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MARY ANN YOUNG
ATTORNEY AT LAW
OF COUNSEL
(573) 634-8109
FAX (573) 634-8224

December 29, 1999

DEC 29 1999

Missouri Public
Service Commission

RECEIVED²
DEC 29 1999
Records
Public Service Commission

Mr. Dale Hardy Roberts
Executive Secretary-Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102-0360

RE: Case No. TA-2000-396 ^{mas}
Application of Reitz Rentals, Inc. d/b/a SouthWest TeleConnect for a Certificate of
Service Authority to Provide Basic Local Telecommunications Services

Dear Mr. Roberts:

Enclosed please find an original and fourteen copies of the Basic Local Service
Application for Certificate of Service Authority and for Competitive Classification of Reitz
Rentals, Inc. d/b/a SouthWest TeleConnect for filing with the Commission.

Thank you for your assistance in processing this filing. Copies are being served on the
Office of Public Counsel, General Counsel, Southwestern Bell Telephone Company, GTE and
Sprint. If there are any questions, please call me at 634-8109.

Sincerely,



Mary Ann (Garr) Young

Enclosure

cc: Office of Public Counsel
General Counsel
SWBT
GTE
Sprint
Jaqualin Friend Peterson, FWCLZ

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

RECEIVED²
DEC 29 1999
Records
Public Service Commission

In the matter of the Application of
Reitz Rentals, Inc. d/b/a SouthWest
TeleConnect for Certificate of Service
Authority to Provide Basic Local
Telecommunications Service in Missouri,
for Competitive Classification, and for
Waiver of Statutory Provisions and Rules

Case No. TA-2000-396

APPLICATION FOR CERTIFICATE OF SERVICE AUTHORITY
AND FOR COMPETITIVE CLASSIFICATION

COMES NOW Reitz Rentals, Inc. d/b/a SouthWest TeleConnect ("SouthWest TeleConnect" or "Applicant"), by its undersigned counsel, pursuant to the Sections 392.410 through 392.455 RSMo., the federal Telecommunications Act of 1996, and 4 CSR 240-2.060, and hereby requests a Certificate of Basic Local Exchange Service Authority to provide resold local telecommunications services in the State of Missouri. Additionally, pursuant to Sections 392.361 and 392.420 RSMo., Applicant hereby requests competitive classification of SouthWest and its services and the waiver of various statutory provisions and rules of the Missouri Public Service Commission ("the Commission") as specified herein, because it believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation. In support of its application, SouthWest states as follows:

1. Applicant Formation:

Applicant is a privately-held corporation, organized under the laws of the State of Texas with authority to transact business in the state of Missouri as a foreign corporation. A copy of the Company's Articles of Incorporation, Certificate of Authority to do Business in Missouri and

Registration of Fictitious Name are attached hereto as Exhibit A. Applicant will be doing business under the name SouthWest TeleConnect.

2. Applicant may be reached at its principal place of business:

7000 Cameron Rd., Suite 200
Austin, Texas 78752-2828
Telephone: (512) 450-0328
Facsimile: (512) 459-1675

3. All inquiries, correspondence, communications, pleadings, notices, orders and decisions concerning this Application should be directed to Applicant's attorneys of record:

Glenn S. Richards
Fisher Wayland Cooper Leader & Zaragoza L.L.P.
2001 Pennsylvania Ave. N.W., Suite 400
Washington, D.C. 20006
Telephone: (202) 659-3494
Facsimile: (202) 296-6518

and:

Mary Ann (Garr) Young
William D. Steinmeier, P.C.
2031 Tower Drive
P.O. Box 104595
Jefferson City, Missouri 65110-4595
Telephone: (573) 634-8109
Facsimile: (573) 634-8224

4. Following certification, the contact person for questions concerning the ongoing operations of SouthWest TeleConnect is:

Kimberly Reitz
President
SouthWest TeleConnect or
7000 Cameron Rd., Suite 200
Austin, Texas 78752-2828
Telephone: (512) 450-0328 Ex. 102
Facsimile: (512) 459-1675

Steve Gilbert
General Manager
SouthWest TeleConnect
7000 Cameron Rd., Suite 200
Austin, Texas 78752-2828
Telephone: (512) 450-0328 Ex. 103
Facsimile: (512) 459-1675

5. Initial Service Area:

Applicant hereby requests authority to provide basic local exchange telecommunications services on a resold basis in those areas currently served by Southwestern Bell Telephone Company (SWBT), Sprint Missouri, Inc. d/b/a Sprint (Sprint), and GTE Midwest, Inc. (GTE). The specific SWBT, Sprint and GTE exchanges within which Applicant proposes to offer local exchange service are listed in the incumbent providers' respective local exchange tariffs. Applicant may seek authority to provide this service in other areas of the state in a subsequent proceeding.

6. Description of Proposed Operations:

Pursuant to this application, Applicant seeks to provide local exchange services on a resale basis, including local calling ("dial tone") and access to 911 emergency and toll free number services. Applicant also plans to offer optional custom calling services such as call waiting, call forwarding, three-way calling, speed dial, call return, caller ID, and non-published number service. Service will be available on a full-time basis, 24 hours a day, seven days a week.

The majority of Applicant's customers will consist of individuals who are unable to obtain telephone service elsewhere because of credit problems or delinquent payment histories. Applicant will not be performing consumer credit checking or application screening. To control costs, Applicant intends to charge customers a fixed price for local service. Applicant also will be blocking direct-dial long-distance calls, collect calls, operator-assisted calls, and third-number billed calls. Customers who desire toll calling may use prepaid or post-paid calling cards.

7. Managerial and Technical Qualifications:

Applicant possesses the managerial and technical ability to provide the proposed services on a resale basis. Applicant's principals have extensive experience in the telecommunications industry. Exhibit C, attached hereto, describes the managerial and technical experience of several of the Company's principals. Applicant also possesses the necessary financial resources to provide resold telecommunications services in the State. Applicant has access to the financing and capital necessary to conduct its telecommunications operations as specified in this Application. Attached hereto as Exhibit B are copies of SouthWest TeleConnect's most recent balance sheet and its income statements. This Exhibit is offered to demonstrate that Applicant possesses sufficient financial resources and ability to provide the proposed services.

Furthermore, Applicant is authorized to provide local telecommunications services in Oklahoma and Texas. In addition to this Missouri application, Applicant has local exchange applications pending in Arkansas and Kansas. Applicant has not been denied authority to provide telecommunications services in any state.

Because Applicant intends to operate as a pure reseller of telecommunications services in Missouri, it will not construct, own, operate, or manage facilities for the provision of its local services.

8. Competitive Classification:

Applicant seeks classification of itself and its services as competitive pursuant to Sections 392.361 and 392.420 RSMo.

9. Provision of Equitable Access:

Applicant will offer basic local telecommunications service as a separate and distinct service in accordance with applicable law. Applicant will give consideration to equitable access for all Missourians, regardless of where they might reside or their income, to affordable telecommunications services in Applicant's proposed service areas in accordance with applicable law.

10. Compliance with Commission Rules and Waiver Request:

Applicant is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards, including but not limited to billing, quality of service, and tariff filing and maintenance, except those standards which are specifically waived by the Commission. Because Applicant will be reselling the services of the incumbent local exchange company, its proposed basic local and local service offerings will meet the minimum service standards that the Commission requires of incumbent local exchange companies.

Consistent with the Commission's treatment of other certificated competitive local exchange telecommunications companies, Applicant requests that the following statutes and regulations be waived for Applicant and its basic local exchange service offerings:

Statutes

392.210.2
392.270
392.280
392.290.1
392.300.2
392.310
392.320
392.330
392.340

Commission Rules

4 CSR 240-10.020
4 CSR 240-30.040
4 CSR 240-35

11. Tariff waiver:

Applicant further requests a temporary waiver of 4 CSR 240-2.060(4)(H). This rule requires that an application for a certificate of service authority to provide interexchange, local exchange, or basic local exchange service shall include a proposed tariff with a forty-five day effective date. Applicant is in the process of developing its tariff, but is not prepared to file the tariff concurrent with this Application. Applicant has executed a resale agreement with SWBT, which will be filed with the Commission for approval shortly. Applicant will promptly file its tariff bearing no less than a 45 day effective date as soon as it is finalized.

12. Compliance with Minimum Service Standards:

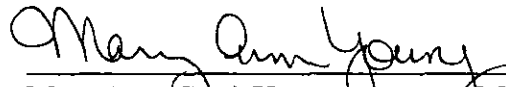
Applicant is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards including, but not limited to, quality of service, billing, and tariff filing and maintenance, except those standards which are specifically waived by the Commission. Because Applicant will be reselling the services of the incumbent local exchange company, its proposed basic local and local service offerings will meet the minimum service standards that the Commission requires of incumbent local exchange companies.

13. Public Interest Statement

Applicant submits that the public interest will be served by Commission approval of this application because Applicant's proposed services will create and enhance competition and expand customer service options consistent with the legislative goals set forth in the federal Telecommunications Act of 1996 and Chapter 392 RSMo. Supp. 1997. Prompt approval of this application also will expand the availability of innovative, high quality, and reliable telecommunications services within the State of Missouri.

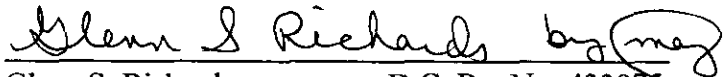
WHEREFORE, Applicant Reitz Rentals, Inc. d/b/a SouthWest TeleConnect respectfully requests that the Commission grant it a certificate of service authority to provide basic local telecommunications services as herein requested, classify Applicant and its proposed services as competitive, and grant a waiver of the aforesaid statutes and regulations.

Respectfully submitted,



Mary Ann (Garr) Young. Mo. Bar # 27951
WILLIAM D. STEINMEIER, P.C.
P.O. Box 104595
2031 Tower Drive
Jefferson City, Missouri 65110-4595
Telephone: (573) 634-8109
Facsimile: (573) 634-8224

and



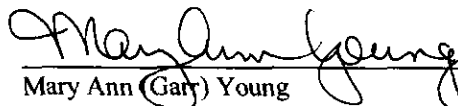
Glenn S. Richards D.C. Bar No. 433975
Fisher Wayland Cooper Leader & Zaragoza L.L.P.
2001 Pennsylvania Ave. N.W., Suite 400
Washington, D.C. 20006
Telephone: (202) 659-3494
Facsimile: (202) 296-6518

ATTORNEYS FOR APPLICANT REITZ
RENTALS, INC. d/b/a SOUTHWEST
TELECONNECT

Dated: December 29, 1999

Certificate of Service

I hereby certify that a copy of this document has been hand delivered or mailed by first class mail, postage prepaid, to the Office of Public Counsel, the General Counsel, and counsel for SWBT, GTE and Sprint on this 29th day of December, 1999.



Mary Ann (Garr) Young

Reitz Rentals, Inc. d/b/a SouthWest Teleconnect

EXHIBIT LIST

EXHIBIT A Articles of Incorporation and Certificate of Authority to do
Business in the State

EXHIBIT B Financial Statements

EXHIBIT C Managerial and Technical Qualifications

VERIFICATION

Reitz Rentals, Inc. d/b/a SouthWest Teleconnect

EXHIBIT A

**Articles of Incorporation and
Certificate of Authority to do Business**

STATE OF MISSOURI



Rebecca McDowell Cook
Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS,
REITZ RENTALS, INC.

USING IN MISSOURI THE NAME
REITZ RENTALS, INC.

HAS COMPLIED WITH THE GENERAL AND BUSINESS CORPORATION LAW WHICH GOVERNS FOREIGN CORPORATIONS; BY FILING IN THE OFFICE OF THE SECRETARY OF STATE OF MISSOURI AUTHENTICATED EVIDENCE OF ITS INCORPORATION AND GOOD STANDING UNDER THE LAWS OF THE STATE OF TEXAS.

NOW, THEREFORE, I, REBECCA MCDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI, DO HEREBY CERTIFY THAT SAID CORPORATION IS FROM THIS DATE DULY AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE, AND IS ENTITLED TO ALL RIGHTS AND PRIVILEGES GRANTED TO FOREIGN CORPORATIONS UNDER THE GENERAL AND BUSINESS CORPORATION LAW OF MISSOURI.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 8TH DAY OF DECEMBER, 1998.

Rebecca McDowell Cook
Secretary of State



\$155.00



State of Missouri

Rebecca McDowell Cook, Secretary of State
P.O. Box 778, Jefferson City, Mo. 65102
Corporation Division

Application for Foreign Corporation For a Certificate of Authority

(Submit in duplicate with filing fee of \$155.00)

FILED
AND CERTIFICATE OF
AUTHORITY ISSUED

DEC 08 1998

- (1) The corporation's name is Reitz Rentals, Inc.
and it is organized and existing under the laws of Texas
- (2) The name it will use in Missouri is Reitz Rentals, Inc.
- (3) The date of its incorporation was 1/23/86, and the period of its duration is Perpetual
month/day/year
- (4) The address of its principal place of business 2407 S. Congress Avenue, Austin, Texas 78704
Address City/State/Zip
- (5) The name and address of its registered agent and office in the State of Missouri is
The Corporation Company, 120 S. Central Ave., Clayton, Missouri 63105
Name Address City/State/Zip
- (6) The specific purpose(s) of its business in Missouri are:
To provide telecommunication services

The name of its officers and directors and their business addresses are as follows:

(Officers)	Name	Address	City/State/Zip
President	Kimberly Reitz	2407 S. Congress Avenue, Austin, Texas	78704
Vice President	Chad Hazam	2407 S. Congress Avenue, Austin, Texas	78704
Secretary	Chad Hazam	2407 S. Congress Avenue, Austin, Texas	78704
Treasurer	Kimberly Reitz	2407 S. Congress Avenue, Austin, Texas	78704

(Board of Directors)

Director	Kimberly Reitz	2407 S. Congress Avenue, Austin, Texas	78704
Director	Chad Hazam	2407 S. Congress Avenue, Austin, Texas	78704
Director			
Director			

- (8) The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless you indicate a future date, as follows:

(Date may not be more than 90 days after the filing date in this office)

In affirmation thereof, the facts stated above are true.

Kimberly Reitz, Pres.
(Authorized signature of officer or chairman of the board)

President

(Title)

11-18-98

(Date of Signature)

Note: You must have a current certificate of good standing or certificate of existence with this application.

This may be obtained from the Secretary of State or other authority that issues corporate charters.

The undersigned, being all the part[redacted]wning interest in the above company, be[redacted]duly sworn, upon their oaths each did say that the statement and matters set forth herein are true.

Individual
Owners
Sign Here

X
X
X

X
X
X

The undersigned corporation has caused this application to be executed in its name by its President or Vice-President and its Secretary or Assistant Secretary, this 18th day of November, 19 98

If
Corporation
is Owner,
Corporate
Officers
Execute
Here

Reitz Rentals, Inc.

(Exact Corporate Title)

By: Kimberly Reitz, Pres.
Its President or Vice-President

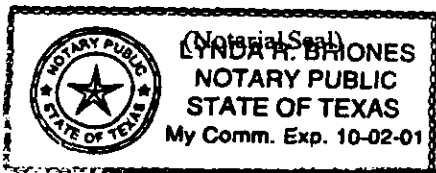
By: Chad H. Gann
Its Secretary or Assistant Secretary

(Corporate Seal)
If no seal, state "none".

Texas
State of ~~Missouri~~
County of Gravis } ss.

I, LYNDA R. BRIONES, A Notary Public, do hereby certify that on the 18 day of November, 19 98, personally appeared before me Kimberly Reitz, and being first duly sworn by me, acknowledged that she he signed as her own free act and deed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.



Lynda R. Briones
Notary Public

My commission expires 10-02-01

Reitz Rentals, Inc. d/b/a SouthWest Teleconnect

EXHIBIT B

Financial Statements

REITZ RENTALS, INC.
d.b.a. SOUTHWEST TELECONNECT
BALANCE SHEET
SEPTEMBER 30, 1999

ASSETS

CURRENT ASSETS

Cash	<u>\$ 287,161</u>	\$ 287,161
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PROPERTY AND EQUIPMENT

Office Equipment	\$ 66,468	
Computer Equipment	\$ 78,077	
Software	\$ 6,398	
Telephone Equipment	\$ 47,483	
Vehicles	\$ 56,428	
Leasehold Improvements	<u>\$ 8,917</u>	
	\$ 263,771	
Less: Accumulated Depreciation	<u>\$ 90,119</u>	\$ 173,652

OTHER ASSETS

Deposits	\$ 5,000	
Operating Licenses	\$ 20,000	
Less: Accumulated Amortization	<u>\$ 1,000</u>	
		<u>\$ 24,000</u>

TOTAL ASSETS

\$ 484,813

REITZ RENTALS, INC.
d.b.a. SOUTHWEST TELECONNECT
BALANCE SHEET
SEPTEMBER 30, 1999

LIABILITIES AND RETAINED EARNINGS

CURRENT LIABILITIES

Current Maturities of Long Term Debt.	<u>\$ 18,492</u>	\$ 18,492
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Long Term Debt	<u>\$ 22,792</u>	\$ 22,792
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STOCKHOLDERS' SURPLUS AND RETAINED EARNINGS

Common Stock; 300 Shares	
Authorized at No Par Value:	
300 Shares Issued and Outstanding	\$ 1,000
Shareholder distributions ++	\$ 10,980
Retained Earnings++	<u>\$ 431,549</u>

\$ 484,813

++ Distributions from Southwest Teleconnect Division of Reitz Rentals, Inc.
Balance sheet represents Southwest Teleconnect Division only
Rent America Division was sold on July 1, 1999 and all net proceeds
not in escrow, and retained earnings were distributed to shareholders

REITZ RENTALS, INC.
d.b.a. SOUTHWEST TELECONNECT
PROFIT STATEMENT
SEPTEMBER 30, 1999

Income

Phone Service and Installation	\$ 3,727,818
Interest	\$ 679
Other Fees	\$ 50
Total Income	\$ 3,728,547

Cost of goods Sold

Phone Services	\$ 1,944,123
Commissions	\$ 87,933
Total Cost of Goods Sold	\$ 2,032,056

Gross Profit	\$ 1,696,491
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General, Selling and Administrative Expenses	\$ 1,476,721
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Net Profit	\$ 219,771
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*Note: Reitz Rentals Inc. is a subchapter S corp. and no provisions are made for income taxes.

**Note: September's 9 month Profit Statement and Balance sheet reflect only the operations and assets for the Southwest Teleconnect portion of Reitz Rentals, Inc. for 1999. On July 1 of 1999 the Rent America division of Reitz Rentals, Inc. was sold and therefore its assets, income and expenses have been removed from this financial portrayal of Reitz Rentals, Inc as all proceeds from the sale have, or will be distributed to the shareholders.

REITZ RENTALS, INC.
d.b.a. SOUTHWEST TELECONNECT
PROFIT STATEMENT
SEPTEMBER 30, 1999

General, Selling and Administrative Expenses

Advertising	\$	501,810	
Collection Expense	\$	-	
Printing	\$	17,610	
Freight & Postage	\$	30,191	
Labor	\$	573,846	
Consulting Fees	\$	10,300	
Rent	\$	35,334	
Utilities	\$	740	
Telephone			
	Local		\$ 8,849
	Long Distance		\$ 112,733
Total Telephone	\$	121,582	
Repairs and Maintenance	\$	11,958	
Licenses	\$	68	
Bad Debt Expense	\$	2,698	
Insurance			
Health Insurance			\$ 7,715
Other Insurance			\$ 2,402
Total Insurance	\$	10,117	
Interest	\$	2,809	
Travel and Entertainment	\$	4,294	
Payroll Taxes	\$	63,330	
Taxes, other	\$	348	
Computer Expense	\$	20,529	
Phone Expense	\$	820	
Charitable Contributions	\$	500	
Vehicle Expense	\$	1,031	
Legal and Accounting	\$	7,844	
Amortization Expense	\$	1,000	
Depreciation Expense	\$	31,511	
Dues & Subscriptions	\$	650	
Miscellaneous Expenses	\$	3,899	
Bank Fees	\$	826	
Office supplies	\$	18,072	
Outside Services	\$	2,163	
Seminars & Training	\$	841	

Total Expenses **\$ 1,476,721**

Net Profit **\$ 219,771**

*Note: Reitz Rentals Inc. is a subchapter S corp. and no provisions are made for income taxes.

REITZ RENTALS, INC.
d.b.a. RENT AMERICA
d.b.a. SOUTHWEST TELECONNECT
BALANCE SHEET
DECEMBER 31, 1998

ASSETS

CURRENT ASSETS

Cash	\$ 167,910	
Accounts Receivable:		
Employee	\$ 89	
Returned Checks	\$ 1,280	
Merchandise Inventory, Net of \$684.096 of Accumulated Decline	\$ 888,081	
Prepaid Expenses	\$ 5,792	
Prepaid Phone Service (for resale)	\$ 75,861	
		\$1,139,013

PROPERTY AND EQUIPMENT

Office Equipment	\$ 71,504	
Computer Equipment	\$ 99,633	
Software	\$ 6,398	
Telephone Equipment	\$ 35,589	
Vehicles	\$ 188,996	
Leasehold Improvements	\$ 98,119	
	\$ 500,239	
Less: Accumulated Depreciation	\$ 323,983	
		\$ 176,256

OTHER ASSETS

Deposits	\$ 22,739	
Loan Origination Fees, Net	\$ 763	
Operating Licenses	\$ 10,000	
Less: Accumulated Amortization	\$ 400	
		\$ 33,102

TOTAL ASSETS

\$1,348,371

REITZ RENTALS, INC.
d.b.a. RENT AMERICA
d.b.a. SOUTHWEST TELECONNECT
BALANCE SHEET
DECEMBER 31, 1998

LIABILITIES AND RETAINED EARNINGS

CURRENT LIABILITIES

Accounts Payable:		
Trade	\$	125,362
Other	\$	13,920
Prepaid phone service	\$	176,420
Accrued Property Taxes	\$	31,507
Accrued Interest	\$	8,955
Accrued Wages	\$	62,596
Sales Tax Payable	\$	36,542
State Income Tax Payable	\$	4,060
Telecommunications Taxes Payable	\$	12,942
Deferred Income Tax Liability	\$	549
Line of Credit	\$	833,256
Loan Payable-Shareholder	\$	20,202
Current Maturities of Long Term Debt.	\$	7,928
		<u>\$1,334,239</u>

Long Term Debt	\$	34,076
		<u>\$ 34,076</u>

STOCKHOLDERS' SURPLUS AND RETAINED EARNINGS

Common Stock; 300 Shares	
Authorized at No Par Value:	
300 Shares Issued and Outstanding	\$ 1,000
Retained Earnings	\$ (20,944)
	<u>\$1,348,371</u>

REITZ RENTALS, INC.
d.b.a. RENT AMERICA
d.b.a. SOUTHWEST TELECONNECT
PROFIT STATEMENT
DECEMBER 31, 1998

Income

Rental Income	\$ 2,051,388
Late Charge Income	\$ 52,602
Merchandise and Video Sales	\$ 86,733
Waiver Fees	\$ 140,398
Service Fees	\$ 1,286
Phone Service and Installation	\$ 2,781,783

Total Income **\$ 5,114,190**

Cost of goods Sold

Phone Services	\$ 1,429,591
Commissions	\$ 87,933

Total Cost of Goods Sold **\$ 1,517,524**

Gross Profit **\$ 3,596,666**

General, Selling and Administrative Expenses

General and Administrative	\$ 2,559,675
Inventory Valuation Decline	\$ 727,010
Interest	\$ 118,353
Depreciation	\$ 61,728
	\$ 3,466,766

Income from Operations **\$ 129,900**

Other Income

Sale of Assets	\$ 4,284
Theft Loss	\$ (5,829)

Net Income Before Taxes **\$ 128,355**

Provision for State Income Taxes **\$ (3,956)**

Net Income **\$ 124,399**

*Note: Reitz Rentals Inc. is a subchapter S corp. and no provisions are made for income taxes.

REITZ RENTALS, INC.
d.b.a. RENT AMERICA
d.b.a. SOUTHWEST TELECONNECT
ITEMIZED EXPENSES
DECEMBER 31.1998

General, Selling and Administrative Expenses

Advertising and Promotion	\$	351,489	
Collection Expense	\$	1,200	
Printing	\$	26,562	
Freight & Postage	\$	32,124	
Labor	\$	1,183,359	
Rent	\$	302,020	
Utilities	\$	28,370	
Telephone	\$	118,772	
Repairs and Maintenance	\$	54,822	
Repairs, Rental Equipment	\$	24,732	
Licenses	\$	4,734	
Cash Over and Short	\$	1,911	
Insurance			
Health Insurance			\$ 9,562
Other Insurance			\$ 61,413
Total Insurance	\$	70,975	
Travel and Entertainment	\$	5,564	
Payroll Taxes	\$	111,945	
Taxes, other	\$	27,197	
Computer Expense	\$	42,727	
Phone Expense	\$	8,540	
Charitable Contributions	\$	200	
Vehicle Expense	\$	33,867	
Legal and Accounting	\$	49,499	
Dues & Subscriptions	\$	3,052	
Miscellaneous Expenses	\$	3,943	
Bank Fees	\$	5,725	
Office supplies	\$	56,851	
Outside Services	\$	8,654	
Seminars & Training	\$	841	

Total Expenses	\$	2,559,675
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Reitz Rentals, Inc. d/b/a SouthWest Teleconnect

EXHIBIT C

Managerial and Technical Qualifications

Managerial and Technical Qualifications

Applicant possesses the managerial and technical ability to provide the proposed services. Applicant's principals have extensive experience in the telecommunications industry. Below is a brief description of the experience of some key management personnel.

Kimberly Reitz – President

Upon graduating in 1980 from Millersville State College with a Bachelor Degree of Arts, Ms. Kimberly Reitz began employment with Reitz Rentals, Inc.. Six years later, after several promotions, Ms. Reitz began serving as a District Manager for the company. In 1986, Ms. Reitz became owner and managing partner of Reitz Rentals, Inc. in Texas. During the past 13 years, Reitz Rentals, Inc. has purchased several existing rental stores and successfully open new stores. Additionally, for the past four years, under the guidance of Ms. Reitz, Reitz Rentals has been an authorized dealer of Mobile Comm paging services in Texas. As a result, the principals have been required to interface with carriers for negotiation of air time rates and purchasing of equipment. Reitz Rentals, Inc. also provides customer service to its paging customers, resolving, though its underlying carrier, any technical problems raised by end users. In 1996, Reitz Rentals, Inc. was approved as a reseller of local exchange telecommunications services in Texas. Reitz Rentals, Inc. also provide local exchange services in Oklahoma. Ms. Reitz has been involved in all aspects of development of the company's telephone service, including the successful negotiation of resale agreements with Southwestern Bell Telephone Company, GTE and Sprint.

Chad Hazam – Vice President

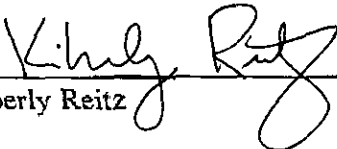
Mr. Chad Hazam has extensive experience in business management as the successful owner of several companies. In 1979, Mr. Hazam began a rental store operation that grew to 24 stores and was sold to a public company in 1997. Mr. Hazam also is the founder of Cellular Rentals, Inc., ("CRI") the first cellular reseller to interface directly with a cellular switch. In 1995, the company incorporated debit software into its switch, which allows it to provide service to all customers without the need for deposits or long-term contracts. Through CRI, Mr. Hazam has had close dealings with carriers such as Bell Atlantic and 360 Degrees (formerly Sprint Cellular), to implement the unique prepaid cellular concept. In 1997, CRI began reselling local exchange telecommunications services. Mr. Hazam has successfully negotiated resale agreements with Bell Atlantic, GTE and Sprint, putting into place the structure for offering local telecommunications services. Today, CRI is serving more than 20,000 customers throughout the Bell Atlantic region, and adding approximately 2,000 customers per month.

Reitz Rentals, Inc. d/b/a SouthWest Teleconnect

VERIFICATION

VERIFICATION

I, Kimberly Reitz, being duly sworn according to law, depose and say that I am an officer of Reitz Rentals, Inc. d/b/a SouthWest TeleConnect; that I am authorized to and do make this verification for it; and that the facts set forth in the above Application are true and correct to the best of my knowledge, information and belief and that I expect Reitz Rentals, Inc. d/b/a SouthWest TeleConnect, to be able to prove the same at any hearing hereof.

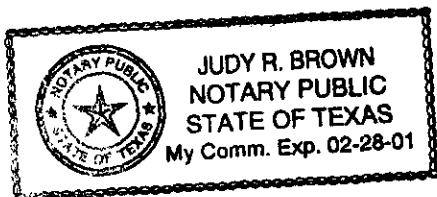


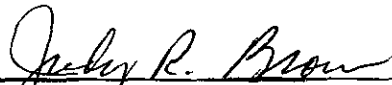
Kimberly Reitz

STATE OF *Texas*)
) SS.
CITY AND COUNTY OF *Travis*)

SUBSCRIBED AND SWORN to me this 13 day of December, 1999.

Witness my hand and official seal.





Notary Public