



Public Service Commission

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

DATE: June 11, 1996

TO: Blanco Bayo, Director, Division of Records and Reporting

FROM: Toni J. McCoy^{DM}, Regulatory Analyst, Division of Communications

SUBJECT: Open Docket No. 980558-TI, Revised IXC Application

Attached is a revised IXC Application with original signature pages and additional attachments. I marked the revised pages.

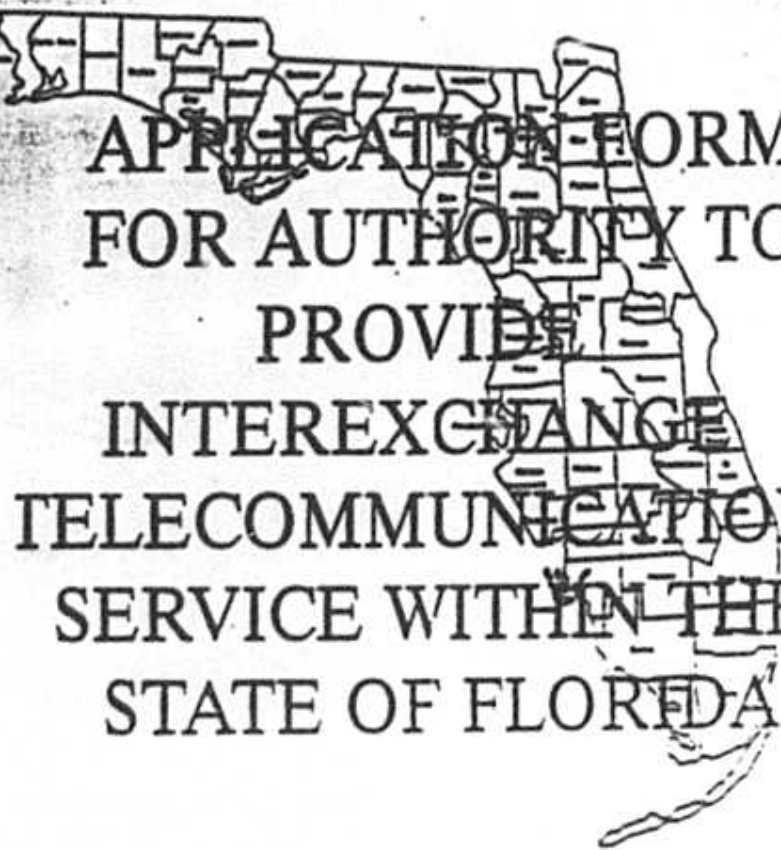
Please file with the original docket file. Thank you.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
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DOCUMENT NUMBER-DATE

06228 JUN 11 8

FPSC-RECORDS/REPORTING



APPLICATION FORM
FOR AUTHORITY TO
PROVIDE
INTEREXCHANGE
TELECOMMUNICATION
SERVICE WITHIN THE
STATE OF FLORIDA

DOCUMENT NUMBER-DATE

06228 JUN 11 88

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., Gerald Gunter Building
Tallahassee, Florida 32399-0850
(850) 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., Gerald Gunter Building
Tallahassee, Florida 32399-0850
(850) 413-6251

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

Facilities based carrier - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.

Operator Service Provider - company provides or plans to provide alternative operator services for EXCs; 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.

Prepaid Debit Card Provider - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

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

Original Authority (New company).

Approval of Transfer (To another certificated company).

Approval of Assignment of existing certificate (To an uncertificated company).

Approval for transfer of control (To another certificated company).

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

Preferred Voice, Incorporated

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

Preferred Voice, Inc.

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

Suite 570
6500 Greenville Ave
Dallas, TX, 75206

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

2111 N15th Street
Tampa, FL 33605

7. Structure of organization; check which applies.

- Individual Corporation
 Foreign Corporation Foreign Partnership
 General Partnership Limited Partnership
 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.

No

(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.

No

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: _____

APPLIED FOR

Transmitted 28 April 1998

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

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

Fictitious name registration number: _____

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

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

No

(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.

No

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

(a) The application;

Mary Merritt
VP Finance & CFO
Preferred Voice, Inc.
6500 Greenville Ave Ste 570
Dallas, TX 75206
(214) 265-9580 FAX 214-265-9963

Phone #
FAX #

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

Same

(c) Tariff;

Same

(d) Complaints/Inquiries from customers;

Same

11. List the states in which the applicant:

(a) Has operated as an interexchange carrier.

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

(c) Is certificated to operate as an interexchange carrier.

Texas

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

II/A

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

No

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

No

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

- Facilities. Operators.
 Billing and Collection. Sales.
 Maintenance.
 Other: _____

N A

Not Applicable

13. Do you have a marketing program?

Yes

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.). Will Sign agency agreements w/ existing resellers

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

- | | |
|--|---|
| <input type="checkbox"/> Residential customers. | <input type="checkbox"/> Business customers. |
| <input type="checkbox"/> PATS providers. | <input type="checkbox"/> PATS station end-users. |
| <input type="checkbox"/> Hotels & motels. | <input type="checkbox"/> Hotel & motel guests. |
| <input type="checkbox"/> Universities. | <input type="checkbox"/> Univ. dormitory residents. |
| <input checked="" type="checkbox"/> Other: (specify) <u>Cell Phone Users</u> | |

17. Please provide the following (if applicable):

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

Yes

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

Preferred Voice, Inc.
6500 Greenville Ave Ste 570
Dallas, TX 75206

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 for the most recent 3 years, including:

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

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

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

Please See Attachment F

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

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

NOTE: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should affirm that the financial statements are true and correct.

B. Managerial capability.

Please See Attachment E

C. Technical capability.

Please See Attachment E

19. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.455 (example enclosed).

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

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).

1-888-225-1672/ 1-813-386-0211

22. Other:

**** 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:

Orange Merritt X
Signature

5/21/98

Date

VP Finance

Title

214) 265-9580

Telephone No.

** 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-mention certificate.

UTILITY OFFICIAL:

Signature

Date

Title

Te

NO

** 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:

Mary G. Bennett X 5/21/98
Signature Date

VP Finance (214) 265-9580
Title Telephone No.

** APPENDIX C **

INTRASTATE NETWORK

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

1) Ste 900 2)
400 N Tampa St
Tampa, FL 33602-4707

3) 4)

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

1) 2)

N/A

3) 4)

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

POP-to-POP

TYPE

OWNERSHIP

1)

N/A

2)

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).

See Attached List A

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).

All access to RF system is speed dialed
0+0- will go direct to ILEC

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has () or has not () 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?

Inter and Intra long distance services.
800 Service

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

1-31-97

UTILITY OFFICIAL:

Mary G. Meredith
Signature

5/21/98
Date

VP Finance
Title

214) 265-9580
Telephone No.

Originated Exchanges List A

Tampa

202	230	257	289	516	633	702	870	903	968
204	231	258	292	529	634	743	871	906	969
205	232	259	301	554	636	744	872	907	971
207	233	260	303	558	641	760	873	909	972
208	234	261	304	570	643	772	874	914	973
209	235	262	306	601	645	790	875	915	974
210	236	263	307	612	651	805	876	920	975
212	237	264	308	613	652	806	877	926	977
213	238	265	309	615	653	814	878	929	978
214	239	266	310	618	654	818	879	930	979
216	240	268	330	620	661	828	880	931	980
218	241	269	338	621	662	829	881	932	982
219	242	271	339	622	663	830	882	933	985
220	243	272	340	623	664	831	883	935	986
221	244	273	346	624	671	832	884	936	987
222	245	274	354	625	672	833	885	941	988
223	246	275	390	626	673	835	886	948	989
224	247	276	396	627	677	837	887	949	990
225	248	281	405	628	681	839	888	960	991
226	249	282	429	629	684	840	889	961	995
227	251	286	483	630	685	852	890	962	996
228	253	287	508	631	689	854	891	963	
229	254	288	514	632	690	855	899		

Mulberry

425 428

Zephyrhills

713 715 775 779 780 782 783 788

Tarpon Springs

916 934 937 938 939 942 943 944 947

Tampa North (Land O'Lakes, Lutz, Wesley Chapel)

235 907 909 929 948 949 973 991 995 996

Tampa West (Oldsmar, Odessa)

814 818 852 854 855 891 920 926

New Port Richey

372 379 808 815 834 838 842 844 846 848

375 804 809 816 836 841 843 845 847 849

376 807 810 817

St Petersburg

302	343	381	399	528	550	572	579	825	893
319	344	384	520	541	551	573	803	826	894
321	345	391	521	544	553	574	812	864	895
322	347	392	522	545	556	575	821	865	896
323	360	393	525	546	557	576	822	866	897
327	363	394	526	547	570	577	823	867	898
328	367	397	527	548	571	578	824	892	
341	368	398							

Clearwater

298	408	410	413	420	432				
403	409	412	415	430	437				
441	449	469	530	559	585	669	733	784	797
442	457	480	531	560	586	709	734	785	799
443	460	507	532	562	587	710	735	786	970
445	461	515	535	580	588	712	736	787	981
446	462	517	536	581	593	724	738	789	
447	464	523	538	582	595	725	771	791	
448	468	524	539	584	596	726	781	796	
419	444	462							


05/13/98

Preferred Voice, Inc.
Balance Sheet-Unaudited
 As of March 31, 1998

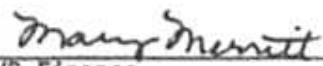
Mar 31, '98

ASSETS	<u>Mar 31, '98</u>
Current Assets	
Checking/Savings	
1000 - Cash Accounts	82,284.79
Total Checking/Savings	<u>82,284.79</u>
Accounts Receivable	
1000 - Accounts Receivable	0.00
Total Accounts Receivable	<u>0.00</u>
Other Current Assets	
1300 - Prepaid Expenses	800,000.00
Total Other Current Assets	<u>800,000.00</u>
Total Current Assets	<u>882,284.79</u>
Fixed Assets	
1400 - Fixed Assets	217,704.86
Total Fixed Assets	<u>217,704.86</u>
Other Assets	
1600 - Deferred Contract Costs	66,951.50
1800 - Deferred Stock Issuance Costs	68,241.00
1700 - Loan Costs	20,223.54
1750 - Loan Costs - Amortization	-17,254.50
1800 - Deposits	94,409.75
Total Other Assets	<u>222,571.29</u>
TOTAL ASSETS	<u><u>1,322,560.94</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	351,813.36
Total Accounts Payable	<u>351,813.36</u>
Other Current Liabilities	
2100 - Payroll Liabilities	6,785.57
2300 - Accrued Expenses	437,804.63
2400 - Federal Excise Tax	7,024.95
2500 - State and Local Taxes	8,300.65
2600 - Notes Payable	2,310,112.33
Total Other Current Liabilities	<u>2,768,028.13</u>
Total Current Liabilities	<u>3,119,641.51</u>
Total Liabilities	3,119,641.51
Equity	
3200 - Common Stock	5,950.42
3300 - Additional Paid in Capital	3,173,469.38
3600 - Retained Earnings	-4,716,486.31
3700 - Treasury Stock	-1,868.33
Net Income	-258,345.73
Total Equity	<u>-1,797,280.57</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,322,560.94</u></u>

These financial statements are true and accurate as of the date so stated above.



 Chairman of the Board



 VP Finance


05/13/98

Preferred Voice, Inc.
Profit and Loss-Unaudited
 April 1997 through March 1998

Apr '97 - Mar '98

Ordinary Income/Expense	
Income	
4000 - Income	107,000.00
Total Income	<u>107,000.00</u>
Cost of Goods Sold	
5000 - Cost of Goods Sold	2,318.41
Total COGS	<u>2,318.41</u>
Gross Profit	104,681.59
Expense	
6035 - Amortization	49,203.54
6075 - Bad Debt	22,443.30
6081 - Bank Fees	282.95
6090 - Computer Supplies	149.00
6100 - Consulting Services	33,891.67
6200 - Corporate Filing Fees	3,163.39
6225 - Depreciation	24,602.61
6250 - Dues & Subscriptions	466.00
6300 - Insurance	4,803.92
6325 - Interest	162,700.72
6360 - Legal	33,202.62
6400 - Marketing	12,774.91
6425 - Meal & Entertainment	2,498.18
6450 - Miscellaneous	1,364.22
6475 - Office Supplies	-662.19
6600 - Penalties	-4,147.14
6625 - Postage & Delivery	1,060.40
6700 - Rent	64,688.83
6725 - Repairs/Maintenance	940.44
6730 - Salaries Expense	125,667.73
6750 - Sales Expense	462.87
6760 - Shareholder Related Expenses	1,090.91
6765 - Storage	257.00
6770 - Taxes	16,029.74
6775 - Telephone	12,850.71
6800 - Travel	4,747.16
6850 - G/A Reimbursement-Brite	-8,567.75
6999 - Uncategorized Expenses	0.00
Total Expense	<u>566,345.74</u>
Net Ordinary Income	-461,664.15
Other Income/Expense	
Other Income	
7000 - Other Income	218,609.92
Total Other Income	<u>218,609.92</u>
Other Expense	
8000 - Other Expense	10,891.50
Total Other Expense	<u>10,891.50</u>
Net Other Income	<u>207,718.42</u>
Net Income	<u><u>-253,945.73</u></u>

These financial statements are true and accurate as of the date stated above.


 Chairman of the Board


 VP Finance

Attachment F

The Company began business in 1994 and became a public company in August of 1995. The Company's stock is currently traded on the OTC Bulletin Board.

In order to sustain its development activities in voice recognition telecommunications, the Company to date has been funded by a venture capital group. The Company anticipates continued capital infusion from this group as well as revenues from its services to be provided in Florida as well as Texas. Audited financial statements are not currently available but are in the process of being prepared by our auditors and will be completed within the next four weeks.

ATTACHMENT E - Managerial and Technical Expertise

G. Ray Miller, a co-founder, Chairman of the Board and Chief Executive Officer of the Company, has over 36 years of business experience, primarily in the telecommunications industry. He was the founder and Chief Executive Officer of International Telecharge, Inc., an operator services company, where, in conjunction with Dallas-based Voice Control Systems, Inc., he helped pioneer the operator services industry's first robotics operator using voice technology. Mr. Miller also conceived and co-founded US Telephone, Inc., a long-distance telecommunications carrier and a predecessor to Sprint. In addition, he was instrumental in the early marketing of MCI's Execunet service.

Mary G. Merritt, a co-founder, Secretary/Treasurer and Vice President of Finance of the Company has over 15 years of financial experience which she gained working as a tax expert with small and medium-sized companies positioned to go public. Mrs. Merritt brings to the Company knowledge of strong financial control systems including planning, budgeting, accounting, performance reporting and analysis. Mrs. Merritt has worked primarily with companies in the high-tech environment and the oil and gas industry. She has served as President of Star of Texas, Inc., Controller of United MediCorp, Inc. and was Senior Manager of Entrepreneurial Services at Ernst & Whinney. Mrs. Merritt is a Certified Public Accountant.

Robert R. Williams, has more than 25 years experience in System Design and Development. He has delivered telecommunication application software to the market for more than 20 years. Mr. Williams brings strength and experience in understanding and applying leading-edge technology within the telecommunication industry. He has worked in the Central Research Laboratory at Texas Instruments as well as being on the development team that delivered the world's first commercially available voice-mail system for VMX, Inc. Mr. Williams has also worked with Voice Control Systems, Inc. and served as Vice President of Engineering for ActionFax, Inc. The past several years, Mr. Williams has owned and operated Business Hotlines, a software development company headquartered in Dallas, Texas.

Thomas C. Schnepf has over 25 years in telecommunications development and management. He has provided leadership for the design and installation of the world's first fiber optic based telecommunications back-bone in Saudi Arabia as well as the governmental communications and control system in Thailand. Domestically, he has provided leadership and guidance in the growth of the independent long distance field with such companies as U.S. Tel (now SPRINT); ITI (now ENCOR); USLD; Intellicall. TelEquip Labs; MCI. In addition, he was responsible for the conceptual definition of the future growth requirements for the local exchange system serving the island nation of Jamaica.