



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: April 20, 1998
TO: Brian Musselwhite, Division of Communications
FROM: Pete Lester, Division of Auditing & Financial Analysis *PL*
 David J. Draper, Division of Auditing & Financial Analysis *DD*
RE: Bond Waiver Request of American International Telephone, Inc. d/b/a Oasis Telecom *ALM*

Section 25-24.490 (2), Florida Administrative Code, requires the following:

An interexchange company may require a deposit as a condition of service and may collect advance payments for more than one month of service if it maintains on file with the Commission a bond covering its current balance of deposits and advance payments (for more than one month's service). A company may apply to the Commission for a waiver of the bond requirement by demonstrating that it possesses the financial resources and income to provide assurance of continued operation under its certificate over the long term.

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of American International Telephone, Inc. d/b/a Oasis Telecom (OTC) for the period ending September 30, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, OTC has negative common equity, marginal liquidity and reports negative net income for the period.

In this matter, OTC is requesting a waiver of the bond requirement as stated in Section 25-24.490 (2) of the Florida Administrative Code. For purposes of granting a waiver based on the financial information provided, the applicant appears unable to meet the financial capability standard of Section 25-24.490 (2), Florida Administrative Code. Therefore, staff recommends that the request for a bond waiver be denied.

- ACK _____
- AFA _____
- APP _____
- CAF _____
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cc: Division of Legal Services
 Division of Records and Reporting (2)

DATE
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AMERICAN INTERNATIONAL TELEPHONE, INC.
d/b/a OASIS TELECOM

REQUEST FOR BOND WAIVER
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 09/30/97
CURRENT ASSETS	\$5,079,794
CURRENT LIABILITIES	5,850,794
CURRENT RATIO	0.87
CASH	1,705,087
COMMON EQUITY	(2,728,319)
TOTAL DEBT	22,500
TOTAL INVESTOR CAPITAL	(2,705,819)
COMMON EQUITY RATIO	NMF
NET INCOME	(922,006)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure