

APPLICATION FORM

SCANNED

1. This is an application for (check one):

Original authority (new company)

Approval of transfer (to another certificated company)

Example, a certificated company purchases an existing company and desires to retain the original certificate authority.

Approval of assignment of existing certificate
(to a noncertificated company)

Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.

Approval for transfer of control (to another certificated company)

Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of applicant:

Rogoberto PARADA JR

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

PARCOM Communication Inc.

4. If applicable, please provide proof of fictitious name (d/b/a) registration.

Fictitious name registration number: 98131000098

0001 10

APPLICATION FORM

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

4507 Flint Drive
North Port Florida 34287
(941) 426-9298

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

4507 FLINT Drive
North Port Florida 34287
(941) 426-9298

6. Structure of organization: Check appropriate box(s)

- | | |
|--|--|
| <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Corporation |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Joint Venture | <input type="checkbox"/> Other, Please explain _____ |

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

Rigoberto PARADA JR President
Manica PARADA V. President

Please use address listed Above.

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

No.

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

Corporate charter number: 898000063338

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

Rigoberto PARADA JR

4507 Flint Drive North Port FL 34287

(941) 426-9298 ^{FAX} (941) 423-2685

(All Lower Case) RigSAM Ro. @gate.net or Pancominc.com

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

Florida

APPLICATION FORM

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

NO.

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

NO

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

Simply Call the telephone # on the
telephone, a customer service person will
assist them in what ever the Matter is.

15. Please complete and file a price list in accordance with Commission Rule 25-24.825.(Rule attached)

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

A. Financial capability.

Regarding the showing of financial capability, the following applies:

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

APPLICATION FORM

*New Start up
Company
Projected
Financial
is Attached*

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

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.
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 attest that the financial statements are true and correct.

B. Managerial capability.

C. Technical capability.


(If you will be providing local intra-exchange switched telecommunications service, then state how you will provide access to 911 emergency service. If the nature of the emergency 911 service access and funding mechanism is not equivalent to that provided by the local exchange companies in the areas to be served, described in detail the difference.)

APPLICATION FORM

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083".

Official:  12/15/98
Signature Date

Title: OWNER (94) 426-9298
Telephone Number

Address: 4507 Flint Drive
North Port FL
34287

25-24.825 Price List.

(1) Prior to providing service, each company subject to these rules shall file and maintain with the Commission a current price list which clearly sets forth the following information for basic local telecommunications services, as defined in s. 364.02(2), F. S. If basic local telecommunications service is offered on a package basis, the following information must be provided for the package:

- (a) current prices,
- (b) customer connection charges,
- (c) billing and payment arrangements, and
- (d) levels of service quality which the company holds itself out to provide for each service.

(2) At the company's option, price list information in paragraph (1) above and other information concerning the terms and conditions of service may be filed for services other than basic local telecommunication services.

(3) A price list revision must be physically received by the Commission's Division of Communications at least one day prior to its effective date.

(4) Price lists must be on 8 ½ by 11 inch paper in loose-leaf form and must utilize an ongoing page identification system which will allow for the identification of inserted and removed pages. The color of paper on which price lists are filed must be amenable to being clearly photocopied on standard photocopy equipment.

(5) Complete information concerning a company's service offerings, rates and charges, conditions of service, service quality, terms and conditions, service area, and subscribership information identified by local exchange company exchange must be made available to Commission staff upon request.

Specific Authority: 350.127(2)

Law Implemented: 364.04, 364.337(5), F.S.

History: New 12/26/95.



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

July 20, 1998

DAVID D. BONE, P.A.
766 HUDSON AVENUE SUITE B
SARASOTA, FL 34236

The Articles of Incorporation for PARCOM COMMUNICATIONS, INC. were filed on July 16, 1998 and assigned document number P98000063338. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: COMPLIANCE WITH THE FOLLOWING PROCEDURES IS ESSENTIAL TO MAINTAINING YOUR CORPORATE STATUS. FAILURE TO DO SO MAY RESULT IN DISSOLUTION OF YOUR CORPORATION.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THIS OFFICE BETWEEN JANUARY 1 AND MAY 1 OF EACH YEAR BEGINNING WITH THE CALENDAR YEAR FOLLOWING THE YEAR OF THE FILING DATE NOTED ABOVE AND EACH YEAR THEREAFTER. FAILURE TO FILE THE ANNUAL REPORT ON TIME MAY RESULT IN ADMINISTRATIVE DISSOLUTION OF YOUR CORPORATION.

A FEDERAL EMPLOYER IDENTIFICATION (FEI) NUMBER MUST BE SHOWN ON THE ANNUAL REPORT FORM PRIOR TO ITS FILING WITH THIS OFFICE. CONTACT THE INTERNAL REVENUE SERVICE TO RECEIVE THE FEI NUMBER IN TIME TO FILE THE ANNUAL REPORT AT 1-800-829-3676 AND REQUEST FORM SS-4.

SHOULD YOUR CORPORATE MAILING ADDRESS CHANGE, YOU MUST NOTIFY THIS OFFICE IN WRITING, TO INSURE IMPORTANT MAILINGS SUCH AS THE ANNUAL REPORT NOTICES REACH YOU.

Should you have any questions regarding corporations, please contact this office at the address given below.

Randall Purinton, Document Specialist
New Filing Section

Letter Number: 398A00038228

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of PARCOM COMMUNICATIONS, INC., a Florida corporation, filed on July 16, 1998, as shown by the records of this office.

The document number of this corporation is P98000063338.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twentieth day of July, 1998



CR2EO22 (2-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

ARTICLES OF INCORPORATION
OF
PARCOM COMMUNICATIONS, INC.

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 JUL 16 AM 8:08

ARTICLE I. NAME

The name of this corporation shall be Parcom Communications, Inc.

ARTICLE II. COMMENCEMENT & DURATION

The commencement of this corporation's existence shall be at the time of the filing of these Articles Of Incorporation. . This corporation's duration shall be perpetual.

ARTICLE III. PURPOSE

This corporation is being organized for the purpose of any engaging in any and all business activities permitted under the laws of Florida and the United States Of America.

ARTICLE IV. CAPITAL STOCK

This corporation shall have the authority to issue 500 shares of common stock at \$1.00 par value.

ARTICLE V. PREEMPTIVE RIGHTS

Every shareholder, upon the sale for cash by this corporation of any shares of new capital stock of the same kind, class, or series, as that which the shareholder already holds, shall have the preemptive right to purchase a pro rata share thereof (as nearly as may be done without the issuance of fractional shares) at the price at which such shares are offered to others.

ARTICLE VI. TRANSFER RESTRICTIONS

No shareholder shall have the right to sell, assign, pledge, encumber, transfer, or otherwise dispose of any shares of the capital stock of this corporation, without first offering such shares for sale to this corporation at the net asset value thereof. Such offer shall be in writing, signed by the shareholder, sent by registered or certified mail to this corporation at its registered office address, and open for acceptance by this corporation for a period of fifteen days from the date of mailing. If this corporation fails or refuses, within such period, to make satisfactory arrangements for the purchase of such shares, the shareholder shall have the right to dispose of such shares without any further restrictions.

On the death of any shareholder, this corporation shall have the right to purchase any shares of the capital stock of this corporation owned by the shareholder immediately prior to the shareholder's death, on the terms set forth above, and this provision shall be binding upon the personal representative of the shareholder.

Each stock certificate issued by this corporation shall carry the following

Articles Of Incorporation Of Parcom Communications, Inc.

legend:

"These Shares Are Held Subject To Certain Transfer Restrictions Imposed By This Corporation's Articles Of Incorporation, A Copy Of Which Is On File At This Corporation's Principal Office."

ARTICLE VII. INITIAL BOARD OF DIRECTORS

The number of directors on this corporation's Initial Board Of Directors shall be one. The number of directors may be increased or decreased from time to time, as provided in this corporation's bylaws, but shall never be less than one.

The name and address of each individual who shall serve as a member of the Initial Board Of Directors are: Rigoberto Parada, Jr., 4507 Flint Dr., North Port, Fl. 34287.

ARTICLE VIII. INDEMNIFICATION

This corporation shall indemnify any officer, director, employee, or agent, and any former officer, director, employee, or agent, to the full extent permitted by law.

ARTICLE IX. PRINCIPAL OFFICE & INITIAL REGISTERED OFFICE & AGENT

The address of this corporation's principal office and the address of this corporation's initial registered office shall be: 4507 Flint Dr., North Port, Florida 34287.

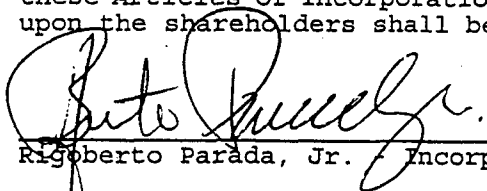
The name of the individual who shall serve as this corporation's initial registered agent at that address is: Rigoberto Parada, Jr.

ARTICLE X. INCORPORATOR

The name and address of the individual who shall serve as this corporation's incorporator are: Rigoberto Parada, Jr., 4507 Flint Dr., North Port, Florida 34287.

ARTICLE XI. AMENDMENT

This corporation reserves the right to amend or repeal any provisions in these Articles Of Incorporation, or any amendments hereto. Any rights conferred upon the shareholders shall be subject to this reservation.



Rigoberto Parada, Jr. Incorporator

I hereby accept my designation as resident agent and agree to serve as the resident agent of Parcom Communications, Inc. I hereby state that I am familiar with and accept the duties and responsibilities as registered agent for Parcom

Articles Of Incorporation Of Parcom Communications, Inc.

Communications, Inc.

Rigoberto Parada, Jr.

Rigoberto Parada, Jr. - Registered Agent

State Of Florida
County Of Sarasota

On 7/14/98, Rigoberto Parada, Jr., designated above as the individual who shall serve as the corporation's initial registered agent and incorporator, who is personally known to me, or produced a Florida driver's license as identification, personally appeared before me at the time of notarization, and, after being given the oath, acknowledged signing these Articles Of Incorporation Of Parcom Communications, Inc.

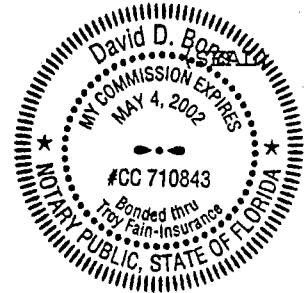
David D. Bore

Notary Public

DAVID D. BORE

(Notary Public - Printed Or Typed Name)

Commission Expiration Date & Commission Number:



FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 JUL 16 AM 8:08

Articles Of Incorporation Of Parcom Communications, Inc.

PARCOM COMMUNICATIONS, INC.

4507 Flint Drive
North Port, FL 34287
(941) 426-9298

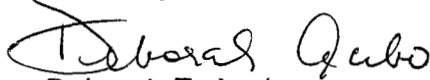
To Whom it May Concern;

We at PARCOM Communications, Inc. would like to thank you for taking
The opportunity to review and approve our request for providing telephone
service. I have enclosed financial information (projected) as we are awaiting
funding, investment and loan (SBA).
Any financial information provided in the pack is **UNAUDITED** as we are a start-
up company.

We will be contracting out our labor until we become financially able to handle a
larger payroll.

Should you have any questions, please contact me at (941)426-9298.

Sincerely,



Deborah E. Acebo
Chief Financial Officer

2.2.1 Start-Up Costs

Start Up Costs:

Legal	\$	1,500.00
Building Construction	\$	30,000.00
Equipment	\$	150,000.00
Brochures	\$	10,000.00
Consultants	\$	15,000.00
Insurance	\$	2,500.00
Computer Software	\$	50,000.00
Computer Hardware	\$	20,000.00
Rent	\$	12,000.00
Building Purch Deposit	\$	40,000.00
Auto/Fleet	\$	19,000.00
Total Start-up Costs	\$	350,000.00

Start Up Assets Needed

Cash Requirements	\$	150,000.00
Short-Term Assets		\$0.00
Total Short-Term Assets	\$	150,000.00

Long-Term Assets		\$0.00
Total Assets	\$	150,000.00

Total Start-up Requirements \$ 500,000.00

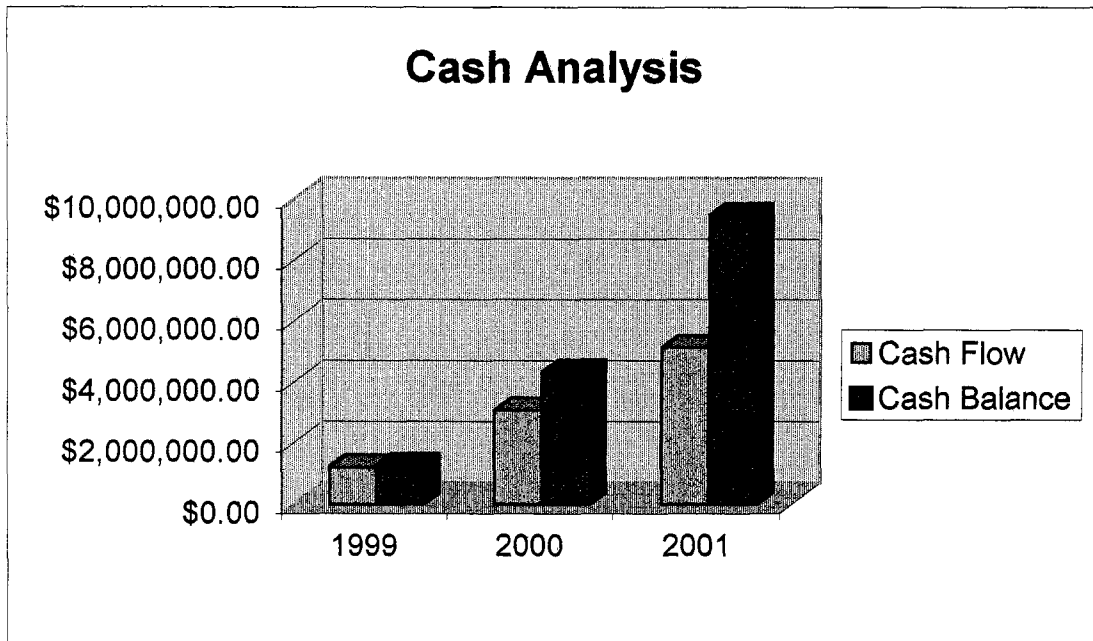
Short-Term Liabilities		\$0.00
Unpaid Expenses		\$0.00
Short-Term Loans		\$0.00
Sub-Total Short-Term Liab		\$0.00
Long-Term Liabilities		\$0.00
Total Liabilities		\$0.00

Loss at Start-Up		\$500,000.00
Total Capitol		\$150,000.00

Total Capitol & Liabilities \$ 150,000.00

7.3 Projected Cash Flow

	1999	2000	2001
Net Worth	\$2,016,692.00	\$5,332,053.00	\$8,607,755.00
Plus:			
Depreciation	\$109,750.00	\$423,929.00	\$300,400.00
Change in Acct. Payable	\$1,019,558.00	\$1,968,018.00	\$617,845.00
Subtotal	\$3,146,000.00	\$7,724,000.00	\$9,526,000.00
Less:			
Change in Acct. Receivable	\$806,400.00	\$2,049,600.00	\$3,418,400.00
Capitol Expenditure	\$1,130,000.00	\$2,600,000.00	\$980,000.00
Dividends	\$0.00	\$0.00	\$0.00
Subtotal	\$1,936,400.00	\$4,649,600.00	\$4,398,400.00
Net Cash Flow	\$1,209,600.00	\$3,074,400.00	\$5,127,600.00
Cash Balance	\$1,263,900.00	\$4,338,300.00	\$9,465,900.00



7.3 Projected Balance Sheet

Table 7.3 - Projected Balance Sheet

Assets	Starting Balances			
Short-Term		1999	2000	2001
Cash	\$54,300.00	\$1,263,900.00	\$4,338,300.00	\$9,465,900.00
Accts Receivables	\$0.00	\$806,400.00	\$2,856,000.00	\$6,274,400.00
Other Short-Term Assets	\$0.00	\$0.00	\$0.00	\$0.00
Total Short-Term Assets	\$54,300.00	\$2,070,300.00	\$7,194,300.00	\$15,740,300.00
Long-Term Assets				
Capitol Assets	\$0.00	\$1,130,000.00	\$3,730,000.00	\$4,710,000.00
Accumulated Depreciation	\$0.00	\$109,750.00	\$533,679.00	\$834,079.00
Total Long-Term Assets	\$0.00	\$1,020,250.00	\$3,196,321.00	\$3,875,921.00
Total Assets	\$54,300.00	\$3,090,550.00	\$10,390,621.00	\$19,616,221.00
Liabilities and Capital				
Accounts Payable	\$0.00	\$1,019,558.00	\$2,987,576.00	\$3,605,421.00
Short-Term Notes	\$0.00	\$0.00	\$0.00	\$0.00
Other Short-Term Liab.	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$0.00	\$1,019,558.00	\$2,987,576.00	\$3,605,421.00
Long-Term Liabilities				
Total Liabilities	\$0.00	\$1,019,558.00	\$2,987,576.00	\$3,605,421.00
Paid in Capitol	\$4,300.00	\$4,300.00	\$4,300.00	\$4,300.00
Retained Earnings	\$50,000.00	\$50,692.00	\$258,745.00	\$320,500.00
Earnings	\$0.00	\$2,016,000.00	\$7,140,000.00	\$15,686,000.00
Total Capitol	\$54,300.00	\$2,070,992.00	\$7,403,045.00	\$16,010,800.00
Total Liabilities & Capitol	\$54,300.00	\$3,090,550.00	\$10,390,621.00	\$19,616,221.00
Net Worth	\$54,300.00	\$2,070,992.00	\$7,403,045.00	\$16,010,800.00

6.3 Personnel Plan

Payroll costs and benefits are pegged at 22%, although this amount could be higher.

	1999	2000	2001
Personnel:			
Office Personnel	\$ 256,000.00	\$ 268,600.00	\$ 284,008.00
Sales Personnel	\$ 264,800.00	\$ 450,840.00	\$ 717,890.40
Operations Personnel	\$ 227,800.00	\$ 304,040.00	\$ 607,282.40
Officers	\$ 190,000.00	\$ 280,000.00	\$ 350,000.00
Total Payroll	\$ 938,600.00	\$ 1,283,480.00	\$ 1,959,180.80
Total Staff	23	40	75
Payroll Burden	\$ 206,492.00	\$ 282,365.60	\$ 431,019.78
Total Payroll Expenses	\$ 1,145,092.00	\$ 1,565,845.60	\$ 2,390,200.58
% of Total Sales	16.36%	7.64%	5.98%

6.5 Important Assumptions

The following are key financial assumptions for this plan. It is important to note that several assumptions documented below could be considerably different than those indicated, based on the experience of the officers and directors. The personnel burden could be higher or lower, depending upon the current rates for insurance and future tax rates.

General:	1999	2000	2001
Payment Days Estimator	15/30	15/30	15/30
Collection Days Estimator	30	30	30
Personnel Burden%	22.00%	22.00%	22.00%

7.1 Projected Profit & Loss

The gross profit in the first year of operation is projected to exceed \$5 million with a 78 percent gross margin. The 1999 projected net profit before taxes exceeds \$2 million with a greater than 40 percent margin.

7.1.1 Projected Profit & Loss

	1999	2000	2001
Sales	\$ 7,000,000.00	\$ 20,500,000.00	\$ 40,000,000.00
Direct Cost of Goods Sold	\$ 1,500,000.00	\$ 2,500,000.00	\$ 3,200,000.00
Total Cost of Goods Sold	\$ 1,500,000.00	\$ 2,500,000.00	\$ 3,200,000.00
Gross Margin	\$ 5,500,000.00	\$ 18,000,000.00	\$ 36,800,000.00
Gross Margin %	78%	87%	92%
Operating Expenses:			
Advertising	\$ 100,000.00	\$ 250,000.00	\$ 450,000.00
Computer-Software	\$ 50,000.00	\$ 80,000.00	\$ 60,000.00
Computer-Hardware	\$ 35,000.00	\$ 40,000.00	\$ 100,000.00
Contract/Consultants	\$ 5,000.00	\$ 1,000,000.00	\$ 2,300,000.00
Equipment	\$ 50,000.00	\$ 3,000,000.00	\$ 2,500,000.00
Furniture/Fixtures	\$ 50,000.00	\$ 40,000.00	\$ 125,000.00
Gasoline	\$ 3,650.00	\$ 30,000.00	\$ 100,000.00
Insurance	\$ 18,000.00	\$ 40,000.00	\$ 108,500.00
Miscellaneous	\$ 20,000.00	\$ 40,000.00	\$ 75,500.00
Payroll Expense	\$ 938,600.00	\$ 1,283,480.00	\$ 1,959,180.80
Payroll Burden	\$ 206,492.00	\$ 282,365.60	\$ 431,019.78
Depreciation	\$ 109,750.00	\$ 533,679.00	\$ 834,079.00
Printing Expense	\$ 150,000.00	\$ 182,500.00	\$ 325,000.00
Property Taxes	\$ 11,358.00	\$ 27,575.40	\$ 45,820.42
Purchase Facility	\$ 930,000.00	\$ 550,000.00	\$ 1,900,000.00
Repairs & Maintenance	\$ 10,000.00	\$ 65,000.00	\$ 120,000.00
Rent	\$ 34,750.00	\$ 70,000.00	\$ 100,000.00
Telephone	\$ 23,000.00	\$ 25,400.00	\$ 30,500.00
Travel	\$ 40,000.00	\$ 185,000.00	\$ 350,000.00
Utilities	\$ 14,400.00	\$ 25,000.00	\$ 35,400.00
Total Operating Expenses	\$ 2,700,000.00	\$ 7,500,000.00	\$ 11,500,000.00
Profit Before Int. & Taxes	\$ 2,800,000.00	\$ 10,500,000.00	\$ 25,300,000.00
Taxes Incurred	\$ 784,000.00	\$ 3,360,000.00	\$ 9,614,000.00
Net Profit	\$ 2,016,000.00	\$ 7,140,000.00	\$ 15,686,000.00
Net Profit/Sales	28.80%	34.83%	39.22%

APPLICATION FORM

1. This is an application for (check one):

990485-TX

Original authority (new company)

Approval of transfer (to another certificated company)

Example, a certificated company purchases an existing company and desires to retain the original certificate authority.

Approval of assignment of existing certificate (to a noncertificated company)

Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.

Approval for transfer of control (to another certificated company)

Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of applicant:

Roberto PARADA JR

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

PARCOM Communication Inc.

Security enhanced document. See back for details.

PARCOM COMMUNICATIONS INC		1084
941-426-9298 4507 FLINT DR NORTH PORT, FL 34287		63-1372/631 06
DATE <u>12-15-98</u>		
PAY TO THE ORDER OF <u>Florida Public Service Commission</u>		\$ <u>250⁰⁰</u>
<u>two hundred fifty</u>		DOLLARS
DOCUMENT NUMBER-DATE		
<u>04781 APR 14 99</u>		
FOR _____		MP

AMERICAN BANK
MURDOCK, FLORIDA
24 Hour Information Service
1-800-510-9827