sapir, Incorporator

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Second to very the subject out ect copy of the Articles of incorporation of Second Se Second Seco

Figure 10 and 10 and 10 Figure 5 F0200008954.

Given under mo hand and the Screat Beal of the State of Plorida, at Tailahassee, the Capital, this the Third day of December, 1992

in Smith Secretary of State



AND ACCEPTANCE

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STRED ACENT Section 48.091 and Chapter 607, Florida Section ving filed its Articles of Isly norewith, with its registered et 1645 Palm Beach Lakes Boulevard, File4 33401, has named M.

a lik of take. 1 gant to accept

inclari Sapir, incorporator

A second as sufficient agent to accept service of the second constraint, at the elocation process metals, I needly accept the appointment to act in processly, and ensue to comply with the laws of florida

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ATTACHMENT II

PROPOSED TARIFF

Florida Tariff No. 1

Original Sheet 1

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

TITLE SHEET

INTEREXCHANGE TELECOMMUNICATIONS TARIFF

OF FLORIDA

KENARL INC.

This tariff is filed in accordance with the Florida Public Service Commission. All services contained in this tariff are competitive.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for interexchange telecommunications services provided by Kenarl Inc., within the State of Florida. This tariff is on file with the Public Service Commission. Copies may be inspected during normal business hours at the Company's principal place of business, at 12230 Forest Hill Boulevard, Suite 103, Wellington, Florida 33414.

ISSUED: November 28, 1997

EFFECTIVE:

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

CHECK SHEET

All sheets 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 of the bottom of this page.

SHEET	REVISION	SHEET	REVISION
1	Original	22	Original
2	Original	23	Original
3	Original	24	Original
4	Original	25	Original
5	Original	26	Original
6	Original	27	Original
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9	Original		
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11	Original		
12	Original		
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20	Original		
21	Original		

ISSUED: November 28, 1997

EFFECTIVE:

KENARL INC.

Original Sheet 3

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

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TERUFER: November 28, 1997

EFFECTIVE:

Original Sheet 4

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

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ISSUED: November 28, 1997

EFFECTIVE:

KENARL INC.

Florida Tariff No. 1

Original Sheet 5

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

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ISSUED: November 28, 1997

EFFECTIVE:

KENARL INC.

Florida Tariff No. 1

Original Sheet 6

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SYMBOLS

The following symbols are used for the purposes indicated below:

- Indicates new or revised tariff sheet included with this filing.
- D Delete or discontinue.
- I Increase to a rate.
- M Moved from another tariff location.
- N New.
- R Reduction to a rate.
- T Change in text but no change in rate or regulation.

ISSUED: November 28, 1997

EFFECTIVE:

ISSUED BY:	Kenneth M. Adams, President 12230 Forest Hill Boulevard, Suite 103	
	Wellington, Florida 33414 (516) 793-5204	

Original Sheet 7

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

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 sheets 14 and 15 would be 14.1.

B. Sheet Revision Numbers - Revision numbers appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Florida Public Service Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the Florida Public Service Commission follows in its tariff approval process, the most current sheet number on file with the Commission is not always the tariff in effect. Consult the Check Sheet for the sheet 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. 2.1.1.A.1. (a) .I. (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 Florida Public Service 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 pages 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 page if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some pages.) The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on file with the Florida Public Service Commission.

ISSUED: November 28, 1997 EF

EFFECTIVE:

Florida Tariff No. 1

Original Sheet 8

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the Customer's location to a United Services Telephone switching center or point of presence.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Carrier's service.

Commission - The Florida Public Service Commission.

Company or Carrier - Kenarl Inc. ("Kenarl") unless otherwise clearly indicated by the context.

Customer - The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

End User - Any person, firm, corporation, partnership or other entity which uses the services of the Carrier under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid by another Customer.

ISSUED: November 28, 1997

EFFECTIVE:

ISSUED BY:	Kenneth M. Adams, President 12230 Forest Hill Boulevard, Suite 103	
	Wellington, Florida 33414 (516) 793-5204	
SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, (CONT'D)

Incomplete call - A call in which no Called Station was reached by the Caller (i.e. busy signal or no answer).

LEC - Local Exchange Company

Local Access and Transport Area (LATA) - A geographic area established for the provision and administration of communications service. A LATA encompasses designated exchanges, which are grouped to serve common social, economic and other purposes.

Premises - A building or buildings on contiguous property.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of Kenarl

- 2.1.1 The Company offers intrastate telecommunications service in conjunction with interstate service.
- 2.1.2 Kenarl installs, operates, and maintains the communications services provided hereunder in accordance with the terms and conditions set forth under this tariff. Kenarl may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer. The Company's services are provided on a monthly basis, unless ordered on a longer term basis, and are available twenty-four hours per day.
- 2.1.3 No charges apply to incomplete calls.
- 2.2 Limitations
 - 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.
 - 2.2.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
 - 2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.2 Limitations, (Cont'd)

- 2.2.4 All facilities provided under this tariff are directly controlled by the Company and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

- 2.4.1 The Company liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the

ISSUED: November 28, 1997 EFFECTIVE:



SECTION 2 - RULES AND REGULATIONS, (CONT'D)

- 2.4 Liabilities of Company, (Cont'd)
 - The Company shall not be liable for, and shall be 2.4.3 fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, tradename, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
 - 2.4.4 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

ISSUED: November 28, 1997

EFFECTIVE :

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.5 Deposits

The Company does not require a deposit from the Customer.

2.6 Advance Payments

For Customers whom the Company determines an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and a new advance payment may be collected for the next month.

2.7 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.8 Terminal Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX or key system. Such terminal equipment shall be furnished and maintained at the expense of the Customer.

ISSUED: November 28, 1997

EFFECTIVE:

Florida Tariff No. 1 Original Sheet 14

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.9 Installation

Service is installed upon mutual agreement between the Customer and the Company.

2.10 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an Authorized User of the Customer by the Company. All charges due by the Customer are payable to the Company or to the Company's authorized billing agent. Terms of payment shall be according to the rules and regulations of the billing agent and subject to the rules of regulatory agencies, such as the Florida Public Service Commission. Any objections to billed charges must be reported to the Company or its billing agent. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

2.11 Interconnection

Service furnished by the Company may be connected with the services or facilities of other carriers. Such service or facilities, if used, are provided under the terms, rates, and conditions of the other carrier. The Customer is responsible for all charges billed by other carriers for use in connection with the Company. Any special interface equipment or facilities necessary to achieve compatibility between carriers is the responsibility of the Customer.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.12 Cancellation and Restoration of Service

Service continues to be provided until canceled by the Customer or until canceled by the Company as set forth below. The Company may render bills subsequent to the termination of service for charges incurred before termination. The Customer shall pay such bills in full in accordance with the payment terms of this tariff.

2.12.1 Cancellation by the Customer

The Customer may have service discontinued upon written or verbal notice to the Company. The Customer shall pay the Company for service furnished until the cancellation date specified by the Customer or until the date that the written cancellation notice is received, whichever is later.

2.12.2 Refusal, Suspension or Cancellation by the Company

- A. The Company may disconnect service to any Customer after five (5) days written notice for any reason stated below:
 - For failure of the Customer to pay a bill for service when due;
 - For failure of the Customer to meet the Company's deposit and credit requirements;
 - For failure of the Customer to make proper application for service;
 - For the Customer's violation of any of the utility's rules on file with the Commission;
 - For failure of the Customer to provide the utility reasonable access to its equipment and property;
 - For failure of the Customer to furnish such service, equipment and/or rights-ofway necessary to service said Customer as shall have been specified by the Company as a condition of obtaining service; or

ISSUED: November 28, 1997	EFFECTIVE:
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Florida Tariff No. 1

Original Sheet 16

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.12 Cancellation and Restoration of Service, (Cont'd)

- 2.12.2 Refusal, Suspension or Cancellation by the Company, (Cont'd)
 - A. (cont'd.)
 - When necessary for the utility to comply with any order or request or any governmental authority having jurisdiction.

B. Disconnection of Service without Notice

Without notice, the Company may disconnect service to any Customer for any reason stated below:

- In the event of tampering with the Company's equipment
- In the event of a condition determined to be hazardous to the Customer, to other Customers of the Company, to the Company's equipment, the public, or to employees of the Company; or;
- 3. In the event of a Customer's use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.

2.12.3 Restoration of Service

If service has been discontinued for a valid cause by the Company as otherwise provided herein and the Customer wishes it continued, service shall, at the Company's discretion, be restored when all past due amounts are paid or the event giving rise to the discontinuance (if other than nonpayment) is corrected.

ISSUED: November 28, 1997

EFFECTIVE:

KENARL INC.

Florida Tariff No. 1

Original Sheet 17

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.13 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.14 Tests, Pilots, Promotional Campaigns and Contests

The Company may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Company may waive a portion of all processing fees or installation fees for winner of contests and other occasional promotional events sponsored or endorsed by the Company. From time to time the Company may waive all processing fees for a Customer.

These promotions will be approved by the Florida Public Service Commission with specific starting and ending dates with promotions running under no circumstances longer than 90 days in any 12 month period.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.15 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Company including legal and accounting expenses. Customer is responsible for recovery costs of Company-provided equipment and any expenses required for repair or replacement of damaged equipment.

2.16 Late Fee

A late fee of 1.5% monthly will be charged on any past due balances beginning 30 days from the mailing date of the bill.

2.17 Return Check Charges

A fee of \$15.00, or five percent of the amount of the check, whichever is greater, will be charged for each check returned for insufficient funds.

2.18 Reconnection Charge

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for Customers who have been disconnected for nonpayment.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.20 Reservation of Toll Free "800/888" Numbers

The Company will make every effort to reserve Toll Free "800/888" vanity numbers for Customers, but makes no guarantee or warranty that the requested number(s) will be available.

ISSUED: November 28, 1997

EFFECTIVE:

ISSUED BY:	Kenneth M. Adams, President
	12230 Forest Hill Boulevard, Suite 103
	Wellington, Florida 33414
	(516) 793-5204

SECTION 3 - DESCRIPTION OF SERVICE

3.1 General

The Company provides intrastate, interexchange switched and dedicated telecommunications services between locations in Florida.

Customers can expect a call completion rate of not less than 90% during peak use periods for Feature Group D 1+ dialing. The call completion rate is calculated as the number of calls completed (including calls completed to a busy line or to a line which remains unanswered by the called party) divided by the number of calls attempted.

Operator assisted calls are routed to the underlying carrier(s), whose rates, terms and conditions apply to such calls.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 3 - DESCRIPTION OF SERVICE, (CONT'D)

3.2 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between the Rate Centers associated with the originating and terminating points of the call.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the Rate Centers as defined by BellCore (Bell Communications Research), in the following manner:

- Step 1 Obtain the "V" and "H" coordinates for the Rate Center of the originating and the destination points.
- Step 2 Obtain the difference between the "V" coordinates of each of the Rate Centers. Obtain the difference between the "H" coordinates.
- Step 3 Square the differences obtained in Step 2.
- Step 4 Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5 Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6 Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating points of the call.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

ISSUED: November 28, 1997 EFF

EFFECTIVE:

SECTION 3 - DESCRIPTION OF SERVICE, (CONT'D)

- 3.3 Call Timing
 - 3.3.1 Long distance usage charges are based on the actual usage of the Company's network. Chargeable time begins when the calling and the called station are connected. Call timing is determined using industry standard methods of answer supervision, including hardware and software answer detection.
 - 3.3.2 Chargeable time ends when the calling service point terminates, thereby releasing the network connection.
 - 3.3.3 Unless otherwise specified in this tariff, usage is measured in one (1) minute increments for billing purposes. Partial usage will be rounded up to the next highest whole minute. All calls are rounded to the next highest billing increment. Any partial cents per call will be rounded up to the next highest cent.
 - 3.3.4 Unless flat rated, usage charges are determined by the time of day rate periods and minutes of use within each rate period. The rate period is determined by the time and day of call originating at the Customer's Location.
 - 3.3.5 No charges apply to unanswered calls.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 3 - DESCRIPTION OF SERVICE, (CONT'D)

3.4 Kenarl Basic Commercial Service

3.4.1 General

Kenarl Basic Commercial Service is a long distance service offered to business Customers who also subscribe to local services of the Company. Service is offered for inbound and outbound calling. Inbound calls are placed by the end user by dialing the Customer's toll-free access number (800/888). Call charges for inbound calls are billed to the Customer rather than to the calling party. Outbound calls are placed by dialing 1+ destination number.

3.4.2 Application of Rates

No monthly recurring charges apply to long distance services and no monthly minimums apply. Call charges are based on actual usage. Rate packages for intrastate calling are based on the Customer's total volume of monthly intrastate and interstate long distance usage charges within the billing period. Each call is rated separately and fractional call charges are rounded up to the next penny.

3.4.3 Call Timing

Calls are billed in increments of six (6) second increments, after an initial minimum call duration of thirty (30) seconds.

ISSUED: November 28, 1997

EFFECTIVE:

SECTION 3 - DESCRIPTION OF SERVICE, (CONT'D)

3.5 Directory Assistance

A Directory Assistance charge applies per intrastate directory assistance calls made from points within the State of Florida. The Customer may make two (2) requests for a telephone number per call. The Directory Assistance Charge applies regardless of whether the operator is able to supply the requested number. Discounts are not applicable to Directory Assistance Charges. Directory Assistance Charges are not included in usage commitments or computed in any discount calculations.

ISSUED: November 28, 1997

EFFECTIVE:

ISSUED BY:	Kenneth M. Adams, President 12230 Forest Hill Boulevard, Suite 103
	Wellington, Florida 33414 (516) 793-5204

SECTION 4 - RATES

4.1 General

Each Customer is charged individually for each call placed through the Company. Customers are billed based on their use of the Company's long distance service.

4.2 Exemptions and Special Rates

4.2.1 Discounts for Hearing Impaired Customers

A telephone toll message which is communicated using a telecommunications devise for the deaf (TDD) by properly certified hearing or speech impaired persons or properly certified business establishments or individuals equipped with TDDs for communicating with hearing or speech impaired persons will receive, upon request, credit on charges for certain intrastate toll calls placed between TDDs. Discounts do not apply to surcharges or per call add-on charges for operator services when the call is placed by a method that would normally incur the surcharge.

- A. The credit to be given on a subsequent bill for such calls placed between TDDs will be equal to applying the evening rate during business day hours and the night/weekend rate during the evening rate period.
- B. The credit to be given on a subsequent bill for such calls placed by TDDs with the assistance of the relay center will be equal to 50% of the rate for the applicable rate period. If either party is both hearing and visually impaired, the call shall be discounted at 60% of the applicable rate.

ISSUED: November 28, 1997

EFFECTIVE:

KENARL INC.

Florida Tariff No. 1 Original Sheet 26

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 4 - RATES, (CONT'D)

4.3 Kenarl Basic Commercial Service

4.3.1 Usage Rates

A. InterLATA

Package	Monthly Usage	Rate per 6 Second Increment	Effective Rate Per Minute	
Package 1	\$0 - \$999.99	\$0.0210	\$0.2100	
Package 2	\$1000 & over	\$0.0210	\$0.2100	

B. IntraLATA

Package Monthly Usage		Rate per 6 Second Increment	Effective Rate Per Minute	
Package 1	\$0 - \$999.99	\$0.0210	\$0.2100	
Package 2	\$1000 & over	\$0.0210	\$0.2100	

ISSUED: November 28, 1997

EFFECTIVE :

ISSUED BY:	Kenneth M. Adams, President 12230 Forest Hill Boulevard, Suite 103
	Wellington, Florida 33414 (516) 793-5204

KENARL INC.

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 4 - RATES, (CONT'D)

4.4 Directory Assistance

A Directory Assistance charge applies per intrastate directory assistance calls made from points within the State of Florida. The Customer may make two (2) requests for a telephone number per call. The Directory Assistance Charge applies regardless of whether the operator is able to supply the requested number. The first 50 Directory Assistance calls per cycle are provided at no charge from residential lines serving individuals with disabilities whose disabilities prevent or hinder the use of a telephone directory. The Customer must notify the Company and submit proof of the disability to qualify for this exemption.

Per call to directory assistance: \$0.75

ISSUED: November 28, 1997

EFFECTIVE:

ATTACHMENT III

FINANCIAL STATEMENTS

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

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

3. 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.

Kenari Inc. Supplemental Financial Information

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

Kenarl Inc. possesses the financial capability to provide the requested service. In support of its financial viability, Kenarl submits its compiled financial report for the year ended December 1996 and a current balance sheet and income statement through October 31, 1997. Although the Corporation was formed in 1992, it functioned as a small aircraft leasing entity only and did not purchase the building in which telephone service is to be offered until 1996. In addition to the financial statement of Kenarl, the personal financial statement of Mr. Adams are submitted to demonstrate the depth of resources available to fund the company through temporary shortfalls. The personal financial statements of Mr. Adams are submitted under separate cover with a request for confidential treatment of this material. A review of the financial statements demonstrates that the Company possesses the necessary financial capability. Some of the noteworthy items are:

- Total assets of Kenarl are nearly \$1 million
- Reduction in long-term debt from 1996 to the current statement 10/97

As demonstrated herein, Kenarl Inc. has the financial resources and financial management skills to provide Alternative Local Exchange Service in Florida.

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

Please see response to question #1.

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

Please see response to question #1. At this time, Kenarl Inc. intends to provision its services in Florida on a resale basis.

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.

Kenarl, Inc.

October 31, 1997

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• 3

Financial Statements and Other Financial Information

> F. D. Teets & Company, P.A. Certified Public Accountants

KENARL, INC.

Financial Statements and Other Financial Information

October 31, 1997

Nov 18, 1997 Replicant does not have and disked statements. To the best of my knowledge, all information Provided in these financial statements is true and Correct

E: Kandel Coland, lousidest - Chief financial and executive officer Kena I INC

KENARL, INC.

Financial Statements and Other Financial Information

October 31, 1997

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To the Board of Directors Kenarl, Inc. Wellington, Florida

We have compiled the accompanying balance sheet of Kenarl, Inc. (an S Corporation) as of October 31, 1997, and the related statements of income and retained deficit for the ten months then ended, and the accompanying supplementary information contained in Schedule I which is presented only for supplementary analysis purposes, 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 and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

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

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

F.D. Jeets & Conspany, P.J.

November 10, 1997

12798 West Forest Hill Boulevard • Suite 204 Wellington, Florida 33414 (561) 790-2992 • Fax (561) 790-2994 KENARL, INC.

Balance Sheet (Unaudited)

October 31, 1997

ASSETS

Current assets Cash and cash equivalents	\$ 49,404
Property and equipment Land Building and improvements Furniture & fixtures Computer equipment Airplane and hanger Less: accumulated depreciation	200,000 663,320 3,651 1,771 <u>160,075</u> 1,028,817 (<u>108,953</u>)
Total property and equipment	91 9,864
Other assets Construction in progress Mortgage cost Less: accumulated amortization	6,631 7.326 13,957 (1,099)
Total other assets	12,858
	<u>\$ 982,126</u>
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities Current portion of long-term debt	\$ 10,876
Long-term debt, less current portion	355,220
Due to stockholder	535,575
Stockholders' equity Capital stock Paid in capital Retained deficit	1,000 200,000 (<u>120,545</u>)
Total stockholders' equity	90,455
	<u>\$ 982,126</u>

See accountants' compilation report.

KENARL, INC.

Statement of Income and Retained Deficit (Unaudited)

For the Ten Months Ended October 31, 1997

Revenue

Rental income - Building Rental income - Airplane	\$	102,039 7,532
Total revenue		109,571
General and administrative expenses		98,628
Income from operations		10,943
Other income(expense):		
Int erest expense Bank charges	(26,394) 82)
Total other income(expense)	_(26,476)
Net operating loss	(15,533)
Retained deficit, beginning of period	_(105,012)
Retained deficit, end of period	<u>s (</u>	120,545)

See accountants' compilation report.

OTHER FINANCIAL INFORMATION

4

Schedule I

KENARL, INC.

Schedule of General and Administrative Expenses

For the Ten Months Ended October 31, 1997

General and administrative expenses

Building expenses		
Amortization	\$	611
Cable		612
Consulting		4,198
Depreciation		14,990
Dues		3,100
Education		1,552
Electric		10,191
Insurance		1,458
Landscaping		5,818
Office expense		1,048
Pest control		343
Professional fees		511
Property taxes		6,620
Repairs and maintenance		7,225
Rubbish removal		703
Security		701
Taxes and licenses		165
Taxes - intangible		1,344
Taxes - sales		2,312
Telephone		1,807
Water and sewer		1,451
Total building expenses		66,760
total Ballaling Chronous		
Airplane expenses		
Depreciation		13,357
Electric		60
Fuel		833
Insurance		1,992
Maintenance		10,811
Storage		4,471
Supplies		344
Total airplane expenses	_	31,868
rotar arthrane exhemote		54,000
Total general and administrative expenses	\$	98,628

See accountants' compilation report.

Kenarl, Inc.

December 31, 1996

Financial Statements and Other Financial Information

> F. D. Teets & Company, P.A. Certified Public Accountants

KENARL, INC.

Financial Statements and Other Financial Information

December 31, 1996

Nou 18, 1997 Replicant does not have audited statements. To the best of my knowledge, all in hornation provided IN these financial statements is true and Correct. Bt: Kannith Adams, President - Chief executive and financial officer Kenarl INC.

KENARL, INC.

Financial Statements and Other Financial Information

December 31, 1996

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To the Board of Directors Kenarl, Inc. Wellington, Florida

We have compiled the accompanying balance sheet of Kenarl, Inc. (an S Corporation) as of December 31, 1996, and the related statements of income and retained deficit for the year then ended, and the accompanying supplementary information contained in Schedule I which is presented only for supplementary analysis purposes, 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 and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

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

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

F.D. Teets & Conspany, P.J.

November 10, 1997

12798 West Forest Hill Boulevard • Suite 204 Wellington, Florida 33414 (561) 790-2992 • Fax (561) 790-2994 KENARL, INC.

Balance Sheet (Unaudited)

December 31, 1996

ASSETS

Current assets Cash and cash equivalents	\$ 6,829
Property and equipment Land Building and improvements Furniture & fixtures Computer equipment Airplane and hanger Less: accumulated depreciation	200,000 663,320 1,350 1,771 <u>160,075</u> 1,026,516 (<u>80,606</u>)
Total property and equipment	945,910
Other assets Mortgage cost Less: accumulated amortization	7,326 (488)
Total other assets	6,838
	<u>\$ 959,577</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Current liabilities Current portion of long-term debt Due to escrow account Total current liabilities	\$ 10,131 <u>3,536</u> 13,667
Long-term debt, less current portion	364,347
Due to stockholder	685,575
Stockholders' deficit Capital stock Retained deficit	1,000 (<u>105,012</u>)
Total stockholders' deficit	(104,012)
	<u>\$ 959,577</u>

See accountants' compilation report.

KENARL, INC.

Statement of Income and Retained Deficit (Unaudited)

For the Year Ended December 31, 1996

Revenue

Rental income - Building Rental income - Airplane	\$	74,447 8,706
Total revenue		83,153
General and administrative expenses		102.465
Loss from operations	(19, 312)
Other income(expense):		
Interest expense	(<u>21,531</u>)
Total other income(expense)	_(21 ,531)
Net operating loss	(40,843)
Retained deficit, beginning of period	_(64 ,169)
Retained deficit, end of period	<u>s (</u>	105,012)

See accountants' compilation report.

OTHER FINANCIAL INFORMATION

Schedule I

KENARL, INC.

Schedule of General and Administrative Expenses

For the Year Ended December 31, 1996

General and administrative expenses

Building expenses	
	\$ 488
Depreciation	11,632
Dues	1,296
Electric	10,755
Insurance	1,087
Landscaping	3,350
Office expense	1,155
Permits and fees	5,590
Pest control	76
Professional fees	8,288
Property taxes	11,425
Repairs and maintenance	
Rubbish removal	4,574 882
Telephone	
Water and sewer	1,421
	1,620
Total building expenses	63,639
Airplane expenses	
Depreciation	22,030
Fuel	640
Insurance	5,040
Maintenance	7,956
Storage	3,023
Supplies	137
Total airplane expenses	38,826
Total general and administrative expenses	\$ 102,465

See accountants' compilation report.

ATTACHMENT IV

MANAGERIAL AND TECHNICAL CAPABILITIES

Kenarl Inc. Executive Biographies

Kenneth M. Adams, President

As an Air Force Officer, Ken Adams was Officer In Charge of military contract management at Bendix Corp., with 10,000 employees. He founded and chaired True Value Hardware Stores, Inc. in New York State. In the public sector, Mr. Adams has served on over twenty (20) state, county and municipal committees including, Chairman of the Palm Beach County Commission. In 1989, he was approved by the federal regulators as Chairman of a National Bank.

In the field of operations, Mr. Adams has attended continuing education seminars dealing with business applications of new communications technologies since deregulation. This training specifically addressed configuring, buying and operating an alternative local exchange service for reselling telephone services in the executive suite industry. These seminars included:

March 1996 - Management and business applications of PBX, long distance billing software, voice mail systems, resale of dial tone, 800 line services, video teleconferencing, digital and alpha paging systems, T-1, PRI, ISDN, local area networks, front-end answering software, Internet connection systems and utilizing DID numbers.

October 1196 - MCI. The impact of telephone deregulation on the Executive Suite Industry; wireless transmission capabilities; data transmission options.

September 1997 - Lucent Technologies. Technological capabilities of integrated communications systems and business applications to the executive suite industry: enhanced fax services, PC remote access, video conferencing, LAN connectivity, ISDN capability, multimedia presentations, wireless communication, voice/fax integration, applications utilizing T-1 trunk systems.

Executive Biographies of Kenarl Inc., cont'd.

Maria Wise Miller, Manager

Maria Wise Miller has over twenty (20) years of experience in business management - both as manager and as a consultant. From 1973 through 1980, she was involved in managing hotels in South Florida, including telephone operations and guest relations. From 1980 through 1990, Ms. Wise Miller served as a communications consultant for a variety of firms - from Forbes 500 corporations to a number of Palm Beach county based, not-for-profit organizations. More recently, she entered the public service sector enhancing publicprivate partnerships for the State of Florida - Palm Beach County Public Health United. She also managed the Cultural Arts Center for Palm Beach Community College. She has demonstrated skills in business administration, human resources management, marketing and public relations, business development and communications technology.

In addition to her extensive experience and local civic involvement, Ms. Wise Miller's formal education includes a Bachelor of Science in journalism from the University of Florida, as well as course work at Cambridge University in the United Kingdom. She received a Master of Arts from Florida Atlantic University and is a graduate of Leadership Palm Beach, Leadership Glades, and the LEAP management training programs. Ms. Wise Miller has attended numerous seminars presented by Lucent Technologies, AT&T as well as the Executive Suite Association in relation to application of new communications technologies.

Kenarl Inc.

ATTACHMENT IV

TECHNICAL CAPABILITY

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Kenarl Inc. TECHNICAL CAPABILITY

The company intends to provide local exchange service in Florida as a reseller of unbundled local loops. Kenari has a working knowledge of how the capabilities of an ILEC can be used by a CLEC and will be able to take full advantage of the resources, expertise and technical capabilities of its underlying carriers, the incumbent local exchange carriers. The profiles of key personnel provided in Exhibit III of this application provide further

evidence of the company's technical capability to provide local services.



November 28, 1997 Overnight

DATE

				DATE	
210 N Park Ave		la Public Service Commission	D665	DEC 0 3 1997	
PO Drawer 200		ion of Records and Reporting			
Winter Park, FL		Shumard Oaks Boulevard			
32790 0200	Tallal	d L. Gunter Bldg. Room 270 nassee, FL 32399-0850 488-4733			
Tel 407-740-8575	(20.1)				
Fax 407-740-0613	RE:	Initial Alternative Local Exchan		cation and Interexchan	ige
imi@tminc.com		Carrier Application of Kenarl, In	IC.		

Dear Mr. D'Haeseleer:

Enclosed for filing are the original and twelve copies of each of the above referenced applications of Kenarl, Inc. Kenarl is seeking authority to provide both local resale and interexchange carrier resale services in Florida.

DEPOSIT

Also enclosed is the applicant's check in the amount of \$500 for the two filing fees. Questions pertaining to this application or tariff should be directed to my attention at (407) 740-8575.

Please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

Thank you for your assistance.

Sincerely,

Connie Wightman

Check received with filling and forwarded to Fiscal for deposit. Fiscal to forward 5 copy of check to RAR with proof of deposit.

Injugis of person who forwarded check.

KENARL INC. 09-96 483 Cindy Dr. West Palm Beach, FL 33414-0000

Service Paralission 1,0

Pres

63-8735-2670 BRANCH 15

1302

11/2

\$ 500

DOLLARS