

WIGGINS & VILLAGORTA, P.A.

ATTORNEYS AT LAW

501 EAST TENNESSEE STREET
POST OFFICE DRAWER 1657
TALLAHASSEE, FLORIDA 32302

TELEPHONE (850) 222-1534
TELECOPIER (850) 222-1689

August 28, 1997

VIA HAND DELIVERY

Ms. Blanca Bayo
Director of Record and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

971139-TI

Re: Guarantel, Inc.

Dear Ms. Bayo:

Enclosed for filing are the original and six (6) copies of Guarantel, Inc.'s Application for Authority to Provide Interexchange Telecommunications Service Within the State of Florida, along with the \$250.00 filing fee.

Thank you for your assistance in this matter.

Sincerely,

Patrick K. Wiggins
Patrick K. Wiggins

PKW:plk
Enclosures

Initials of person who forwarded check.

H-91

DOCUMENT NUMBER-DATE
08741 AUG 28 97
FPSC-RECORDS/REPORTING

** FLORIDA PUBLIC SERVICE COMMISSION *

DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION

APPLICATION FORM
for
AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE
WITHIN THE STATE OF FLORIDA

Instructions

- A. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Appendix A).
- B. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Communications
Bureau of Service Evaluation
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6600

- E. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250.00 to:

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6251

FORM PSC/CMU 31 (11/95)

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

DOCUMENT NUMBER-DATE

08741 AUG 28 5

FPSC-RECORDS/REPORTING

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

- Original Authority** (New company).
- Approval of Transfer** (To another certificated company).
- Approval of Assignment of existing certificate** (To a uncertificated company).
- Approval for transfer of control** (To another certificated company).

2. Select what type of business your company will be conducting (check all that apply):

- Facilities based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
- Operator Service Provider** - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- Reseller** - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- Switchless Rebiller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.

FORM PSC/CMU 31 (11/95)

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

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

Guarantel, Inc.

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

Guarantel, Inc.

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

7500 San Felipe
Suite 777
Houston, Texas 77063

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

N/A

7. Structure of organization;

<input type="checkbox"/> Individual	<input type="checkbox"/> Corporation
<input checked="" type="checkbox"/> Foreign Corporation	<input type="checkbox"/> Foreign Partnership
<input type="checkbox"/> General Partnership	<input type="checkbox"/> Limited Partnership
<input type="checkbox"/> Other, _____	

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

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

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

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

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

N/A

FORM PSC/CMU 31 (11/95)

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

9. If incorporated, please give:

- (a) Proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: F97000003080

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

Corporation Service Company
1201 Hays Street
Tallahassee, Florida 32301

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

Fictitious name registration number: _____

N/A

- (d) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

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

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

N/A

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

- (a) The application;

Patrick K. Wiggins
Wiggins & Villacorta, P.A.
501 East Tennessee Street
Suite B
Post Office Drawer 1657
Tallahassee, Florida 32302
(904) 222-1534 telephone
(904) 222-1689 fax

FORM PSC/CMU 31 (11/95)

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

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

Ash Hug
Guarantel, Inc.
7500 San Felipe
Suite 777
Houston, Texas
(713) 974-7974 telephone
(713) 974-2479 fax

- (c) Tariff;

Patrick K. Wiggins
Wiggins & Villacorta, P.A.
501 East Tennessee Street
Suite B
Post Office Drawer 1657
Tallahassee, Florida 32302
(904) 222-1534 telephone
(904) 222-1689 fax

- (d) Complaints/Inquiries from customers;

Ash Hug
Guarantel, Inc.
7500 San Felipe
Suite 777
Houston, Texas
(713) 974-7974 telephone
(713) 974-2479 fax

11. List the states in which the applicant:

a) Has operated as an interexchange carrier.

N/A

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

N/A

c) Is certificated to operate as an interexchange carrier.

N/A

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

N/A

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

N/A

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

N/A

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

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

13. Do you have a marketing program?

Yes.

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

14. Will your marketing program:
- Pay commissions?
 - Offer sales franchises?
 - Offer multi-level sales incentives?
 - Offer other sales incentives?
15. Explain any of the offers checked in question 14 (To whom, what amount, type of franchise, etc.).

Guarantel will pay commissions to agents who have entered into a written agreement with Guarantel. The amount of commission may vary.

16. Who will receive the bills for your service (Check all that apply)?
- Residential customers.
 - Business customers.
 - PATS providers.
 - PATS station end-users.
 - Hotels & motels.
 - Hotels & motel guests.
 - Universities.
 - University dormitory residents.
 - Other: (specify) _____.

17. Please provide the following (if applicable):

- (a) Will the name of your company appear on the bill for your services, and if not who will the billed party contact to ask questions about the bill (provide name and phone number) and how is this information provided?

Guarantel's name and telephone number will appear on its bills.

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

N/A

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

A. Financial capability.

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements, including:

1. the balance sheet

Financial capability was proven on July 25, 1997, in Docket No. 970673-TX.

2. income statement

Financial capability was proved on July 25, 1997, in Docket No. 970673-TX.

3. statement of retained earnings for the most recent 3 years.

Guarantel has no retained earnings for 1995 or 1996.

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 affirm that the financial statements are true and correct.

B. Managerial capability.

Attached as Exhibit 1.

C. Technical capability.

Attached as Exhibit 2.

19. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

Attached as Exhibit 3. (The rates for Florida are concurrently under development and thus the applicable sections are left blank. Guarantel will provide these rates when developed, and will not provide service until such rates are approved.)

20. The applicant will provide the following interexchange carrier services (Check all that apply):

MTS with distance sensitive per minute rates

- Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800

MTS with route specific rates per minute

- Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800

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

- Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800

MTS for pay telephone service providers

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

800 Service (Toll free)

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

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

Travel Service

- Method of access is 950
 Method of access is 800

FORM PSC/CMU 31 (11/95)

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

___ 900 service

___ Operator Services

___ Available to presubscribed customers

___ Available to non presubscribed customers (for example to patrons of hotels, students in universities, patients in hospitals)

___ Available to inmates

Services included are:

___ Station assistance

___ Person to Person assistance

___ Directory assistance

___ Operator verify and interrupt

___ Conference Calling

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

1 + or 1 + 800/888

22. ___ Other:

FORM PSC/CMU 31 (11/95)

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

****APPLICANT ACKNOWLEDGEMENT STATEMENT****

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** A non-refundable application fee of \$250.00 must be submitted with the application.
5. **RECEIPT AND UNDERSTANDING OF RULES:** I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange service.
6. **ACCURACY OF APPLICATION:** By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my knowledge and belief, the information is a true and correct statement.

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

UTILITY OFFICIAL:

Ash Hug
Signature

8-28-97
Date

Ash Hug
Vice President
Title

713-974-7974
Telephone No.

FORM PSC/CMU 31 (11/95)

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

**** APPENDIX A ****

CERTIFICATE TRANSFER STATEMENT

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

UTILITY OFFICIAL:

_____	_____
Signature	Date
_____	_____
Title	Telephone No.

N/A

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


**** APPENDIX B ****

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please check one):

- (x) The applicant will not collect deposits nor will it collect payments for service more than one month in advance.
- () The applicant will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

UTILITY OFFICIAL:



Signature
Ash Hug

Vice President

Title

8-28-97

Date

713-974-7974

Telephone No.

**** APPENDIX C ****

INTRASTATE NETWORK

1. **POP:** Addresses where located, and indicate if owned or leased.

1) None 2)

3) 4)

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.

1) None 2)

3) 4)

3. **TRANSMISSION FACILITIES:** Pop-to-Pop facilities by type of facilities (microwave, fiber, copper, satellite, etc.) and indicate if owned or leased.

1) POP-to-POP TYPE OWNERSHIP

2) None

4. **ORIGINATING SERVICE:** Please provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate (Appendix D).

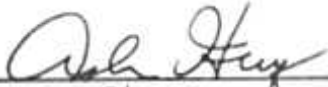
5. **TRAFFIC RESTRICTIONS:** Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4) (a) (copy enclosed).

Guarantel will comply with the requirements of Commission Rule 25-24.471(4)(a) as modified by Order No. PSC-95-0203-FOF-TP.

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has () or has not (x) previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:

- a) What services have been provided and when did these services begin?
- b) If the services are not currently offered, when were they discontinued?

UTILITY OFFICIAL:


Signature
Ash Hug
Vice President
Title

3-28-97
Date

713-974-7974
Telephone No.

FORM PSC/CMU 31 (11/95)

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

**** APPENDIX D ****

FLORIDA TELEPHONE EXCHANGES

AND

EAS ROUTES

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

**** FLORIDA EAS FOR MAJOR EXCHANGES ****

<u>Extended Service Area</u>	<u>with</u>	<u>These Exchanges</u>
PENSACOLA:		Cantonment, Gulf Breeze, Pace, Milton Holley-Navarre.
PANAMA CITY:		Lynn Haven, Panama City Beach, Youngstown-Fountain and Tyndall AFB.
TALLAHASSEE:		Crawfordville, Havana, Monticello, Panacea, Sopchoppy and St. Marks.
JACKSONVILLE:		Baldwin, Ft. George, Jacksonville Beach, Callahan, Maxville, Middleburg, Orange Park, Ponte Vedra and Julington.
GAINESVILLE:		Alachua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry and Waldo.

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

OCALA: Belleview, Citra, Dunnellon, Forest Lady Lake (B21), McIntosh, Oklawaha, Orange Springs, Salt Springs and Silver Springs Shores.

DAYTONA BEACH: New Smyrna Beach.

TAMPA: Central None
 East Plant City
 North Zephyrhills
 South Palmetto
 West Clearwater

CLEARWATER: St. Petersburg, Tampa-West and Tarpon Springs.

ST. PETERSBURG: Clearwater.

LAKELAND: Bartow, Mulberry, Plant City, Polk City and Winter Haven.

ORLANDO: Apopka, East Orange, Lake Buena Vista, Oviedo, Windermere, Winter Garden, Winter Park, Montverde, Reedy Creek, and Oviedo-Winter Springs.

WINTER PARK: Apopka, East Orange, Lake Buena Vista, Orlando, Oviedo, Sanford, Windermere, Winter Garden, Oviedo-Winter Springs, Reedy Creek, Geneva and Montverde.

TITUSVILLE: Cocoa and Cocoa Beach.

COCOA: Cocoa Beach, Eau Gallie, Melbourne and Titusville.

MELBOURNE: Cocoa, Cocoa Beach, Eau Gallie, and Sebastian.

SARASOTA: Bradenton, Myakka and Venice.

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

FT. MYERS:	Cape Coral, Ft. Myers Beach, North Cape Coral, North Ft. Myers, Pine Island, Lehigh Acres and Sanibel-Captiva Islands.
NAPLES:	Marco Island and North Naples.
WEST PALM BEACH:	Boynton Beach and Jupiter.
POMPANO BEACH:	Boca Raton, Coral Springs, Deerfield Beach and Ft. Lauderdale.
FT. LAUDERDALE:	Coral Springs, Deerfield Beach, Hollywood and Pompano Beach.
HOLLYWOOD:	Ft. Lauderdale and North Dade.
NORTH DADE:	Hollywood, Miami and Perrine.
MIAMI:	Homestead, North Dade and Perrine.

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

EXHIBIT 1

MANAGEMENT PROFILE

Mr. Daniel A. Jones has served as President and Chief Executive Officer since February 1997. Mr. Jones founded Metro-Link Telecom and From August 1984 to January 1997 served as Vice-President of Marketing for the company. From November 1982 to July 1984 Mr. Jones was President of the Telecommunications Division for Reynolds Business Services. From April 1971 to October 1982 Mr. Jones enjoyed a successful career in marketing and management with Southwestern Bell Telephone and AT&T. From September 1969 to May 1971 Mr. Jones served as Director of Recreation for the City of Galveston. From March 1966 to August 1969 Mr. Jones owned and operated the Windjammer Club on Stewart Beach in Galveston. Mr. Jones attended Sam Houston State University on an Athletic Scholarship majoring in Business Administration.

Mr. Ash Huq is currently the Chief Operating Officer and the Chief Financial officer. Prior to joining Guarantel, Inc., Mr. Huq was the President of Correc Corp, a software development and consulting company. Mr. Huq has held various management and consulting positions since 1987.

From 1981 through 1987 Mr. Huq worked in public accounting with the firms of Price Waterhouse and Arthur Andersen LLP. Mr. Huq received his Bachelors of Science in Accounting from Hillsdale College in 1980 and his MBA through the Executive MBA Program at the University of Houston in 1992. Mr. Huq is a Certified Public Accountant.

Mr. John Painter is Chairman of the Company. Mr. Painter has over thirty-four years of marketing and sales experience. He owned two highly successful mobile home franchises in Oklahoma and later owned Allii AMC Jeep dealership in Maui, Hawaii. During his ownership, the dealership broke sales records for a dealership of its size.

He later formed his own construction company, John W. Painter and Associates in 1975 and had a successful career as a general contractor. He sold his company in 1996. Mr. Painter is 50 years old.

EXHIBIT 2

Guarantel, Inc.

Technical Capability

As shown in Exhibit 2, Guarantel employs personnel which include over 25 years of business and technical experience in the telecommunications industry. Guarantel initially will provide service by reselling services purchased from local exchange companies or alternative local exchange companies, and therefore will enter into contractual and/or tariff relationships with one or more such companies in its service areas.

Guarantel will provide access to 911 emergency services over LEC or ALEC facilities. The nature of the emergency 911 service access and funding mechanism will therefore be equivalent to that provided by the local exchange companies in the areas to be served.

EXHIBIT 3

TITLE PAGE
FLORIDA TELECOMMUNICATIONS TARIFF
OF
GUARANTEL, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Guarantel, Inc. (Guarantel) within the State of Florida. This tariff is on file with the Florida Public Service Commission. Copies may be inspected during normal business hours at the Company's principal place of business at 7500 San Felipe, Suite 777, Houston, Texas 77063.

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

CHECK SHEET

Sheets 1 through 21, inclusive, of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

SHEET	REVISION
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original

Issued: August 28, 1997
 by: Ash Huq, Vice President
 7500 San Felipe, Suite 777
 Houston, Texas 77063

Effective:

TABLE OF CONTENTS

Title Page 1
Check Sheet 2
Table of Contents 3
Section 1 - Technical Terms and Abbreviations 6
Section 2 - Rules and Regulations 7
Section 3 - Description of Service 15
Section 4 - Rates 18

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SYMBOLS

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

- D - Delete or discontinue.
- I - Change resulting in an increase to a customer's bill.
- M - Moved from another tariff location.
- N - New.
- R - Change resulting in a reduction to a customer's bill.
- T - Change in text or regulation but no change in rate or charge.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

TARIFF FORMAT

A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

B. Sheet Revision Numbers - Revision numbers 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 its tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.

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

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

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

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to a Guarantel, Inc. switching center or point of presence.

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

Carrier or Company - Whenever used in this tariff, "Carrier," "Company," or "Guarantel" refers to Guarantel, Inc. unless otherwise specified or clearly indicated by the context.

Commission - The Florida Public Service Commission.

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

Day - From 8:00 a.m. up to but not including 5:00 p.m. local time Monday through Friday.

Dedicated Access Origination - Where originating access between the Customer and the interexchange carrier is provided on dedicated circuits.

Evening - From 5:00 p.m. up to but not including 11:00 p.m. local time Sunday through Friday.

FPSC - The Florida Public Service Commission.

Guarantel - Used throughout this tariff to mean Guarantel, Inc. unless clearly indicated otherwise by the text.

LEC - Local Exchange Company.

Night/Weekend - From 11:00 p.m. up to but not including 8:00 a.m. Sunday through Friday, and 8:00 a.m. Saturday up to but not including 5:00 p.m. Sunday.

Switched Access Origination - Where originating access between the customer and the interexchange carrier is provided on local exchange company Feature Group circuits.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of Guarantel, Inc.

Guarantel's services and facilities are furnished for communications originating at specified points within the State of Florida under terms of this tariff.

Guarantel installs, operates, and maintains the communications services provided hereinunder in accordance with the terms and conditions set forth under this tariff. Guarantel may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities as required in FPSC rules and orders, when authorized by the Customer, to allow connection of a Customer's location to Guarantel's service. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless otherwise indicated, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2 Guarantel reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS, CONT.

2.2 Limitations, cont.

2.2.4 All facilities provided under this tariff are directly controlled by Guarantel and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited. Customers or Subscribers reselling or rebilling the Company's Florida intrastate service must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Florida Public Service Commission.

2.4 Liabilities of the Company

2.4.1 Guarantel's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS, CONT.

2.4 Liabilities of Company, cont.

- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

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

- 2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.

- 2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

Issued: August 28, 1997
 by: Ash Huq, Vice President
 7500 San Felipe, Suite 777
 Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS, CONT.

2.5 Deposits

The Company does not require a deposit from the Customer.

2.6 Advance Payments

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

2.7 Taxes

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

2.8 Terminal Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX, key systems or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS, CONT.**2.9 Installation and Termination**

Service is installed upon mutual agreement between the Customer and the Company. The agreement will determine terms and conditions of installation, termination of service, and any applicable sales commission structure, and sales commission payment schedule. The service agreement does not alter rates specified in this tariff.

2.10 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an Authorized User of the Customer by Guarantel. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments. The billing agency may be a local exchange telephone company, interexchange carrier, or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the FPSC. Any objections to billed charges must be reported within 180 days of receipt to the Company or the Company's billing agent or bill will be considered final. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

2.11 Other Rules

- 2.11.1 The Company reserves the right to refuse to process Credit Card or Calling Card billed calls when authorization for use of the card cannot be validated.
- 2.11.2 The Company reserves the right to discontinue service, limit service, or to impose requirements on Subscribers as required to meet changing regulatory rules and standards of the FPSC.

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS, CONT.

2.12 Interconnection

Service furnished by Guarantel may be connected with the services or facilities of other carriers or enhanced service providers. The customer is responsible for all charges billed by these entities for use in connection with Guarantel's service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the customer.

2.13 Refusal or Discontinuance by Company

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

- (a) For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- (b) For use of telephone service for any other property or purpose than that described in the application.
- (c) For neglect or refusal to provide reasonable access to Guarantel or its agents for the purpose of inspection and maintenance of equipment owned by Guarantel or its agents.
- (d) For noncompliance with or violation of Commission regulation or Guarantel's rules and regulations on file with the Commission, provided five days' written notice is given before termination.
- (e) For nonpayment of bills, provided that suspension or termination of service shall not be made without five days' written notice to the Customer, except in extreme cases.
- (f) Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect Guarantel's equipment or service to others.

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS, CONT.**2.13 Refusal or Discontinuance by Company, cont.**

(g) Without notice in the event of tampering with the equipment or services owned by Guarantel or its agents.

(h) Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, Guarantel may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.

(i) Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits Carrier from furnishing such services.

(j) For extended periods of inactivity.

2.14 Interruption 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 2.4 herein. 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. Interruptions caused by Customer-provided or Carrier-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of using the long distance network via local exchange company access.

2.15 Restoration of Service

The use and restoration of service shall be in accordance with the rules and regulations of the FPSC.

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 2 - RULES AND REGULATIONS, CONT.

2.16 Inspection, Testing, and Adjustment

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

2.17 Cost of Collection and Repair

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

2.18 Late Fee

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

2.19 Return Check Charges

A fee of \$20.00, or five percent of the amount of the check, whichever is greater, will be charged for each check returned for insufficient funds.

2.20 Reconnection Charge

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

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

- 3.1.1 Long distance usage charges are based on the actual usage of Guarantel's network. The Company will determine that a call has been established when the called party's station answers. When the station answers is determined by hardware answer supervision, through which the local telephone company sends a signal to indicate an answer. A call is terminated when either party hangs up.
- 3.1.2 Minimum billed call duration and billing increments differ from product to product. Product-specific information is included 4.0 Rate Schedules.
- 3.1.3 Usage is measured and rounded to the next higher increment for billing purposes.
- 3.1.4 There is no billing applied for incomplete calls.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 3 - DESCRIPTION OF SERVICE, CONT.

3.2 Minimum Call Completion Rate

Guarantel relies upon its underlying carrier to provide a call completion rate (number of calls completed/number of calls attempted) of not less than 90% during peak use periods for all FGD services ("1+" dialing).

3.3 Guarantel's Switched Direct Dialed Long Distance Service

Guarantel's switched direct dialed long distance service is offered for switched outbound calling (direct dial) within the state of Florida. Calls are billed in six second increments, with an 18 second minimum. Calls are not time-of-day or mileage sensitive.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 3 - DESCRIPTION OF SERVICE, CONT.

3.4 Calculation of Distance

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

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

Step 1 - Obtain the "V" and "H" coordinates for the serving wire center of the Customer's switch and the destination point.

Step 2 - Obtain the difference between the "V" coordinates of each of the serving wire centers. Obtain the difference between the "H" coordinates.

Step 3 - Square the differences obtained in Step 2.

Step 4 - Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5 - Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating serving wire centers of the call.

Formula:

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

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 4 - RATES

4.1 General

Each Customer is charged individually for each call placed through the Carrier. Rates vary with time of day and call duration.

Customers are billed based on their use of Guarantel's long distance service. Monthly recurring charges may also apply.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective

SECTION 4 - RATES, CONT.

4.2 Direct Dialed Long Distance (Switched Access)

	Initial 18 <u>Seconds</u>	Each Additional <u>6 Seconds</u>
Peak	\$	\$
Off-Peak	\$	\$

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 4 - RATES, CONT.

4.3 Time of Day and Holiday Rate Periods

The rate for a call depends in part on the time of day rate period during which the call takes place. Where applicable, the Company uses the following definitions for time of day rate periods:

Peak - 8:00 AM to, but not including 5:00 PM MON - FRI.

Off-Peak - 5:00 PM to, but not including 8:00 AM MON - FRI and at all times Saturday, Sunday and holidays.

Issued: August 28, 1997
by: Ash Hug, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective:

SECTION 4 - RATES, CONT.**4.4 Exemptions and Special Rates****4.4.1 Discounts for Hearing Impaired Customers**

A telephone toll message which is communicated using a telecommunications device for the deaf (TDD) by properly certified hearing or speech impaired persons or properly certified business establishments or individuals equipped with TDDs for communicating with hearing or speech impaired persons will receive, upon request, credit on charges for certain intrastate toll calls placed between TDDs. The credit to be given on a subsequent bill for such calls placed between TDDs will be equal to applying the evening rate during business day hours and the night/weekend rate during the evening rate period. Discounts do not apply to surcharges or per call add on charges for operator service when the call is placed by a method that would normally incur the surcharge.

4.4.2 Directory Assistance for Handicapped Persons

There is no charge for Directory Assistance for calls from handicapped persons, with a maximum of 50 inquiries per monthly billing cycle. Such persons must contact the Company for credit on their directory assistance calls.

4.4.3 Telecommunications Relay Service

Intrastate toll calls received from the relay services will be discounted fifty percent (50%) off of the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted sixty percent (60%) off of the otherwise applicable rate for a voice nonrelay call. The discount applies to the time sensitive element of a charge for the call and does not apply to per call charges such as a credit card surcharge.

Issued: August 28, 1997
by: Ash Huq, Vice President
7500 San Felipe, Suite 777
Houston, Texas 77063

Effective: