## ORIGINAL

Vortex Broadband Communications Inc.

1655 Palm Beach Lakes Blvd. Suite 402, Tower C West Palm Beach, Florida 33401



Ms. Blanco Bayo Florida Public Service Commission Division of Commission Clerk and Administrative Services 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

Re: Vortex Broadband Communications Inc. – Application for Authority to Provide Competitive Local Exchange Service

Dear Ms. Bayo:

Enclosed please find Vortex Broadband Communications Inc. original Application to provide Competitive Local Exchange Service within the State of Florida.

Kindly acknowledge the receipt of this filing by date stamping the extra copy of this letter and returning it in the enclosed self-addressed stamped envelope provided for your convenience.

If you have any questions regarding this Application, please do not hesitate to contact me directly at (561) 827-1169.

Thank you for your assistance in this regard.

Sincerely

Todd Shepherd Regulatory Affairs FPSC-BUREAU OF RECORDS

Cc: Terence Winsky, Co-Founder

Orig Tariff forwarded to CUP

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.

Initials of person who forwarded check:

Im

12297 DEC-38
FPSC-COMMISSION CLERK

## \*\* FLORIDA PUBLIC SERVICE COMMISSION \*\*

## DIVISION OF COMPETITIVE MARKETS AND ENFORCEMENT <u>CERTIFICATION</u>

# APPLICATION FORM for AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE WITHIN THE STATE OF FLORIDA

#### Instructions

- This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 12).
- ♦ Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.
- Use a separate sheet for each answer which will not fit the allotted space.
- 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 the Commission Clerk and Administrative Services
2540 Shumard Oak Blvd.

Tallahassee, Florida 32399-0850
(850) 413-6770

If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Competitive Markets and Enforcement
Certification
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6600

## **APPLICATION**

1.	Thi	s i	s an application for √ (check one):
	( X	)	Original certificate (new company).
	(	)	Approval of transfer of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority.
	(	)	<b>Approval of assignment of existing certificate:</b> Example, a certificated company purchases an existing company and desires to retain the certificate of authority of that company.
	(	)	<b>Approval of transfer of control:</b> Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.
2.	Na	me	of company:
	<u>vo</u>	RT	EX BROADBAND COMMUNICATIONS INC
3.	Na	me	under which the applicant will do business (fictitious name, etc.):
	Saı	<u>ne</u>	as above
4.			al mailing address (including street name & number, post office box, city, zip code):
		_	Palm Beach Lakes Blvd.
			402, Tower C
	<u>We</u>	st	Palm Beach, Florida 33401

-	o code): me as 4 above	
<u>ou</u>	me us + usove	
6.	Structure of organization:	
( ( (	) Individual ) Foreign Corporation ) General Partnership ) Other	<ul><li>( X ) Corporation</li><li>( ) Foreign Partnership</li><li>( ) Limited Partnership</li></ul>
<u>lf i</u>	ndividual, provide:	
Na	me: Not applicable	
Titl	le:	
Ad	dress:	
City	y/State/Zip:	
Tel	lephone No.:	Fax No.:
Inte	ernet E-Mail Address:	
Inte	ernet Website Address:	
lf i	ncorporated in Florida, provide	proof of authority to operate in Florida:
		te corporate registration number:
DΩ	3000059326 See Certificate of A	

9.	If foreign corporation, provide proof of	authority to operate in Florida:
	(a) The Florida Secretary of State corp	orate registration number:
	Not applicable.	
10.	If using fictitious name-d/b/a, provide pstatute (Chapter 865.09, FS) to operate	proof of compliance with fictitious name in Florida:
	(a) The Florida Secretary of State fictit	ious name registration number:
	Not applicable	
11.	<u>If a limited liability partnership</u> , provide Florida:	proof of registration to operate in
	(a) The Florida Secretary of State regi	stration number:
	Not applicable	
12.	<u>If a partnership</u> , provide name, title and the partnership agreement.	d address of all partners and a copy of
	Name: Not applicable.	
	Title:	
	Address:	
	Address: City/State/Zip:	
		Fax No.:
	City/State/Zip:	Fax No.:
	City/State/Zip: Telephone No.:	Fax No.:
13.	City/State/Zip: Telephone No.: Internet E-Mail Address: Internet Website Address:	de proof of compliance with the foreign
13.	City/State/Zip: Telephone No.: Internet E-Mail Address: Internet Website Address:  If a foreign limited partnership, provide	de proof of compliance with the foreign
<b>13</b> .	City/State/Zip: Telephone No.: Internet E-Mail Address: Internet Website Address:  If a foreign limited partnership, provid limited partnership statute (Chapter 6	de proof of compliance with the foreign 320.169, FS), if applicable.

## 15. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. <u>Provide explanation.</u>

No

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

Yes. Verizon Wireless, Director of Operations

### 16. Who will serve as liaison to the Commission with regard to the following?

#### (a) The application:

Name: Todd Shepherd

Title: Co-Founder, Regulatory Affairs Address: 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

City/State/Zip: West Palm Beach, Florida 33401

Telephone No.: (561) 202-8484 x11 Fax No.: (561) 207-7235

Internet E-Mail Address: <u>tshepherd@vortexbroadband.net</u> Internet Website Address: <u>www.vortexbroadband.net</u>

## (b) Official point of contact for the ongoing operations of the company:

Name: Todd Shepherd

Title: Founder

Address: 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

City/State/Zip: West Palm Beach, Florida 33401

Telephone No.: (561) 202-8484 x11 Fax No.: (561) 207-7235

Internet E-Mail Address: <u>tshepherd@vortexbroadband.net</u> Internet Website Address: <u>www.vortexbroadband.net</u>

(c) Complaints/Inquiries from customers:

Name: Terence Winsky Title: Co-Founder

Address: 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

City/State/Zip: West Palm Beach, Florida 33401

Telephone No.: (561) 202-8484 x12 Fax No.: (561) 207-7235

Internet E-Mail Address: <a href="mailto:twinsky@vortexbroadband.net">twinsky@vortexbroadband.net</a>
Internet Website Address: <a href="mailto:twinsky@vortexbroadband.net">twinsky@vortexbroadband.net</a>

## 17. List the states in which the applicant:

(a) has operated as an alternative local exchange company.

NONE.

(b) has applications pending to be certificated as an alternative local exchange company.

NONE.

(c) is certificated to operate as an alternative local exchange company.

NONE.

(d) has been denied authority to operate as an alternative local exchange company and the circumstances involved.

NONE.

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

NONE.

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

NONE.

## 18. Submit the following:

A. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

See Attached Composite Exhibit "B"

B. Technical capability: give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

See Attached Composite Exhibit "B"

## C. Financial capability.

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer <u>affirming that the financial statements</u> are true and correct and should include:

- the balance sheet:
- 2. income statement: and See Attached Composite Exhibit "C"
- 3. statement of retained earnings.

**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.

Further, the following (which includes supporting documentation) should be provided:

- 1. **written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
- 2. <u>written explanation</u> that the applicant has sufficient financial capability to maintain the requested service.
- 3. <u>written explanation</u> that the applicant has sufficient financial capability to meet its lease or ownership obligations.

See Attached Composite Exhibit "D"

## THIS PAGE MUST BE COMPLETED AND SIGNED

## APPLICANT ACKNOWLEDGMENT STATEMENT

- 1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of 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. APPLICATION FEE: I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY (	OFFICIAL:	
Todd Sher		Signature
Founder		11/7/03
Title		Date
(561) 202-	8484 x11	(561) 207-7235
Telephone	No.	Fax No.
Address:	1655 Palm Beach Lakes Blvd.	
_	Suite 402, Tower C	
_	West Palm Beach, Florida 33401	

## THIS PAGE MUST BE COMPLETED AND SIGNED

### **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 company 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."

UTILITY OFFIC	CIAL:	
Todd Shepherd		Shaw
Print Name		Signature
Founder		11/7/03
Title		Date /
(561) 202-8484 x	<b>α11</b>	(561) 207-7235
Telephone No.		Fax No.
Address:1655	Palm Beach Lakes Blvd.	
<u>Suite</u>	e 402, Tower C	
Wes	t Palm Beach, Florida 33401	

## INTRASTATE NETWORK (if available)

Chapter 25-24.825 (5), Florida Administrative Code, requires the company to make available to staff the alternative local exchange service areas only upon request.

1.	POP: Addresses where located, and indicate if owned or leased.
	1) 1655 Palm Beach Lakes Blvd.2)
	WPB, FL 33401 - Leased
	3)4)
2.	SWITCHES: Address where located, by type of switch, and indicate if owned or leased.
	1) 1655 Palm Beach Lakes Blvd.2) Taqua – (Leased)
	WPB, FL 33401 - Leased
	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 OWNERSHIP
	1) WPB - Leased
	2)
	3)
	4)

## CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) NEW CERTIFICATION	1
(Title)	of (Name of Company)
and current holder of Florida Public Serving, have reviewed this request for a:	ice Commission Certificate Number # application and join in the petitioner's
( ) sale	
( ) transfer	
( ) assignment	
of the above-mentioned certificate.	
UTILITY OFFICIAL:	
Print Name	Signature
Title	Date
Telephone No.	Fax No.
Address:	

## **EXHIBIT INDEX**

**EXHIBIT "A" - Certificate of Authority** 

**EXHIBIT "B" - Managerial and Technical Qualifications** 

**EXHIBIT "C" - Financial Capability** 

EXHIBIT "D" - Written Explanations – Financial Obligations

## **COMPOSITE EXHIBIT "A"**

No. 8

**Certificate of Authority (Florida)** 



## Bepartment of State

I certify from the records of this office that VORTEX BROADBAND COMMUNICATIONS, INC., is a corporation organized under the laws of the State of Florida, filed on May 29, 2003, effective May 29, 2003.

The document number of this corporation is P03000059326.

I further certify that said corporation has paid all fees due this office through December 31, 2003, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the Great Seal of the State of Florida at Tallahassee, the Capitol, this the Ninth day of September, 2003

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CR2EO22 (2-03)

Leada E. Hood

Blenda E. Hood

Secretary of State

## **COMPOSITE EXHIBIT "B"**

## Nos. 18A and 18B

## **Managerial and Technical Qualifications**

In Re: Application of Vortex Broadband Communications Inc. for Authorization to Provide Competitive Local Exchange Service within the State of Florida.

Application No. 18A and B

#### Todd Shepherd,

#### Founder, CTO, President

Mr. Shepherd is the founder and visionary behind Vortex Broadband Communications. Mr. Shepherd has an extensive history in the telecommunications industry, including experience as an engineer/consultant and management for International Network Services, which supported some of largest network carrier clients in the international and US metro markets such as MCI, AT&T, Bellsouth, XO Communications, Quest Communications, KMC Telecom, and COX Communications to name a few.

Prior to founding Vortex Broadband, Mr. Shepherd served as CEO and President for Cyber Surveillance Systems (an internet security consulting company). Additionally, Mr. Shepherd was the Director of System Engineering and Support for Axerra Networks (a NextGen Telecommunications Hardware Manufacturer) where he handled the worldwide field engineering sales and support operations with key channel and OEM partners such as Ericsson and Siemens.

Mr. Shepherd has experience with the development and growth and operations of multidisciplined telecommunications network infrastructures and operations with regards to internetworking switching and routing and optical transmission equipment and other related technologies with an emphasis on TCP/IP design, network deployment and operations management.

A veteran of three telecom industry start-ups, Mr. Shepherd has over ten years of management experience in the telecommunications industry and holds a B.S.E.E

**COMPOSITE EXHIBIT "B"** 

Page 1 of 3

In Re: Application of Vortex Broadband Communications Inc. for Authorization to Provide Competitive Local Exchange Service within the State of Florida.

Application No. 18A

#### **Terence Winsky**

#### Founder, CEO

Mr. Winsky is the Co-Founder of Vortex Broadband Communications and has extensive experience and demonstrable success in all facets of the telecom business arena including the building of high-growth, successful sales organizations for telecommunications based companies.

Most recently, as Vice President, Mr. Winsky was responsible for global Sales and Operations activities at Axerra Networks, a telecommunications hardware manufacturer. At FORE Systems, Terence was Director of Worldwide Service Provider Sales, and was personally responsible for sales to GTE, SBC, Qwest, Time Warner, Pacific Bell and numerous independent telcos. While at CacheFlow, Mr. Winsky was responsible for global channel sales including significant relationships with Alcatel and Ericsson.

Additionally, Mr. Winsky's has over 15 years of experience in senior management positions with Newbridge Networks, and Nortel. Mr. Winsky holds an MBA from the Wharton School of Business and a B.A. in economics from Carleton.

**COMPOSITE EXHIBIT "B"** 

Page 2 of 3

In Re: Application of Vortex Broadband Communications Inc. for Authorization to Provide Competitive Local Exchange Service within the State of Florida,

Application No. 18A and B

#### Juan Carlos Cruz

#### Vice President of Operations

Mr. Cruz has extensive experience in telecommunications arena, most recently with Verizon Wireless, a cellular based carrier. Serving as Director of Operations, Mr. Cruz was responsible for management of administrative and operations departments as well as network growth and reliability reporting and forecasting.

Prior to joining Verizon Wireless, Mr. Cruz served as Regional Director of Operations for PrimeCo PCS in South Florida. A wireless cellular telecommunications company, PrimeCo integrated service offerings of cellular, paging, long-distance and additional peripheral telecommunications services as a single provider to customers.

As veteran of two cellular telephone company start-ups, Mr. Cruz has over ten years of management experience in the cellular and wireless telecommunications industry.

**COMPOSITE EXHIBIT "B"** 

Page 3 of 3

## EXHIBIT "C"

No. 18C

**Financial Capability** 



Vortex Broadband Communications, Inc.
Projections

In Re. Application for Authority to provide Competitive Local Exchange Service in the State of Florida

No. 18 C. Financial Capability

Summary	Facto	or	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	<u>Jun-0</u> 4	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Revenue COS Network Expense Gross Margin			\$ 14,338 00	2442 99 \$ 12 70 5 \$ 14,338 00 5 \$ (11,907 71) 5	\$ 14,33B 00 <b>\$</b>	14,338 00 \$			14,338 00 \$	14 338 00 \$	14,338 00 \$	14 338 00 \$	14 338 00 \$	14 338 00 \$	14 338 00 \$	14 338 00 \$	14,338.00 \$	14 338 00
SG&A Total Compensation Other Total EBITDA			\$ 40,185 00 \$ 41,355 15 \$ (81,540 15)		\$ 40,185 00 \$ \$ 41,732 18 \$ \$ (81 917 18) \$	40,185 00 \$ 42 541 24 \$ (82 726 24) \$	40,185 00 \$ 42,583 37 \$ (82,768 37) \$	40,185 00 \$ 42,646 57 \$ (82,831 57) \$	40,185 00 \$ 42,709 78 \$ (82 894 76) \$	40,185 00 \$ 42,991 01 \$ (83,176 01) \$	5 40,185 00 \$ 6 43 072 27 \$ 6 (83,257 27) \$ 6 (81,960 71) \$	40,185 00 \$ 43,171 57 \$ (83,356 57) \$	40 185 00 \$ 43,267 87 \$ (83 452 87) \$	40,185 00 \$ 43,385 23 \$ (83,570 23) \$	40 185 00 \$ 43,499 59 \$ (83,684 59) \$	40,185 00 \$ 43,632 00 \$ (83,817 00) \$	40,185 00 \$ 43,761 40 \$ (83 946 40) \$	\$ 40,185 00 \$ 43,911 86 \$ (84 096 86)
Business's Occupied Phone Lines per Business Possible Phone Lines Change in Phone Lines Competitor Share Competitor Lines		600 4 70%	600 4 1680 0 0	600 4 1680 0 0	600 4 1680 2 0	600 4 1680 7 0	600 4 1680 14 0	600 4 1680 21 0	600 4 1680 21 0	600 4 1680 28 0	600 4 1680 28 0 29	600 4 1680 35 0 57	600 4 1680 35 0 86	600 4 1680 42 0	600 4 1680 42 0 143	600 4 1680 49 0 171	500 4 1680 49 0 200	500 4 1680 56 0 228
VTXBB Adds VTXBB Losses VTXBB Billing		2%	0 0 0	0 -1 1	2 0 3	7 0 10	14 0 24	21 0 45	21 0 <del>6</del> 6	28 1 93	28 1 120	35 2 153	35 3 185	42 3 224	42 4 262	49 5 306	49 6 349	56 6 399
VTXBB Local Revenue MRC MRC MRC MRC Total	\$ 3 \$ 2	29 95 17 95	\$ - \$ - \$ -	\$ 9 99 \$ \$ 7 99 \$ \$ 8 99 \$ \$ 5 39 \$ \$ 32 35 \$	23 97 \$ 26 96 \$ 16 16 \$	99 90 \$ 79 90 \$ 89 85 \$ 53 85 \$ 323 50 \$	239 76 \$ 191 76 \$ 215 64 \$ 129 24 \$ 776 40 \$	449 55 \$ 359 55 \$ 404 33 \$ 242 33 \$ 1 455 75 \$	659 34 \$ 527 34 \$ 593 01 \$ 355 41 \$ 2,135 10 \$	743 07 S 835 61 S 500 81 \$	958 80 \$ 1,078 20 \$ 646 20 \$	1,222 47 \$ 1,374 71 \$ 823 91 \$	1,848 15 \$ 1,478 15 \$ 1,662 23 \$ 996 23 \$ 5,984 75 \$	1,789 76 \$ 2,012 64 \$	2,354 07 \$ 1,410 87 \$	1,647 81 S	2,788 51 \$ 3,135 77 \$ 1 879 37 \$	3 188 01 3,585 02 2 148 62
Long Distance Lines Minutes Revenue	\$	10% 50 0.05	0 0	0 5 \$ 025 \$	0 15 0 75 <b>\$</b>	1 50 2 50 \$	2 120 6 00 \$	5 225 11 25 <b>\$</b>	7 330 16 50 \$	9 465 23 25 <b>\$</b>	12 600 30 00 \$	15 765 38 25 <b>\$</b>	19 925 46 25 \$	22 1120 56 00 \$	26 1310 65 50 \$	31 1530 76 50 <b>\$</b>	35 1745 87 25 <b>\$</b>	40 1995 i 99 75
Port/Loop Revenue	\$ 2	26 97	\$ .	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- s	- \$	- s	; <u>-</u>
CABS	\$	5 60	s -	\$ 560 \$	16 80 \$	56 00 \$	134 40 \$	252 00 \$	369 60 S	520 80 \$	672 00 \$	856 80 \$	1,036 00 \$	1,254 40 \$	1,467 20 \$	1 713 60 \$	1 954 40 S	2 234 40
PICCS/USF/DA	\$	4 79	<b>s</b> -	\$ 479 <b>\$</b>	14 37 \$	47 90 \$	114 96 \$	215 55 \$	316 14 \$	445 47 \$	574 80 \$	732 87 \$	886 15 <b>S</b>	1,072 96 \$	1,254 98 \$	1 465 74 \$	1 671 71 \$	1 9 1 1 2 1
Network T1/DS3 Access T1 Revenue DS3 Revenue Total		00 00		\$ 1,200 00 \$ 0 \$ - \$ \$ 1 200 00 \$	- \$	20 6,000 00 \$ 0 - \$ 6,000 00 \$	20 6,000 00 \$ 0 - \$ 6 000 00 \$	20 6,000 00 \$ 0 - \$ 6,000 00 \$	20 6,000 00 \$ 0 - \$ 6,000 00 \$	20 6 000 00 \$ 0 - \$ 6 000 00 \$	0 - \$	0 - <b>\$</b>	20 6 000 00 \$ 0 - \$ 6,000 00 \$	20 6,000 00 \$ 0 - \$ 6,000 00 \$	0 - \$	6,000 00 \$ 0 - \$ 6 000 00 \$	- S	- 0
Total Revenue		-   -	\$ 1,200 00	\$ 244299 \$	3,728 97 \$	12 429 90 \$	13,031 76 \$	13 934 55 \$	14 837 34 \$	15 998 07 \$	17,158 80 \$	18 577 47 \$	19,953 15 \$	21,629 76 \$	23,263 38 \$	25,154 94 \$	27 003 51 \$	29,153 01
COS  Commission Long Distance Minutes Cost Local Usage Intrastate USF Total COS	\$ \$	0 01 3 29 50% 0 60	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	5 \$ 0.05 \$ \$ 3.29 \$ \$ 1.65 \$ \$ 0.60 \$	15 0 15 \$ 9 87 \$ 4 94 \$ 1 80 \$	71 17 \$ 50 0 50 \$ 32 90 \$ 16 45 \$ 6 00 \$ 127 02 \$	170 81 \$ 120 1 20 \$ 78 96 \$ 39 48 \$ 14 40 \$ 304 85 \$	320 27 \$ 225 2 25 \$ 148 05 \$ 74 03 \$ 27 00 \$ 571 59 \$	469 72 \$ 330 3 30 \$ 217 14 \$ 108 57 \$ 39 60 \$ 838 33 \$	661 88 \$ 465	854 04 \$ 600 6 00 \$ 394 80 \$ 197 40 \$ 72 00 \$ 1 524 24 \$	1 088 90 \$  765 7 65 \$ 503 37 \$ 251 69 \$ 91 80 \$ 1,943 41 \$	925 925 925 608 65 304 33 111 00 2,349 87	1 594 21 \$ 1120 11 20 \$ 736 96 \$ 368 48 \$ 134 40 \$ 2 845 25 \$	1 864 65 \$ 1310 13 10 \$ 861 98 \$ 430 99 \$ 157 20 \$ 3,327 92 \$	2 177 80 \$  1530 \$ 15 30 \$ 1 006 74 \$ 503 37 \$ 183 60 \$ 3,886 81 \$	1745 17 45 \$ 1,148 21 \$ 574 11 \$ 209 40 \$	1995 19 95 1 312 71 656 36 239 40
Network Cost DS-3 WPB-IDS DS-3 US Cell-WPB OC-12 BLS E0-US Cell FGD Local Trunks 911/411 etc Colo Rent POP Electricity Total	\$ 1,75 \$ 200	3 00 00	5 1,500 00 5 7 000 00 5 580 00 5 505 00	\$ 1,500 00 \$ 7,000 00 \$ 580 00 \$ \$ 580 00 \$ \$ 505 00 \$ \$ 1,753 00 \$ \$ 2,000 00 \$	1 500 00 \$ 7 000 00 \$ 580 00 \$ 505 00 \$ 1,753 00 \$ 2 000 00 \$	1 000 00 \$ 1,500 00 \$ 7,000 00 \$ 560 00 \$ - \$ 505 00 \$ 1,753 00 \$ 2,000 00 \$	1,000 00 \$ 1,500 00 \$ 7 000 00 \$ 580 00 \$ 505 00 \$ 1 753 00 \$ 2 000 00 \$ 14 338 00 \$	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 580 00 \$ 1,753 00 \$ 2,000 00 \$ 14,338 00 \$ 514,338	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 580 00 \$ - \$ 505 00 \$ 1,753 00 \$ 2,000 00 \$	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 500 00 \$ 505 00 \$ 1,753 00 \$	1 000 00 \$ 1 500 00 \$ 7 000 00 \$ 580 00 \$ - \$ 505 00 \$ 1,763 00 \$ 2,000 00 \$	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 580 00 \$ 505 00 \$ 1,753 00 \$ 2,000 00 \$	1,000 00 \$ 1,500 00 \$ 7 000 00 \$ 500 00 \$ - \$ 505 00 \$ 1 753 00 \$ 2 000 00 \$ 14,338 00 \$	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 580 00 \$ 505 00 \$ 1,753 00 \$ 2,000 00 \$ 14,338 00 \$	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 500 00 \$ 505 00 \$ 1753 00 \$ 2,000 00 \$ 14338 00 \$	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 580 00 \$ 505 00 \$ 1,753 00 \$ 2,000 00 \$	1,000 00 \$ 1,500 00 \$ 7,000 00 \$ 580 00 \$ 505 00 \$ 1753 00 \$ 2,000 00 \$	1,000 00 1 500 00 7,000 00 580 00 505 00 1,763 00 2,000 00
Fixed Asset Balance Gross Voice Switch Hub Transport Equipment Fiber Lad Fiber Mux BLS EO Setup	\$ 50,00 \$ 20,00 \$ 5,00	00 00 00	\$ 150,000 00 3 \$ 50,000 00 3 \$ 20,000 00 3 \$ 5,000 00 3	\$ 150,000 00 \$ \$ 50,000 00 \$ \$ 20,000 00 \$	150,000 00 \$ 50 000 00 \$ 20,000 00 \$ 5,000 00 \$	150,000 00 \$ 50,000 00 \$ 20,000 00 \$ 5,000 00 \$	150,000 00 \$ 50,000 00 \$ 20,000 00 \$ 5,000 00 \$	150 000 00 \$ 50 000 00 \$ 20,000 00 \$ 5 000 00 \$	150 000 00  \$ 50,000 00  \$ 20 000 00  \$ 5 000 00  \$	150,000 00 \$ 50,000 00 \$ 20,000 00 \$ 5,000 00 \$	150,000 00 \$ 50,000 00 \$ 20,000 00 \$	150,000 00 \$ 50,000 00 \$ 20,000 00 \$ 5,000 00 \$	150,000 00 \$ 50,000 00 \$ 20 000 00 \$ 5,000 00 \$	150 000 00 \$ 50 000 00 \$ 20,000 00 \$ 5 000 00 \$	150,000 00 \$ 50 000 00 \$ 20 000 00 \$	150,000 00 \$ 50,000 00 \$ 20,000 00 \$ 5,000 00 \$	150,000 00 \$ 50,000 00 \$ 20,000 00 \$ 5 000 00 \$	150 000 00 50,000 00 20,000 00 5,000 00

CS Computers/Furniture Miscellaneous Total	\$ \$	1,500 00 15,622 00	⊦∐s	15 622 00	\$	9,000 00 15 622 00 261,141 00		15,622 00		15,622 00	\$ 1	9 000 00 5,622 00 1,141 00	s	9,000 00 15,622 00 261,141 00	5	9,000 00 15,622 00 61,141 00	5	15,622 00		15 622 00		15,622 00	\$ 1	5,622 00	\$	9,000 00 15,622 00 61,141 00	5	9,000 00 15,622 00 261,141 00	\$	15 622 00		9,000 00 15 622 00 261 141 00	
Depreciation		6	o   s	4,352 35	5	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4,352 35	\$	4 352 35	\$	4,352 35	\$ 4,352 35
Headcount Switch Technician On-Site Service Customer Service Provisioning/CO/Billing Supervisor Total				1 1 2 1 1 6	!	1 1 2 1 1		1 1 2 1 1		1 1 2 1 1		1 1 2 1 1 6		1 1 2 1 1		1 1 2 1 1		1 1 2 1 1		1 1 2 1 1		1 1 2 1 1 6		1 1 2 1 1		1 1 2 1 1	!	1 1 2 1 1 6		1 1 2 1 1		1 1 2 1 1	1 1 2 1 -1 6
Salary			1																														
Switch Technician Customer Service Provisioning/CO/Billing Supervisor Total	\$ \$ \$ \$	4 000 00 2 079 00 2 079 00 3 000 00	\$		\$ \$	4 158 00 2 079 00 3,000 00	\$ \$ \$		\$ \$ \$	4 158 00	\$ 2 \$ 2 \$ 3	1,000 00 1,158 00 2,079 00 3,000 00 3,237 00	\$ \$ \$	4,000 00 4,158 00 2,079 00 3,000 00 13,237 00	\$ \$ \$	4,000 00 4,158 00 2,079 00 3,000 00 13,237 00	\$ \$ \$	2,079 00	\$	4,158 00 2,079 00 3,000 00	\$ \$ \$ \$	4 158 00 2 079 00	\$ \$ \$	4 158 00 2 079 00	\$ \$	4,000 00 4,158 00 2,079 00 3,000 00 13,237 00	\$ \$ \$	4,000 00 4,158 00 2,079 00 3,000 00 13,237 00	\$	4 158 00 2 079 00		2,079 00 3,000 00	\$ 4 158 00 \$ 2 079 00
Payroll Taxes		99	s   s	1,191 33	\$	1 191 33	s	1,191 33	\$	1,191 33	\$ 1	191 33	\$	1,191 33	\$	1,191 33	\$	1 191 33	\$	1,191 33	\$	1,191 33	\$	1,191 33	\$	1,191 33	\$	1 191 33	\$	1 191 33	\$	1,191 33	\$ 1,191 33
Health Insurance Total Compensation	\$	151 00	\$	906 00 <b>40</b> ,185 00			s s 4	906 00 10 185 00	\$ 4	906 00 : 40,185 00 :			\$ \$	906 00 40,185 00	\$ \$ 4	906 00 40,185 00	\$ \$		\$ \$		\$ \$		\$ \$ 4		\$ \$	906 00 10,185 00		906 00 40,185 00			\$ \$		\$ 906 00 \$ 40,185 00
Other SG&A 537 - Bank Charges 538 - Billing 540 - Computer Expenses 567 - Office Expenses - Other Maintenance 568 - Miscellaneous 592 - Telephone 5790 - Office/Lease 596 - Utilifice 603 - Bad Debt Expenses Total	\$	3 00 15% 7%	\$ \$ \$ \$ \$ \$	300 00 39,171 15 600 00 200 00	\$ \$ \$ \$	1,000 00 300 00 39,171 15 600 00 200 00 200 00 171 01	\$ \$ \$ \$	1,000 00 300 00 9,171 15 600 00 200 00 200 00 261 03	\$ \$ \$ \$	1,000 00 3 300 00 3 39,171 15 3 800 00 3 200 00 3 200 00 3 870 09 3	\$ 1 \$ 39 \$ \$ \$ \$	000 00 300 00 1,171 15 800 00 200 00 200 00 912 22	\$ \$ \$ \$ \$	300 00 39 171 15 800 00 200 00 200 00 975 42	\$ \$ \$ \$	800 00 200 00 200 00	\$ \$ \$ \$ \$ \$	1,000 00 300 00 39,171 15 1,000 00 200 00	\$ \$ \$ \$	1,000 00 300 00 39,171 15 1,000 00 200 00 200 00 1 201 12	\$ \$ \$ \$ \$	200 00 200 00 1 300 42	\$ 3! \$ 3! \$ 5 \$ 5 \$ 5	1 000 00 300 00 9,171 15 1,000 00 200 00 200 00 1,396 72	\$ 5 \$ 5 \$ 5 \$ 5 \$ 5	1,000 00 300 00 39,171 15 1,000 00 200 00 200 00 1 514 08 13 385 23	\$ \$ \$ \$	1 000 00 300 00 39,171 15 1,000 00 200 00 200 00 1,628 44 43,499 59	55555	1,000 00 300 00 39,171 15 - 1,000 00 200 00 200 00 1,760 85	\$ \$ \$		\$ - \$ 1000 00 \$ 300 00 \$ 39 171 15 \$ - \$ 1000 00 \$ 200 00
Accounts Receivable Opening Balance Billing Collections Ending Balance			\$ \$ \$		\$ \$	2,442 99	s s	3,728 97 2,352 97	\$ 1 \$	3,990 00 5 12 429 90 5 3,119 90 5 13,299 99 5	13 12	,031 76 ,387 77	\$ \$	13,934 55 12,968 56	\$ 1 \$ 1	14 837 34 13 871 35	\$ \$	14,756 09	\$	15,916 82	\$ \$	17,059 49	\$ 15 \$ 16	9,953 15 3,481 17	\$ 2 \$ 1	9 835 79	\$	23,263 38 21,515 41	\$	25,154 94 23,130 97	\$	27 003 51 25,025 54	\$ 28,893 76 \$ 29 153 01 \$ 26,853 05 \$ 31,193 72
Accounts Payable Opening Balance Additions Payments Closing Balance			\$ \$ \$	95,878 15 56,514 33	\$ 9 \$ 5	96,177.86 66,727.03	\$ 9 \$ 5	6 752 44	\$ 9 \$ 5	97,191.26 \$ 67,041.35 \$	97 5 57	.411 22 ,219 18	\$	198,697 45 97,741 16 57 485 92 238 952 69	\$ 9 \$ 5	98 071 10 57 752 66	\$	58,295 62	\$	99 119 51 58 638 57	S :	59,057 74	\$ 100 \$ 59	) 140 74 ) 464 20	\$ 10 \$ 5	0 753 48 9 959 58	\$ 1 \$	01 350 51 60,442 25	\$	102,041 81 61,001 14	\$ 1 \$	02 717 39 51,547 33	\$ 605,321 42 \$ 103,502 96 \$ 62 182 43 \$ 646,641 95
Lease Opening Balance Payment Ending Balance Interest		9%	s	261 141 00 4 744 06 256,788 65 391 71	\$ \$ 25	4,744 06	\$ \$ 24	4,744 06	\$ \$ 24	4,744 06	239	744 06	\$ \$ 2	4 744 06	\$ \$ 23	4,744 06 0,674 55	S	30,674 55 4,744 06 26,322 20 391 71	\$ \$ 2	4,744 06	\$ \$ 2	4,744 06	\$ 4 \$ 213	744 06	\$ \$ 20	4.744 06	\$ \$ 2	08 912 80 4 744 06 04 560 45 391 71	\$ \$ :	4.744 06	\$ \$ 1	4.744 06	\$ 195,855 75 \$ 4,744 06 \$ 191,503 40 \$ 391 71

## PROJECTED BALANCE SHEET/CASH FLOW

Vortex Broadband Communications, Inc. Balance Sheet-Cash Flow

in Re: Application for Authority to provide Competitive Local Exchange Service in the State of Florida No. 18 C Financial Capability

Factor nce Sheet		Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
ash	5	(332,100.04) \$	. 5	(66.177.28) \$	(122.655.47) \$	(169.577.45) \$	(215,486.14) \$	(260,059-54) \$	(303.392 13) \$	(345,007.91) \$	(384,801 38) \$	(422 514 12) \$	(458,069.03) 8	(491,161.69) \$	(521,732.60) \$	(549.523.34) \$	(574.456
Accounts Receivable Reserve For Bad Debt Accounts Receivable-Net	5 5	1,200,00 S (84,00) S 1,116,00 S	2,614.00 \$ (255.01) \$ 2,358.99 \$	3.990.00 \$ (516.04) \$ 3.473.96 \$	13.299 99 \$ 11.386 13) \$ 11.913.86 \$	13,943.98 \$ (2,298.35) \$ 11,645.63 \$	14,909.97 \$ (3,273.77) \$ 11,638.20 \$	15,875.95 \$ (4,312.39) \$ 11,563.57 \$	17,117.93 S (5,432.25) S 11,685.68 S	18.359.92 \$ (6.633.37) \$ 11.726.55 \$	19.877.89 \$ (7.933.79) \$ 11.944.10 \$	21.349.87 S (9.330.51) S 12.019.36 S	23,143,84 \$ (10,844,56) \$ 12,299,25 \$	24.891.82 \$ (12.473.03) \$ 12.418.79 \$	26.915.79 \$ (14.233.88) \$ 12.681.91 \$	26.893.76 \$ (16.124.12) \$ 12.769.63 \$	
ixed Assets occumulated Depreciation let Fixed Assets	5 5 5	261,141.00 \$ (4,352.35) \$ 256,788.65 \$	261,141,00 \$ (8,704,70) \$ 252,436,30 \$	261.141.00 \$ (13.057.05) \$ 248.083.95 \$	261,141.00 \$ (17.409.40) \$ 243,731.60 \$	261,141.00 \$ (21.761.75) \$ 239.379.25 \$	261.141.00 S (26.114.10) S 235.026.90 S	261,141.00 \$ (30,466.45) \$ 230,674.55 \$	261,141 00 \$ (34.818.80) \$ 226.322.20 \$	261.141.00 \$ (39.171.15) \$ 221.969.85 \$	261 141 00 \$ (43,523.50) \$ 217,617.50 \$	261,141.00 \$ (47,875.85) \$ 213,265.15 \$	261.141.00 \$ (52.228.20) \$ 208.912.80 \$	261,141.00 \$ (56,580.55) \$ 204,560.45 \$	261.141.00 \$ (60.932.90) \$ 200.206.10 \$	261,141.00 \$ (65.285.25) \$ 195.855.75 \$	261,14 (69,63) 191,500
Other Assets	- 11	1000	2000	3000	4000	5000	600G	7000	8000	9000	10000	11000	12000	13000	14000	1500G	16
otal Assets	S	(73.196.39) \$	(144,132.21) \$	(212.546.87) \$	(263,937.50) \$	(314.480.07) \$	(363,750,54) \$	(411,748,92) \$	(458.311.74) S	(503,239.01) \$	(546.167.28) \$	(587,167.11) S	(625,784 47) \$	(062,109.95) \$	(695,770.09) S	(726.825.46) \$	(754.852
accounts Payable	s	39,363.B2 S	78.814.65 S	118.365.50 \$	158,505 41 S	198,697.45 \$	238,952.69 \$	279.271.13 \$	319,670.61 \$	380.151.75 S	400.73199 \$	441 406 53 \$	482.202.43 \$	523,110.69 \$	564,151 36 \$	605,321.42 \$	646.64
eases Payable apital																	
tetained Earnings	S	(112,560,21) \$	[222,946,86] \$	(330,902.37) \$	(422,442,91) \$	(513.177.52) \$	(602,703.23) \$	(691.020.04) \$	(777.982.56) S	(883,390,76) \$	(946,899.26) \$	(1.028.565.64) \$	(1,107,986,91) \$	(1,185,220,64) \$	(1,259,921,44) \$	(1.332.146.88) \$	(1.401.49
otal Liabilities & Equity	3	(73,196,39) \$	(144,132,21) \$	(212.546.87) \$	(263,937.50) \$	(314,480.07) \$	(363,750.54) \$	(411.748.92) \$	(458,311.74) \$	(503.239.01) \$	(548.167.28) \$	(587,157.11) \$	(825,784.47) \$	(662.109.95) \$	(095.770.09) \$	(726.825.46) \$	[754,85
theck Total																	
flow																	
et Income	s	(112,560.21) \$	(110,388.64) \$	(107,955.51) \$	(91.540.54) \$	(90.734.61) \$	(89 525 71) \$	(88,316.81) \$	(86,962 51) \$	(85,408.21) \$	(83.508.51) S	(81,668.37) S	(79,421.27) 8	(77.233 74) \$	(74,700.80) \$	(72.225.43) \$	169.34
cash Provided by Operating Activities depreciation incr. Income Allowance for Doubtful Acct Change in AR Change in Other Assets	5 5 5 5	4 357 35 \$ 84.00 \$ (1.200.00) \$ (1.000.00) \$	4.352.35 S 171.01 S (1.414.00) S (1.000.00) S	4.352.35 \$ 261.03 \$ (1.376.00) \$ (1.000.00) \$	4.352.35 \$ 870.09 \$ (9.310.00) \$ (1,000.00) \$	4,352.35 \$ 912.22 \$ (643.99) \$ (1,000.00) \$	4.352.35 \$ 975.42 \$ (965.99) \$ (1.000.00) \$	4,352,35 \$ 1,038,61 \$ (965,99) \$ (1,000,00) \$	4.352.35 \$ 1.119.86 \$ (1,241.98) \$ (1,000.00) \$	4.352.35 \$ 1.201.12 \$ (1.241.98) \$ (1.000.00) \$	4,352,35 \$ 1,300,42 \$ (1,517,98) \$ (1,000,00) \$	4.352.35 \$ 1.396.72 \$ (1.471.98) \$ (1,000.00) \$	4.352.35 \$ 1.514.06 \$ (1.793.97) \$ (1.000.00) \$	4,352.35 \$ 1,628.44 \$ (1,747.97) \$ (1,000.00) \$	4 352 35 \$ 1,760 85 \$ (2,023 97) \$ (1,000.00) \$	4.352.35 \$ 1.890.25 \$ (1.977.97) \$ (1.000.00) \$	
Change in Prepaid Change in AP	8	39.363.82 \$	39.450.83 \$	39.540.85 \$	40.149.91 S	40.192.04 <b>\$</b>	40 255 24 \$	40.318.43 \$	40.399.68 \$	40.480.94 \$	. \$ 40.580.24 \$	. S 40.676.54 S	40,793,90 \$	40,908.26 S	41,040,67 \$	41.170.07 \$	413
Net Cash from Operating Activities	5	41,600.17 \$	41.560 19 \$	41.778.23 \$	35.062.36 \$	43,812.63 <b>\$</b>	43.617.02 \$	43.743.41 \$	43.529.92 \$	43,792.42 S	43,715.04 \$	43.953.63 \$	43,866.36 \$	44 141 07 \$	44.129.89 \$	44,434.68 \$	44.4
Purchase of Property and Equipment	s	(261 141 001 S	. \$	. s	. \$	- \$	. \$	· \$	- s	. 5	. \$	. S	. \$	- s	. s	\$	
Proceeds from leases Capital	5	. 5 1 00 5	- s	. \$ . \$	. \$ . \$	- s - s	. s	- s - s	- s - s	. \$ - \$	. s	. s	. s	- S	. s	. s	
Increase in Cash Cash Beginning Cash Ending	5 S S	(332,100 04) \$ . 3 (332,100 04)	(68,826,46) \$ (332,100 D4) \$ \$	(66.177.28) \$ \$ (66.177.28) \$	(56,478.18) \$ (66,177.26) \$ (122,686.47) \$	(46,921,98) \$ (122,655,47) \$ (169,577,45) \$	(45.908.69) \$ (169.577.45) \$ (215.486.14) \$	(44,573.40) \$ (215,486.14) \$ (260,059.54) \$	(43.332.59) 5 (260.059.54) \$ (303.392.13) \$	(41,615,79) \$ (303,392,13) \$ (345,007,91) \$	(39,793,47) \$ (345,007,91) \$ (384,801,38) \$	(37,712,74) \$ (384,801,38) \$ (422,514,12) \$	(35.554 91) \$ (422.514 12) \$ (458.069.03) \$	(33.092.67) \$ (458.069.03) \$ (491.161.69) \$	(30.570.91) \$ (491.161.69) \$ (521.732.60) \$	(27,790,74) \$ (521,732,60) \$ (549,523,34) \$	(549.5)

## PROJECTED PROFIT & LOSS

Vortex Broadband Communications, Inc. Projected Profit & Loss

In Re Application for Authority to provide Competitive Local Exchange Service in the State of Florida
No. 18 C Financial Capability

Facto	or	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Lacio	<u>~</u>	SEP-00	501-55	1101-00	505-00	V-111-3-4	1000		(.m. v.)						-		
Revenue	- 1	\$ 1200 C	0   \$ 2,442 99	3,728 97   \$	12,429 90 \$	13,031 76   \$	13 934 55   \$	14,837 34   \$	15,998 07 \$	17 158 80   \$	18,577 47   \$	19,953 15 \$	21,629 76   \$		25 154 94 \$		
cos		\$ -	\$ 12.70	8 38 11 \$	127 02 \$	304 85 \$	571 59 \$	838 33 \$	1,181 29 \$	1 524 24 \$	1,943 41 \$	2,349 87 \$	2,845 25 \$	3,327 92 \$	3 886 81 \$	4,433 00 \$	
Network Expense		\$ 14,338 0	0 \$ 14 338 00 3	14 338 00 \$	14,338 00 \$	14,338 00 \$	14 338 00 \$	14,338 00 \$	14,338 00 \$	14,338 00 \$	14,338 00 \$	14,338 00 \$	14,338 00 \$	14,338 00 \$	14 338 00 \$		
Gross Margin		\$ (13,138 (	0) \$ (11 907 71) :	5 (10 647 14) \$	(2,035 12) \$	(1,611 09) \$	(975 04) \$	(338 99) \$	478 78 \$	1 296 56 \$	2,296 06 \$	3,265 28 \$	4,446 51 \$	5,597 46 \$	6,930 13 \$	8,232 51   \$	9,746 91
						=											
SG&A																	
Total Compensation	- 11	\$ 40,185 (	0   \$ 40 185 00   :	\$ 40,185 00 \$	40,185 00 \$	40,185 00 \$	40,185 00 \$	40,185 00   \$	40,185 00 \$	40,185 00 \$	40,185 00 \$	40,185 00 \$	40,185 00 \$	40 185 00 \$	40,185 00 \$	40,185 00   \$	40 185 00
Other	- 11	\$ 41,355 1		\$ 41,732.18 \$										43 499 59 \$			
Total		\$ (81,540 1	5) S (81 827 16)	\$ (81,917 18) \$	(82 726 24) \$	(82,768 37) S	(82,831 57) \$	(82,894 76) \$	(83 176 01) \$	(83,257 27) \$	(83,356 57) \$	(83 452 87) \$	(83,570 23) \$	(83 684 59) \$	(83,817 00) \$	(83,946 40) \$	(84 095 86)
EBITDA		\$ (94,678.1	5) \$ (93,734.87)	\$ (92,564 31) \$	(84,761 36) \$	(84,379 46) \$	(83,806 61) \$	(83,233 76) \$	(82,697 23) \$	(81,960 71) \$	(81,060 51)  \$	(80,187 59)  \$	(79,123 72)   \$	(78,087 13)  \$	(76,886 87)  \$	(75,713 88)   \$	(74,349 95)
Interest Expense		\$ 3917															
Depreciation	[ ]	\$ 4,352 3	5   \$ 4,352.35   3	4,352 35   \$	4,352 35 \$	4,352 35   \$	4,352 35   \$	4,352 35 \$	4,352 35 \$	4 352 35 \$	4 352 35 \$	4 352 35 \$	4 352 35   \$	4 352 35   \$	4,352 35   \$	4,352 35   \$	4 352 35
Property Tax																	
							en cor zul e		(00,000,541) a	105 400 B41 B	una can cast e	/04 000 07:1 <b>a</b>	470 404 071 C	(27 022 74) 6	74 700 001 e	(70 005 40) 1 6	(60.247.40)
Net Income		\$ (112,560.2	1)  \$ (110,386 64)  :	\$ (107,955 51)  <b>\$</b>	(91 540 54)  \$	(90,734 61)  \$	(89,525 /1)  \$	(88,316 81)  \$	(85,952 51)] \$	(85 408 21)  \$	(83 508 51)  \$	(81,006 37) 5	(79,421.27)   3	(11,233 /4) \$	(14 /00 80)] \$	(12 225 43)  \$	(08,347 10)

## **EXHIBIT D**

## No. 18

## Written Explanations - Financial Obligations

In Re: Application of Vortex Broadband Communications Inc. for Authorization to Provide Competitive Local Exchange Service within the State of Florida.

### Application No. 18 — Written Explanations of Financial Capability

Vortex Broadband Communications Inc. ("VBCI") is financially qualified to provide and maintain the requested local telecommunications services in the proposed geographic areas within the State of Florida. VBCI also has the financial capability to meet its lease or ownership obligations as they come due. Additionally, VBCI through its members, individually and collectively, has adequate access to the capital necessary to fulfill any obligations it may undertake with respect to the provision of local exchange services in the State of Florida.

#### **TITLE PAGE**

## FLORIDA LOCAL EXCHANGE TELECOMMUNICATIONS PRICE LIST

OF

#### **VORTEX BROADBAND COMMUNICATIONS INC.**

This Price List contains the descriptions, regulations, and rates applicable to the furnishing of resold telecommunication services provided by Vortex Broadband Communications Inc. ("VBCI") with principal offices located at 1655 Palm Beach Lakes Blvd, Suite 402, Tower C, West Palm Beach , Florida 33401. This Price List is applicable to local exchange services furnished within the State of Florida. This Price List is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

ISSUED:

EFFECTIVE:

ISSUED BY:

Todd Shepherd, Co-Founder 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

#### **CHECK SHEET**

This Price List contains the sheets listed below, each of which is effective as of the date shown on each sheet. Original and revised pages as named below comprise all changes from the original Price List.

SHEET	REVISION		SHEET	REVISION	
1	Original	*	27	Original	*
2 3	Original	*	28	Original	*
	Original	*	29	Original	*
4	Original	*	30	Original	*
5	Original		31	Original	*
6	Original	*	32	Original	*
7	Original	*	33	Original	*
8	Original	*	34	Original	*
9	Original	*	35	Original	*
10	Original	*	36	Original	*
11	Original	*	37	Original	*
12	Original	*	38	Original	*
13	Original	*	39	Original	*
14	Original	*	40	Original	*
15	Original	*	41	Original	*
16	Original	*			
17	Original	*			
18	Original	*			
19	Original	*			
20	Original				
21	Original	*			
22	Original	*			
23	Original	*			
24	Original	*			
25	Original	*			
26	Original	*			

<sup>\*</sup> Indicates new or revised sheet with this filing

ISSUED:

EFFECTIVE:

ISSUED BY:

Todd Shepherd, Co-Founder 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

## **TABLE OF CONTENTS** Title Sheet 1 **Check Sheet** 2 Table of Contents 3 Symbols Price List Format 5 Section 1.0 - Technical Terms and Abbreviations 6 Section 2.0 - Rules and Regulations 11 Section. 3.0 - Basic Service Description & Rates 22 Section 4.0 - Miscellaneous Services 37 Section 5.0 - Basic Service Description & Rates 41

ISSUED:

EFFECTIVE:

ISSUED BY:

Todd Shepherd, Co-Founder 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

#### **SYMBOLS**

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

- D Delete or Discontinue
- Change Resulting in an Increase to a Customer's Bill
- M Moved from another Price List Location
- N New
- R Change Resulting in a Reduction to a Customer's Bill
- T Change in Text or Regulation but no Change in Rate or Charge.

When changes are made in any Price List sheet, a revised sheet will be issued canceling the Price List sheet affected. Changes will be identified on the revised sheet(s) through the use of the above mentioned symbols.

ISSUED:

EFFECTIVE:

ISSUED BY:

Todd Shepherd, Co-Founder 1655 Palm Beach Lakes Blvd. Suite 402, Tower C

#### PRICE LIST 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 Price List. 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 also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14 Because of various suspension periods, deferrals, etc. the FPSC follows in their Price List approval process, the most current sheet number on file with the Commission is not always the Price List pages in effect. Consult the check sheet for 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.l. 2.1.1.A.l.(a).

P. Check Sheets - When a Price List filing is made with the FPSC, an updated cheek sheet accompanies the Price List filing. The check sheet lists the sheets contained in the Price List, 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 the check sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages).

ISSUED:

EFFECTIVE:

ISSUED BY:

Todd Shepherd, Co-Founder 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

### **SECTION 1.0.. TECHNICAL TERMS AND ABBREVIATIONS**

#### 1.1 **Abbreviations**

The following abbreviations are used herein only for the purposes indicated below:

C.O. Central Office

FCC -FPSC -DCC -LATA -LEC -MTS -POX -FCC -**Federal Communications Commission** Florida Public Service Commission

Interexchange Carrier

Local Access and Transport Area

Local Exchange Carrier

Message Telecommunications Service

Private Branch Exchange

ISSUED:

EFFECTIVE:

ISSUED BY:

Todd Shepherd, Co-Founder 1655 Palm Beach Lakes Blvd.

Suite 402, Tower C

### SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS, (CON'T'D.)

#### 1.2 Definitions

**Access Line** - A circuit between the station protector on the Customer's telephone service or PBX to, and including, serving central office mainframe.

**Answer Supervision** - The transmission of the switch trunk equipment supervisory signal (off-hook or on-hook) to the Customer's point of termination as an indication that the called party has answered or disconnected.

**Authorized User** - A person, firm, corporation or other entity that is authorized by the Customer to be connected to the service of the Subscriber under the terms and regulations of this Price List.

**Auxiliary Line** - An additional individual access line used for one-way (inward to the Customer) service.

**Back-up Line** - An optional service providing individual line Business Customers with an additional line for inward and outward calling with usage applying for originating and terminating.

**Call** - A completed connection established between a calling station and one or more called stations.

**Carrier or Company** - Used throughout this Price List to refer to VBCI unless otherwise clearly indicated by the context.

**Central Office** - A local Company switching system where exchange service Customer station loops are terminated for purposes of interconnection to each other and to trunks.

**Company** - Used throughout this Price List to refer to VBCI unless otherwise clearly indicated by the context

**Customer** - Any person, firm, partnership, corporation, or other entity that uses telecommunications services under the provisions and regulations of this Price List and is responsible for payment of charges.

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### SECTION 1.0- TECHNICAL TERMS AND ABBREVIATIONS (CONT'D)

### 1.2 Definitions (Cont'd)

**Customer Designated Premises** - The premises specified by the Customer for termination of services.

Day - From 8:00 AM up to but not including 5:00 PM local time Sunday through Friday.

**End Office Switch** - A switching system where exchange service Customer station loops are terminated for the purposes of interconnection to each other and to trunks.

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

**Exchange** - A group of lines in a unit generally smaller than a LATA established by the Company for the administration of communications service in a specified area. An Exchange may consist of one or more central offices together with the associated facilities used in furnishing communications service within that area.

**Extended Area Service** - A type of service where Customers of a given exchange may complete calls to and, where provided by the price list, receive messages from one or more exchanges without the application of long distance message telecommunications charges.

**Flat Rate Service** - A classification of exchange service for which a stipulated charge is made, regardless of the amount of use.

**Holidays** - The Company's recognized holidays are New Year's Day, Presidents' Day, Memorial Day, July 4Lh, Labor Day, Thanksgiving Day, and Christmas Day.

**Hunting** - Routes a call to an idle Station line.

**Intra-LATA Toll Message** - Those toll messages that originate and terminate within the same LATA.

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### 1.2 Definitions (Cont'd)

**Local Access and Transport Area (LATA)** - A geographic area established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192 for the provision of administration of communication services. A LATA encompasses designated exchanges, which are grouped to serve common social, economic and other purposes.

**Local Calling Area** - A geographical area in which an End User may complete a call without incurring toll charges.

**Message Rate Service** - A classification, of exchange service for which a charge is made on the basis of use.

Message - a completed telephone call

**Night/Weekend** - From 11:00 PM up to but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to but not including 5:00 PM Sunday.

**Non-Recurring Charges** - One-time initial charges for services or facilities, including but not limited to charges for construction, installation, or special fees, for which the Customer becomes liable at the time the Service Order is executed.

**Operator Station Call** - A service whereby caller places a non-Person to Person call with the assistance of an operator (live or automated)

**PBX** - A private branch exchange; a service providing equipment and facilities for connecting central office trunks and tie lines to stations, and for interconnecting PBX station lines by means of a switchboard or dial apparatus

**Person-to-Person Call** - A service whereby the person originating the call specifies a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant.

Premise - A building or buildings on contiguous property.

**Recurring Charges** - The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the services.

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### SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS (CONT'D)

### 1.2 Definitions (Cont'd)

**Service Connection Charge** - A non-recurring charge applying to the establishment of basic telephone service for a Customer and certain subsequent additions to that service.

**Serving Wire Center** - A specified geographic point from which the vertical and horizontal coordinate is used in calculation of airline mileage.

**Suspension of service** - An arrangement made at the request of the Customer, or initiated by the Company for violation of price list regulations by the Customer, for temporary discontinuing service without terminating the service agreement or removing the telephone equipment from the Customer's premises.

**Terminating Charge** - A charge applied when a Customer discontinues an item of service or equipment prior to the expiration of the initial service period designated for such item, The basic termination charge is an amount established for an individual item of service or equipment from which to the termination charge is computed.

**Third Party Billing** - A billing arrangement by which the charges for a call may be billed to a telephone number that is different from the calling number and the called number.

Trunk - An Access Line which connects to a private Branch Exchange or hybrid system.

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#### **SECTION 2.0 - RULES AND REGULATIONS**

### 2.1 Applicability of Price List

This Price List is applicable to local exchange telecommunications services provided by VBCI within the state of Florida.

#### 2.2 Obligation of the Company

In furnishing facilities and service, the Company does not undertake to transmit messages, but furnishes the use of its facilities to its customers for communications.

The Company's obligation to furnish facilities and, service is dependent upon its ability (a) to secure and retain, without unreasonable expense, suitable facilities; (b) to secure and retain, without unreasonable expense, suitable space for its plant and facilities in the building where service is or will be provided to the customer; or (c) to secure reimbursement of all costs where the owner or operator of a building demands relocation or rearrangement of plant and facilities used in providing service therein.

The Company shall not be required to furnish, or continue to furnish, facilities or service where the circumstances are such that the proposed use of the facilities or service would tend to adversely affect the Company's plant, property or service.

The Company reserves the right to refuse an application for service made by a present or former customer who is indebted to the Company for service previously rendered pursuant to this Price List until the indebtedness is satisfied

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### 2.3 Payment and Credit Regulations

2.3.1 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 VBCI. Payment responsibility includes all local and toll calls originating from the Customers' premises and for all calls charged to the Customer's line where any person answering the Customer's line agrees to accept such charges.

All charges due by the Customer are payable to the Company or to the Company's authorized billing agent. Any objections to billed charges must be reported to the Company or its billing agent within two months after receipt of bill. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicates that such changes are appropriate.

- **2.3.2** Customer bills for telephone service are due upon receipt, unless otherwise specified by this Price List or by contract.
- 2.3.3 In the event that the Company incurs fees or expenses, including attorney's fees, collecting, or attempting to collect, any charges owned to the Company, the Company may charge the Customer all such reasonable fees and expenses incurred by the Company.
- 2.3.4 The Company reserves the right to assess a return-check charge of \$25.00 whenever a check or draft presented for payment of service is not accepted by the institution on which it is written. This charge applies each time a check is returned unpaid to VBCI by a bank for any reason, including insufficient funds or closed accounts. This charge will be in addition to any charges assessed by any bank. If a customer who has received a notice of discontinuance pays the bill with a check that is subsequently dishonored, the account remains unpaid and the Company is not required to issue any additional notice before disconnecting service.

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### 2.3 Payment and Credit Regulations (Cont'd)

#### 2.3.5 Deposits

Any applicant or customer whose financial responsibility is not established to the satisfaction of the Company may be required to deposit a sum up to an amount equal to the total of the estimated local service and toll charges for up to two months for the facilities and service.

### 2.3.6 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.

#### 2.3.7 Taxes

All state and local taxes, including but not limited to gross receipts taxes, sales taxes, and municipal utilities taxes, or associated surcharges, are listed as separate line items and arc not included in the rates listed in this Price List.

### 2.3.8 Disputed Charges

The Company will provide credit on charges disputed by Customer in writing that are verified as incorrect by Company. If objection in writing is not received by Company within 60 days of invoice date in which the charges appear (or as may be otherwise determined by current law and regulatory policy), the account shall be deemed correct and binding upon the Customer.

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#### 2.4 Refunds or Credits for Service Outages or Deficiencies

#### 2.4.1 **Credit Allowance for Interruptions of Service**

Credit allowances for interruptions of service which are not due to the Carrier's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.5 herein. No credit is issued for outages less than 1/2 hour in duration. Credit for outages greater than 1/2 in duration is issued for fixed recurring monthly charges only. No credit is given for usage-sensitive charges. Outage credits are calculated in thirtyminute intervals. The amount of the credit is determined by pro-rating the monthly recurring charge for the time of the outage (in thirty-minute intervals) It shall be the obligation of the Customer to notify Carrier immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Carrier's terminal.

#### 2.4.2 Inspection, Testing and Adjustment

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

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### 2.5 Liability

- 2.5.1 The liability of the Company for any 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 Price List shall not exceed an amount equivalent to the proportionate charges to the Customer for the period of service or the facility provided during which such interruption, delay, error, omission, or defect occurs.
- 2.5.2 The Company shall not be liable for any claim or loss, expense, or damage (including indirect, special, or consequential damage), for any interruption, delay, error, omission, or other defect in any service facility, or transmission provided under this Price List, 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 any act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

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### 2.5 Liability (cont'd)

- 2.5.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer or other users of its service against any claim or loss, expense, or damage, or for defamation, invasion of privacy, infringement of copyright or patent, unauthorized use of any trademark, trade name, 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 from the material data, information, or content revealed to. transmitted, processed, handled, or used by Company under this Price List, or (ii) for connecting, combining, or adapting Company's facilities with Customer's apparatus or systems, or (iii) for any act or omission of the Customer, or (iv) for any personal injury or death of any person, or for any loss of or damage to Customer's premises or any other property, whether owned by Customer or others, caused directly or indirectly by the installation, maintenance, location, condition, operation, failure or removal of equipment or wiring provided by the Company ii not directly caused by negligence of the Company.
- **2.5.4** When the facilities of other companies are used in establishing a connection, the Company is not liable for any act, error, omission, or interruption caused by the other company or their agents or employees. This includes the provision of a signaling system database by another company.

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#### 2.6 Minimum Service Period

The minimum service period for which payment is due is one month (30 days).

### 2.7 Cancellation by Customer

Unless otherwise specified elsewhere in this Price List or by mutually accepted contract between the Customer and the Company, service may be canceled by Customer on not less than 30 days prior written notice to the company.

### 2.8 Refusal or Discontinuance by Company

VBCI may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given 15 days notice to comply with any rule or remedy any deficiency:

- 2.8.1 For failure of a Customer to make a deposit as required under this Price List;
- **2.8.2** For impersonation of another with fraudulent intent;
- **2.8.3** For nonpayment of any sum due;
- **2.8.4** For use of service in a manner reasonably to be expected to frighten, abuse, torment or harass another:
- **2.8.5** For any other violation of the Company's rules and regulations applying to Customer's contracts or the furnishing of service;
- 2.8.6 Without notice for abandonment of service;
- **2.8.7** Without notice for use of service in such a way as to impair or interference with the service provided to other Customers;

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### 2.8 Refusal or Discontinuance by Company (Cont'd)

**2.8.8** Without notice for abuse or fraudulent use of service.

#### 2.9 Use of Service

Service may be used for any lawful purpose for which it is technically suited. Customers or Subscribers reselling or rebilling VBCI's Florida intrastate service must have a Certificate of Public Convenience and Necessity as an inter-exchange carrier from the Florida Public Service Commission

### 2.10 Employee Concessions

[Reserved for Future Use]

### 2.11 Terminal Equipment

Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or systems, such as PBXs, key systems, multiplexers, repeaters, signaling sets, teleprinters, handsets, or data sets. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of Company's service.

### 2.12 Applicable Law

This Price List shall be subject to and construed in accordance with Florida law.

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### 2.13 Cost of Collection and Repair

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

#### 2.14 Restoration of Service

Restoration of service shall be accomplished in accordance with FPSC rules and regulations.

### 2.15 Tests, Pilots, Promotional Campaigns and Contest

The Company may conduct special promotions from time to time that waive a portion or all processing fees or installment fees. This promotion will be conducted in accordance with the Florida Statutes and TRA rules and regulations.

#### 2.16 Access to Customer's Premises

The customer shall be responsible for making arrangements or obtaining permission safe and reasonable access for Company employees or agents of the Company to enter the premises of the customer or any joint user or customer of the customer at any reasonable hour for the purpose of inspecting, repairing, testing or removing any part of the Company's facilities.

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### 2.17 Credit Requirements

The Company reserves the right to deny or cancel service to entities that do not meet the Company's credit requirements or for whom credit information is not available.

### 2.18 Late Payment Charges

- (A) Customer bills for telephone service are due on the due date specified on the bill. A customer is in default unless payment is made on or before the due date specified on the bill, which shall be not less than 25 days from the date of the bill. If payment is not received by the customer" next billing date, a late payment charge of 1.5% will be applied to all amounts previously billed under this Price List, excluding one month" local service charge, but including arrears and unpaid late payment charges.
- (B) Late payment charges do not apply to those portions (and only those portions) of unpaid balances that are associated with disputed amounts. Undisputed amounts on the same bill are subject to late payment charges if unpaid and carried forward to the next bill.

#### 2.19 Ownership

The provision of service to the Customer and payment by the Customer to the Company does not create any easement, ownership, or property rights of any nature in any facilities used to provide service.

### 2.29 Termination Charges

2.20.1 In the event the Customer cancels, repudiates or otherwise voids the service agreement prior to the time service is established, the Customer shall pay all costs and expenses incurred by VBCI in connection with implementation of service. Such charges shall not exceed the non-recurring charges applicable to the services, plus any special construction costs.

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### 2.20 Termination Charges Cont'd

2.20.2 If any portion of the Customer's service is disconnected for any reason prior to the end of the service period, the Customer shall pay a termination liability charge equal to 100% of the payments remaining on the service period within thirty (30) days of the disconnection.

#### 2.21 Installations

Where ILEC central office and outside plant facilities are readily available, the Company's objective for fulfillment of single-line residence and business Customer requests for primary service following receipt of application for same when all tariff requirements relating thereto have been complied with, except those instances where a later installation date is required by the Customer or where special equipment or services are involved, is ten working days.

### 2.22 Maintenance and Repairs

The Company shall make reasonable attempts to restore service on the same day that an interruption is reported by the Customer where the trouble is the result of equipment or facilities provided by the Company. In those instances the Company's objective for repair or restoration of service for single-line residence and business Customers following receipt of a Customer trouble report and obtaining sufficient information from the Customer to identify and diagnose the problem is as follows:

- A. Restoration of 95% of interrupted service lines within 24 hours of receipt of the trouble report.
- B. Clearing of 95% of service affecting troubles within 72 hours of receipt of trouble report.

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#### 3.1 General

VBCI is a reseller of local exchange service providing basic local exchange communications services throughout Florida.

VBCI's rates and service are based on the rates and services of the large incumbent local exchange carriers. This tariff documents the rates and services for VBCI's provision of local exchange service.

Customers are billed based on their use of VBCI's network and services. Charges may vary by service offering, class of service, CLASS/custom calling feature(s), class of call, time of day, day of week, and/or duration.

### 3.2 Quality of Service Standards

VBCI will offer local exchange services, including dial tone and local calling services, on a twenty-four hours a day, seven days a week basis.

VBCI's services will provide service to meet the following standards:

- **3.2.1** At least 95% of all calls will receive dial tone within three (3) seconds;
- **3.2.2** At least 97% of all calls offered to any trunk group will not encounter an all-trunks busy condition;
- **3.2.3** Call completion rate for intra-office calls, interoffice calls, extended area calls and intra-LATA toll calls will be at least 95%.
- **3.2.4** Overall transmission losses within each inter-toll trunk group will not vary more than plus or minus two (2) db.

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3.3 Network switched service is provided via one more channels terminated at the Customer's premises. Each Network Switched Services channel corresponds to one or more analog, voice-grade telephonic communications channels that can be used to place or receive one call at a time.

Network Switched Services provides a Customer with a connection to the Company's switching network that enables the Customer to:

- receive calls from other stations on the public switched telephone network;
- b) access the Company's local calling service;
- access the Company's operators and business office for service related assistance; access toll-free telecommunications services such as 800 NPA; and access 911 service for emergency calling; and
- d) access the service provider's service to originate calls on a direct dialed basis or to receive toll-free service from such provider, or may access a provider on an ad hoc basis by dialing the provider's Carrier Identification Code (such as 10XXX or 101XXXXX)

Basic Business Residential Access Lines are provided for connection of Customerprovided single-line terminal equipment such as station sets for facsimile machines. A non-recurring service connection charge applies to each new access line installation and monthly recurring charge applies for access line.

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### 3.4 Network Switched Service (Cont'd)

#### 3.4.1 Classes of Service

#### A. Flat Rate Service

Monthly exchange rates for flat rate service entitles Customers to an unlimited number of messages to all exchange access lines bearing the designation of central offices within the serving exchange.

### B. Message Rate Service

Monthly exchange rates for message rate service entitle Customers to a message allowance where there is no incremental charge per message up to and including the monthly message allowance. Messages in excess of the monthly message allowance are billed on a per call basis. Messages in excess of the monthly message allowance are \$0.10 and \$0.12 per message for Residential lines and Business lines, respectively. The monthly message allowance is 30 and 75 messages for Residential lines and Business lines respectively.

Applicable to service in areas where Verizon is the ILEC. The messages in excess of the monthly message allowance are \$0.10 and \$0.10 per message for Residential lines and Business lines, respectively. The monthly message allowance is 30 and -0- messages for Residential lines and Business, respectively.

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### 3.4 Network Switched Service (Cont'd)

### 3.4.1 Classes of Service (Cont'd)

# C. Vacation Service/Customer Requested Temporary Suspension of Service

Vacation service allows Customers to temporarily suspend service for a minimum of one month arid up to a maximum of six months.

Rates where BellSouth is the ILEC. The monthly charge for this service is 50% of the normal monthly rate regularly charged to Customers that subscribe to either flat rate or message rate service.

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### 3.4 Network Switched Service (Cont'd)

### 3.4.2 Monthly Recurring Charges

### BellSouth ("Bell") Areas — Rate Groups 1-6

Service Type		Rate Groups 1-6				
Residential Flat Rate	1 \$7 <b>4</b> 1	2 &7 82	3 \$8.22	4 \$8 53	5 \$8 93	6 \$9 29
Residential Message Rate Up to 30 Call Allowance	6 77	6 77	6.77	6.77	6 77	6 77
Per Call, past the 30 Call Allowance	0 10	0.10	0.10	0 10	0.10	0.10
Business Single-Line Flat Rate	20.11	21 12	22 24	23.25	24.22	25.29
Business Multi-Line Flat Rate	21.40	22 48	23.67	24.75	25.78	26 92
Business Message Rate Up to 75 Call Allowance	17.09	17.95	18.90	19 76	20.59	21.50
Per Call, past the 75 Call Allowance	0.12	0.12	0 12	0.12	0 12	0.12
Business/Hunting Rotary, add'l per Line	10.00	10.00	10.00	10 00	10.00	10.00

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### 3,4 Network Switched Service (Cont'd) -

### 3.4.2 Monthly Recurring Charges (Cont'd)

### BellSouth ("Bell") Areas — Rate Groups 7-8

Service Type	Rate Groups 1-6					
Residential Flat Rate	7 \$9.64	8 \$9.95	9 \$10.20	10 \$10 46	11 \$10 61	12 \$10.81
Residential Message Rate Up to 30 Call Allowance	6 87	7.09	7.27	7.45	7.57	7.71
Per Call, past the 30 Call Allowance	0.10	0 10	0.10	0 10	0.10	0.10
Business Single-Line Flat Rate	26 15	27.01	27 82	28 43	29.04	29.55
Business Multi-Line Flat Rate	27.85	28.75	29 62	30 27	30 92	31 46
Business Message Rate Up to 75 Call Allowance	22.23	22.96	23 65	24.17	24.68	25.12
Per Call, past the 75 Call Allowance	0.12	0.12	0.12	0 12	0.12	0.12
Business/Hunting Rotary, add'l per Line	10 00	10 00	10 00	10.00	10.00	10 00

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**Incumbent Local exchange Area** 

### SECTION 3.0 - BASIC SERVICE DESCRIPTION & RATES (CONT'D)

## 3.4 Network Switched Service (Cont'd)

### 3.4.3 Monthly Recurring Charges (Cont'd)

### A. Residential Service per line

	<u>Bell</u>	
Touch Tone	\$n/c	
FCC Charge	4.35	
Hearing and Speech Surcharge	0.12	

### B. Business Service per line

	Incumbent Local exchange Area Bell
Touch Tone	\$n/c
FCC Charge (Single line)	4.35
FCC Charge (Multi-Line)	7.84
Hearing	

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### 3.4 Network Switched Service (Cont'd)

### 3.4.4 Monthly Non-Recurring Charges

### A. Residential Service, per line

	Incumbent Local Exchange Area Bell
Basic Line,	\$55.00
Second Line, same order as basic	12.00
Second Line, added later	40.00
Premise visit trip charge	
- 1 <sup>st</sup> 15 minutes	25.00
<ul> <li>Each additional 15 minutes</li> </ul>	9.00
Telephone Number change	23.00
Restore Service	23.00
Trouble Location	35.00
PIC Change	1.49

### B. Business Service, per line

,.	Incumbent Local Exchange Area Bell
Basic Line,	\$56.00
Second Line, same order as basic	12.00
Second Line, added later	56.00
Premise visit trip charge	
- 1 <sup>st</sup> 15 minutes	28.00
<ul> <li>Each additional 15 minutes</li> </ul>	9.00
Telephone Number change	38.00
Restore Service	38.00
Trouble Location	35.00
PIC Change	1.49

<sup>\*</sup> The premise visit charge is \$35.00 and does not fluctuate based on the duration of the visit.

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#### 3.5 Calculation of Distance

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

The airline mileage between Wire Centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the wire centers involved. 11)3 uses the industry standard wire centers and associated vertical and horizontal.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates, Of the industry standard wire centers, in the following manner:

- Step 1 Obtain the "V" and "H" coordinates for the Wire Centers serving the Customer and the destination point.
- Step 2 Obtain the difference between the "V" coordinates of each of the Wire Centers. Obtain the difference between the "H" coordinate.
- Step 3 Square the difference 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 Wire Centers.

Formula: 
$$(V_1 - V_2)^2 + (H_1 - H_2)^2$$

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### 3.6 Calling Features

Customer of the Company's Access Line, Trunk Service or Centrex arrangements may obtain central office based functions that are auxiliary to call processing. The availability of these features is dependent upon the central office that services the Customer's location. The features in this section are provided subject to availability; features may not be available with all classes of service. Transmission levels may not be sufficient in all cases.

#### 3.6.1 Residential Service

### A. Monthly Recurring Charges:

	Incumbent Local Exchange Area Bell
Call Forwarding Call Forwarding Busy Line	\$2.45 1.00
Call Forwarding No Answer	1.00
Call Forward with Remote Activation	5.20
Fixed Call no Answer	1.00
Fixed Call forwarding busy	1.00
Three Way Calling	4.70
Three Way Calling, per use Call Waiting	0.90 5.15
Call Waiting/Cancel Call Waiting	5.15
Speed Dialing S-Code	3.00
Distinctive Ring Plus	6.00
Call Return	5.00
Call Return, per activation	0.90
Repeat Dialing	4.00
Repeat Dialing, per activation	0.90
Call Waiting	6.00
Call Trace	3.50

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### 3.6 Calling Features (Cont'd)

### 3.6.1 Residential Service, (Cont'd)

### A. Monthly Recurring Charges, (Cont'd)

	Incumbent Local Exchange Area Bell
Call Block	4.00
Caller ID	6.00
Caller ID Block	7.50
Anonymous Call Rejection	3.00
B. Non-Recurring Charges:	
-	Incumbent Local Exchange Area Bell
All other features,	
- with initial order	n/a
- with subsequent order	19.00

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## 3.6 Calling Features (Cont'd)

### 3.6.2 Business Service

### A. Monthly Recurring Charges:

	Incumbent Local Exchange Area Bell
Call Forwarding ESM Call Forwarding Busy Line Call Forwarding no Answer Call Forward with remote activation Fixed Call no Answer Fixed Call Forwarding Busy Three Way Calling Three Way Calling Three Way Calling, per use Call Waiting/Cancel Call Waiting Speed Dialing S-Code Distinctive Ring Plus Call Return Call return, per activation Repeat Dialing Repeat Dialing Repeat Dialing, per activation Call Trace Call Block CallerID	\$3.60 4.75 4.75 11.00 4.75 4.75 6.00 0.90 7.00 5.00 10.00 6.50 0.90 4.00 0.90 7.00 5.50 11.00
Caller ID Deluxe	11.00

### B. Nonrecurring Charges:

	Incumbent Local Exchange Area	<u>a</u>
	<u>Bell</u>	
All other features,		
-with initial order	n/a	
-with subsequent order	19.00	

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### 3.7 Packaged Calling Features

### 3.7.1 Residential Services

### A. Monthly Recurring Charges — BellSouth Areas

A monthly recurring discount for features does not apply to residential lines, VBCI may from time to time offer promotional packages reflecting a combination of calling services and features that shall be filed as part of this Price List accordingly.

#### 3.7.2 Business Service

### A. Monthly Recurring Charges — BellSouth Area

A monthly recurring discount of up to 20% off of the incumbent local exchange carrier's rate is offered when multiple features are purchased for the same access line. VBCI may from time to time offer promotional packages reflecting a combination of calling services and features that shall be filed as part of this Price List accordingly.

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### 3.8 Blocking Service

#### 3.8.1 General

Blocking service is a feature that permits a Customer to restrict access from his or her telephone line to various discretionary services. Blocking Service is available where equipment and facilities permit. The Company will not be liable for any charge incurred when any long distance carrier or alternative operator service provider accepts third number billed or collect calls. The following blocking options are available to Residential and Business Customer:

### 3.8.2 Service Offering in BellSouth Area

- A. Option #1 allows the Customer to block the following calls: Operator 0-, Operator 0+, 1+900, 1+555-1212 and 1+NPA-555-1212, 411, 976 and 1+976.
- **B.** Option #2 allows the Customer to block the following calls: 976, 1+976, Operator 0- and Operator 0+.
- C. Option #3 allows the Customer to block the following calls: Operator 0-, Operator 0+, 1+900, 1+555-1212, 1+NPA-555-1212.
- D. Option #4 allows the Customer to block the following calls: 976, 1+976, and 1+900.

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### 3.8 Blocking Services (Cont'd)

#### 3.8.3 Rates in BellSouth Service Area

A. Options #1 - #3. The nonrecurring charge for each line of Blocking service is \$10.00. The monthly rate of Blocking Service is as follows:

	Monthly Charge, each line
Residence line	\$2.50
Business Line	3.75
PBX Trunk	5.50

**B.** Option #4 — A one time charge of \$10.00 applies after the Customer has subscribed to the service for 60 days. No monthly charge applies.

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### 4.1 Directory Assistance

The Customer can request a maximum of two numbers per call to Directory Assistance. Call completion service is provided when the Customer requests that the Directory Assistance operator call the Directory Assistance number requested. All completed calls will be charged the Directory Assistance Call Completion charge, in addition to any other appropriate charges.

There shall be no charge for the first SO directory assistance calls made per billing cycle for line or trunks service individuals with disabilities. The Company shall charge the prevailing tariff rates for every call in excess of 50 calls within a billing cycle.

The service charges for each service are noted below:

Incumbent Loca	al Exchange Area
Bell	

A.	Directory Assistance	\$0.36	
B.	Directory Assistance Call	0.60	
C.	National Directory Assistance	0.95	per request

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### 4.2 Local Operator Services

A per-call service charge applies in additional to the per minute usage rates when applicable. The service charge applies in all rate periods and is as follows:

		Incumbent Local Exchange Area Bell
A.	Customer Dialed Calling Card	\$0.75
B.	Station to Station operator assisted, collect, third party	1.00
C.	Person-to-Person operator assisted local call	2.50
D.	Operator Busy Verification	0.35
F.	Operator Emergency Interruption	0.40

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### 4.3 Directory Assistance

One listing, termed the initial listing, is included with each Customer's service: Additional listings are confined to the names of those who are entitled to use the Customer's service. Telephone numbers of non-published service are not listed in the Telephone Company's directories or on Directory Assistance records. Listing information (name, address, telephone number) on non-published service is not available to the general public, notwithstanding any claim of emergency the calling party may present. Telephone numbers of non-directory listed service are omitted or deleted from the Company's alphabetical directory, however, they are carried in the Company's directory assistance and other records and are given to any calling party. The charges listed below are monthly charges and are the same for both Residence and Business Customers.

# Incumbent Local Exchange Area Bell

A.	Non-Published Number, per line	\$1.75
B.	Non-Published Number, per line	0.80
C.	Additional Listing, per listing	1.20

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### 4.4 Telecommunications Relay Service

For intrastate toll calls received from the relay service, call charges shall be discounted by 50% from the otherwise applicable usage rate for a voice non-relay call, except that where the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted 60 percent. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit call surcharge.

### 4.5 Discounts for Hearing Impaired Customer

Intrastate toll message rates for a telecommunications device for the deaf (TDD) user, which is communicated using a TDD by property certified business establishments or individuals equipped with TDDs for communications with bearing or speech impaired persons, shall be evening rates for daytime calls and night rates for evening and night calls.

### 4.6 Emergency Call Exemptions

The following calls are exempted from all charges: Emergency calls to recognizable authorized civil agencies including police, lie, ambulance, bomb squad and poison control. VBCI will only handle these calls if the caller dials all of the digits to route and bill the call after verified notification by the billed Customer within thirty (30) days of billing.

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#### **SECTION 5.0 - SPECIAL ARRANGEMENTS**

### 5.1 Special Construction

Where the Company furnishes a facility services for which a rate or charge is net specified in the Company's Price List, charges will be based on the costs incurred by the Company (including return) and may include:

- A) NON-RECURRING CHARGES;
- B) RELURRING CHARGES;
- C) TERMIATION LIABILITIES; OR
- D) COMBINATIONS OF (A), (B), AN) (C)

### 5.2 Non-Routine Installation and/or Maintenance

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours, or (in the Company's sole discretion and subject to any conditions it may impose) in hazardous locations. In such cases, charges based on the cost of labor, material and other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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