## Lance J.M. Steinhart, P.C.

Attorney At Law 1720 Windward Concourse Suite 250 Alpharetta, Georgia 30005

Also Admitted in New York and Maryland

Telephone: (770) 232-9200

Facsimile: (770) 232-9208

Email: lsteinhart@telecomcounsel.com

October 13, 2004

## **VIA OVERNIGHT DELIVERY**

Mr. Dale Roberts Chief ALJ and Executive Secretary Missouri Public Service Commission 200 Madison Street, Suite 100 Jefferson City, MO 65102 FILED<sup>4</sup>
OCT 1 4 2004

Service Commission

Re: Global Connection Inc. of America – LOCAL EXCHANGE

Dear Mr. Roberts:

I hereby seek to appear in Global Connection Inc. of America's Application for Certificate of Service Authority to Provide Local Telecommunications Services Within the State of Missouri.

Enclosed please find an original and eight (8) copies of the Acknowledgement Receipt of \$100.00 as required by Rule 6.01(m) for myself from the Clerk of the Supreme Court along with the Application for Certificate of Service Authority to Provide Local Telecommunications Services Within the State of Missouri.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Please note that this Application is being submitted by myself and Judith A. Rau, Esq., Missouri Counsel, Bar # 24856.

Respectfully submitted,

Lance J.M. Steinhart GA Bar No. 678222

Attorney for Global Connection Inc. of America

Enclosures

cc: Michael Dandino, Office of Public Counsel

General Counsel, Missouri Public Service Commission



THOMAS F. SIMON CLERK

## CLERK OF THE SUPREME COURT

STATE OF MISSOURI POST OFFICE BOX 150 JEFFERSON CITY, MISSOURI 65102

August 23, 2004

This will hereby acknowledge receipt of \$100 as required by Rule 6.01(m) for Lance J.M. Steinhart, appearing in Global Connection Inc. of America's Application for Certificate of Service Authority to Provide Local Exchange Telecommunications Services Within the State of Missouri, before the Public Service Commission, State of Missouri.

Thomas F. Simon, Clerk

TELEPHONE

(573) 751-4144

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the application	)
of Global Connection Inc. of America	)
for a certificate of service authority to	) Case No
provide resold and facilities-based/UNE-P	)
Basic Local Telecommunications Services	)
in Portions of the State of Missouri and	)
to Classify Such Services and the Company	)
as Competitive	)

## APPLICATION

Global Connection Inc. of America ("Applicant" or "Global Connection"), a Georgia Corporation, files this verified application respectfully requesting that the Missouri Public Service Commission ("Commission") issue an order that:

- (a) grants Applicant a Certificate of Service Authority to provide resold and facilities-based/UNE-P Basic Local Telecommunications Services in Portions of the State of Missouri pursuant to Sections 392.455 and 392.420 .44055 of the Revised Statutes of Missouri (RSMo) 1994 and Sections 392.410 and .450, RSMo Supp. 1996.
- (b) grants competitive status to Applicant pursuant to Section 392.361 RSMo Supp 1996., and classifies the Applicant's services as competitive.
- (c) waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo Cumm. Supp. 1996.

In support of its request, Applicant states:

1. The legal name and principal office or place of business of the Applicant are:

Global Connection Inc. of America
3957 Pleasantdale Road
Atlanta, Georgia 30340
(678) 966-8444 (Phone)
(770) 458-6773 (Fax)

A copy of Applicant's Articles of Incorporation, and certificate of authority from the Missouri Secretary of State to transact business in Missouri are attached hereto as Exhibit I.

2. The name and address of Applicant's in-state attorney is: Judith A. Rau, Esq.

Rau & Rau

119 E. Mill Street

Waterloo, Illinois 62298

3. Applicant proposes to provide resold and facilities-based/UNE-P basic local telecommunications service as a separate and distinct service within portions of the State of Missouri. 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. Applicant proposes to provide services to prospective customers in exchanges currently served by Southwestern Bell Telephone Company, United Telephone Company of Missouri d/b/a Sprint, and CenturyTel as set forth in the list of exchanges attached hereto as Exhibit II. Applicant will give consideration to equitable access for all Missourians, regardless of where they might reside or their income, to affordable telecommunications services in the proposed service area as set forth in Exhibit II, in accordance with applicable law.

When it initiates service in Missouri, Global Connection Inc. of America, (Global Connection) proposes to offer resold local exchange services and local services utilizing the UNE-P platform. Such services will be provided by utilizing the facilities of incumbent local exchange carriers ("LECs"), as well as unbundled network elements. Initially, the services Global Connection intends to offer are likely to be those local exchange telecommunications services offered by incumbent local exchange carriers in the proposed service area. Global Connection intends to provide local exchange services that may include but are not limited to the following:

- \* Basic Residential Exchange Services
- \* Residential Custom and Class Features (call waiting, caller ID, call forwarding, call blocking, speed calling, etc.)
- \* Basic Business Exchange Services
- \* Business Customer Calling and Class Features
- \* Adjunct Provided Features (voice messaging, etc.)
- \* Business and Residential Ancillary Services (911, E911, 411, Relay Service, directory listing, directory assistance, etc.)
- \* Centrex
- \* DSL and ISDN
- \* DID Trunks and Lines
- \* Private Lines

Global Connection does not initially intend to install any switching equipment for the provision of local exchange service in the State of Missouri, but may install such equipment in the future.

If Global Connection installs facilities in Missouri, it will probably use the following or a similar configuration of equipment: Global Connection will provide voice and high speed data services through a combination of the latest technology switching and transport media comprised of the Lucent Technology 5 ESS Generic 13 switch module, ADSL/SDSL transport and Internet service equipment and the latest Optical multiplexer DAC's configurations. The switching system consists of a central processing and control complex capable of interconnection as a peer to the incumbent as well as competitive local exchange companies. The hub portion of the switch will interconnect with the public switched network on Signaling System 7 ("SS7") or Feature Group D ("FGD") facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in accordance with network standards and specifications. Additionally, services will be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber and transport networks, as well as via Global Connection constructed facilities.

4. Applicant has the experience in the telecommunications industry and the technical and financial resources to provide telecommunications services within Missouri. A brief description of the qualifications and experience of the key management employees is attached hereto as Exhibit III, along with a description of the Applicant's telecommunications background. A copy of the financial information to demonstrate Applicant's financial ability to provide service, Exhibit IV.

Applicant is currently authorized in Alabama, Arkansas, Colorado, Florida, Georgia, Kansas, Illinois, Indiana, Kentucky, Michigan, Mississippi, Nebraska, Nevada, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Virginia, Washington and Wisconsin to provide local exchange services. Applicant has not been denied authority for any of the services for which it seeks authority in this Application. Applicant is currently providing service in Alabama, Georgia, Indiana, Kentucky, North Carolina, South Carolina and Tennessee. The company is in the process of obtaining authorization to provide local and long distance service in 17 additional states.

- 5. Applicant hereby respectfully requests a temporary waiver of 4 CSR 240-3.510 (1) (C) that requires Applicant to file a draft tariff simultaneously with this application until Applicant has executed interconnection agreements with the incumbent LECs and those agreements have been approved by the Commission. Applicant will file its tariff with an effective date of at least 45 days after filing.
- 6. Applicant hereby respectfully requests classification as a competitive telecommunications company within the State of Missouri and receive a lesser degree of regulation as permitted by Sections 392.361 and 392.420 RSMo. Applicant also requests that its services be classified as competitive. Applicant believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation. Granting of this application will allow greater price and service options for telephone users.

7. Applicant also respectfully requests, pursuant to Section 392.420 RSMo (Cum. Supp. 1992), that the Commission waive the application of the following rules and statutory provisions as it relates to the regulation of Applicant:

## Statutes

- 392.210.2 Establish Uniform System of Accounts for Annual reports
- 392.240(1)Setting just and reasonable rates
- 392.270 Ascertain Property values
- 392.280 Establish Depreciation accounts
- 392.290 Issuance of securities
- 392.300.2 Acquisition of stock
- 392.310 Issuance of stock and debt
- 392.320 Stock Dividend Payment
- 392.330 Issuance of securities, debts and notes
- 392.340 Reorganization(s)

## Commission Rules

- 4 CSR 240-10.020 Depreciation fund income
- 4 CSR 240-3.545(2)C) Posting exchange rates at central offices.
- 4 CSR 240-33.030 Inform customers of lowest price
- 4 CSR 240-3.550(5)C) File Exchange boundary maps with Commission
- 4 CSR 240-30.040 Uniform System of Accounts

The above-referenced rules and statutory provisions have been waived to other carriers in prior cases.

- 8. Applicant, pursuant to Section 386.570, Cum. Supp. 1992, will comply with all applicable Commission rules except those which are specifically waived by the Commission pursuant to a request filed by the Applicant.
- 9. All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to this case shall be addressed to:

Lance J.M. Steinhart

Lance J.M. Steinhart, P.C.

1720 Windward Concourse

Suite 250

Alpharetta, Georgia 30005

(770) 232-9200 (770) 232-9208 (Fax)

lsteinhart@telecomcounsel.com (Email)

10. The Applicant has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this application. No Commission annual reports or assessment fees are overdue.

11. Global Connection submits the following arguments to demonstrate that the public interest will be served by the approval of this Application:

The grant of a certificate to provide competitive basic local telecommunications services to the Applicant will serve the public interest. The Applicant's presence in the market will expand customer choice for telecommunications service. The increased competition brought by the Applicant to the market will have the effect of improving the quality of telecommunications services in Missouri and decreasing the cost of such services through increased innovation and efficiency. The result will be beneficial to economic development in Missouri. The granting of a certificate to the Applicant will contribute to the availability of reasonably affordable local exchange services in the State of Missouri.

WHEREFORE, Applicant, Global Connection Inc. of America, respectfully requests that the Missouri Public Service Commission grant it a certificate of service authority to provide resold and facilities-based/UNE-P Basic Local Telecommunications Services within portions of the State of Missouri. Applicant also respectfully requests classification as a competitive telecommunications company and requests that its services be classified as competitive. In addition, Applicant respectfully requests a waiver of the above-referenced rules and statutory provisions and a temporary waiver of the tariff filing requirement.

Respectfully submitted,

Lance J.M. Steinhart, Esq. Lance J.M. Steinhart, P.C.

1720 Windward Concourse, Suite 250

Alpharetta, Georgia 30005

(770) 232-9200 (Phone) (770) 232-9208 (Fax)

lsteinhart@telecomcounsel.com (E-mail)

GA Bar No. 678222

and

Jydith A. Rau, Esq.

Rau & Rau

119 E. Mill Street

Waterloo, Illinois 62298

(618) 939-7186

MO Bar No. 24856

Attorneys for Applicant

## ATTACHED EXHIBITS

Exhibit I	Missouri Secretary of State Authorization
	Articles of Incorporation
Exhibit II	List of Exchanges
Exhibit III	Executive Officers' Qualifications and Experience
	Company's Telecommunications Background

Exhibit IV Financial Information

# Exhibit I Missouri Secretary of State Authorization & Articles of Incorporation

See Attached



## Matt Blunt Secretary of State

# CORPORATION DIVISION CERTIFICATE OF GOOD STANDING

MATT BLUNT, Secretary of the State of Missouri, do hereby certify that the records in my fice and in my care and custody reveal that

## GLOBAL CONNECTION INC. OF AMERICA

ing in Missouri the name

## GLOBAL CONNECTION INCORPORATED OF AMERICA F00588154

GEORGIA entity was created under the laws of this State on the 14th day of May, 2004, an in good standing, having fully complied with all requirements of this office.

TESTIMONY WHEREOF, I have set my nd and imprinted the GREAT SEAL of the ate of Missouri, on this, the 29th day of June, 04

Secretary of State



## Secretary of State

Corporations Division
Suite 315, West Tower
2 Martin Luther King Jr., Dr.
Atlanta, Georgia 30334-1530

CONTROC NUMBER: 9821083 EFFECTIVE DATE: 06/01/1998 COUNTY: DEKALB REFERENCE: 0047 PRINT DATE: 06/03/1998

FORM NUMBER

SAM ABDALLAH 3783 PRESIDENTIAL PKWY SUITE 117 ATLANTA GA 30340

#### CERTIFICATE OF INCORPORATION

I, Lewis A. Massey, the Secretary of State and the Corporation Commissioner of the State of Georgia, do hereby certify under the seal of my office that

## GLOBAL CONMECTION INC. OF AMERICA A DOMESTIC PROFIT CORPORATION

has been duly incorporated under the laws of the State of Georgia on the effective date stated above by the filing of articles of incorporation in the office of the Secretary of State and by the paying of fees as provided by Title 14 of the Official Code of Georgia Annotated.

VITNESS my 1 and official seal in the City of Atlanta and the State of Georgia on the date let forth above.

Jewis A. Massey

LEWIS A. HASSEY

SECRETARY OF STATE

#### ARTICLES OF INCORPORATION

## GLOBAL CONNECTION INC. OF AMERICA

## ARTICLE 1 - NAME

The name of this Corporation is

## GLOBAL CONNECTION INC. OF AMERICA

## ARTICLE JI - CAPITAL SHARES AUTHORIZED

The number of shares the corporation is authorized to issue is Five Thousand (5,000) of Common stock having a par value of One Dollar (\$1.00) each.

## ARTICLE III - REGISTERED OFFICE

The street address of the initial registered office of the corporation is 3783 Presidential Pkwy., Suite 117, Atlanta, Georgia 30340, Dekalb County, Georgia, and the name of the initial registered agent of the corporation at such address is SAM ABDALLAH.

#### ARTICLE IV - INCORPORATOR

The name and address of the incorporator is:

SAM ABDALLAH 3783 Presidential Pkwy., Suite 117 ATLANTA, GEORGIA 30340

## ARTICLE V - PRINCIPAL OFFICE

The mailing address of the initial principal office of the corporation is 3783 Presidential Pkwy., Suite 117. Atlanta, Georgia 30340

## ARTICLE VI - INITIAL DIRECTORS AND OFFICERS

The names and address of the initial Directors and Officers are:

SAM ABDALLAH, Director & Fresident 3783 Presidential Pkwy., Sulte 117, Atlanta, Georgia 30340

IN WITNESS WHEREOF, the undersigned has executed these Arricles of Incorporation this 15th day of May, 1998.

SAM ABDALLAH

Incorporator & Registered Agent

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## Exhibit II List of Exchanges

See Attached

## Southwestern Bell Service Areas:

RATE GROUP A

Adrian Advance Agency

Altenburg-Frohna

Antonia
Archie
Argyle
Armstrong
Ash Grove
Beaufort
Bell City

**Benton** 

Billings Bismarck Bloomfield Bloomsdale Bowling Green Brookfield

Campbell
Cardwell
Carl Junction
Carrollton

Carrollton
Caruthersville
Center
Chaffee

Charleston Clarksville

Clever Climax Springs

Deering DeKalb Delta

Downing
East Prairie
Edina
Elsberry

Essex Farley Fayette Fisk

Frankford Freeburg Gideon Glasgow Grain Valley Gray Summit

Hayti Herculaneum-Pevely

Higbee Hillsboro Holcomb Hornersville Jasper Lamar

Lancaster Leadwood Lilbourne

LaMonte

Linn

Lockwood Louisiana Macks Creek

Malden Marble Hill Marceline Marionville Marston

Meta Montgomery City

Mourehouse New Franklin New Madrid Oak Ridge Old Appleton

Oran
Patton
Paynesville
Pierce City

Pocohontas-New Wells Portage Des Sioux

Portageville Puxico Qulin Richwoods Risco
Rushville
St. Marys
San Antonio
Scott City
Senath
Slater
Smithville
Stanberry
Trenton

Vienna Walnut Grove

Tuscumbia Versailles

Wardell Ware Wellsville Westphalia Wyatt

## Southwestern Bell Service Areas (Continued):

## RATE GROUP B

Bonne Terre Boonville Camdenton Cape Girardeau

Cape Girardea Carthage Cedar Hill Chesterfield Chillicothe DeSoto Dexter Eldon

Eureka Excelsior Springs

Farmington

**Fenton** 

**Festus-Crystal City** 

Flat River Fredericktown

**Fulton** 

Gravois Mills Greenwood

Hannibal

Harvester

High Ridge

Imperial

Jackson

Joplin

Kennett

Kirksville

Knob Noster

Lake Ozark-Osage Beach

Manchester

Marshall

Maxville

Mexico

Monett

Moberly

Neosho

Nevada

Pacific Perryville Pond

Poplar Bluff Richmond St. Charles St. Clair St. Joseph Sedalia Sikeston Union

Valley Park Washington Webb City

## CenturyTel Service Areas:

Alton Ashland Augusta Ava Belle Bland Blue Eye Bourbon Bradleyville

Branson Branson West Buffalo Cabool Cape Fair Cassville Caulfield Cedar Creek Centralia

Chamois Clark Columbia Conway Crane

Cross Timbers

Cuba Dardenne Defiance Dora Elkland Exeter Foley Fordland Foristell. Forsyth Gainesville

Hawk Point Hermann Hermitage High Hill

Galena Hallsville Highlandville Holstein Hurley Jamestown Jenkins Jonesburg

Louisburg

Kimberling City Koshkonong Leasburg

Mano

Mansfield Marshfield Marthasville Morrison Moscow Mills Mount Sterling Mountain View

New Melle Nianqua O'Fallon Old Monroe

Ozark Pittsburg Prairie Home

Preston Protem

Reeds Spring Rocheport Rockaway Beach

Safe

Saint James Saint Peters

Seymour Shell Knob Sparta Sturgeon Summersville

Thayer Theodosia Thomasville Troy Truxton Urbana Vichy Warrenton Washburn Wasola Wentzville West Plains Wheatland Willow Springs Winfield

Wooldridge

Wright City

## Sprint/United Service Areas:

Appleton City Calhoun Chilhowee Dearborn Fairfax Holt King City Malta Bend Newburg Pickering Strasburg Tarkio Wellington	Blackburn Camden Point Clarksburg Deepwater Green Ridge Hopkins Kingsville Missouri City Norborne Sweet Springs	Blairstown Centertown Coal Edgerton Hardin Houstonia Leeton Montrose Orrick St. Thomas Syracuse Urich	Brazito Centerview Craig Eugene Henrietta Ionia Lincoln New Bloomfield Otterville Smithton Taos Waverly
Buckner Holden Lone Jack Pleasant Hill Tipton	Butler Kearney Mound City Richland Waynesville	California Lake Lotawana Russellville Weston	Cole Camp Lexington Platte City St. Robert Windsor
Clinton Harrisonville Lebanon Rolla	Ferrelview Maryville Salem	Ft. Leonard Woo Oak Grove Warrensburg	d Odessa Warsaw

Jefferson City

## CenturyTel Service Areas:

Amazonia
Annapolis
Arcola
Aurora
Avenue City
Avilla
Belgrade
Belleview
Birch Tree
Bolckow
Boss
Braymer
Bronaugh
Brunswick-Triplett

Brunswick-Tripl
Bunker
Caledonia
Cameron
Canton
Centerville
Clarence
Clarksdale
Collins
Concordia
Cosby

Edgar Springs El Dorado Springs

Ellsinore
Elmer
Eminence
Everton
Ewing
Fillmore
Freemont
Golden City

Dadeville Dalton

Easton

Gorin
Gower
Greenfield
Grove Spring
Hamilton
Hartville
Helena
Houston
Humansville
Hunnewell
Irondale

Ironton

Jericho Springs

Kahoka

Keytesville

Kidder
Kingston
La Belle
La Plata
Laddonia
Lagrange
Lawson
Lesterville
Lewiston

Licking
Lowry City

Macon Manes Maysville

Milo

Monroe City Montauk Monticello Mount Vernon Mountain Grove

Nebo
Norwood
Oates
Osborn
Osceola
Palmyra
Paris
Perry
Plattsburg
Potosi

Raymondville

Revere
Roby
Rockville
Rosendale
Santa Fe
Sarcoxie
Savannah
Schell City
Shelbina
Shelbyville
Sheldon

Stewartsville Stoutsville

Timbers Trimble Turney
Van Buren
Vanzant
Walker
Wayland
Weaubleau
West Quincy
Whitesville
Winona

## Exhibit III Executive Officers' Qualifications and Experience

## Company's Telecommunications Background

See Attached

## **GLOBAL CONNECTION INC. OF AMERICA**

## MANAGEMENT and TECHNICALTEAM

Houssam Abdallah established Global Connection Inc. of America in June 1998. He serves as its President/CEO and is involved in ensuring regulatory compliance. He has an Industrial Engineering degree. He maintains continuing communications with BellSouth, as well as other I.L.E.C.s that the Company utilizes in providing services. Global Connection Inc. of America, a Georgia corporation is engaged in the delivery of prepaid telecommunication services, primarily in the state of Georgia and also has authority to operate in the states of Alabama, Arkansas, Florida, Illinois, Indiana, Kentucky, Michigan, Mississippi, North Carolina, South Carolina and Tennessee. Global Connection Inc. of America has current subscription of approximately 13,000 lines and monthly revenues of over \$600,000.

Prior to such, he created and continues to operate Southeast Dental Care, Inc. ("S.E.D.C.") a regional Dental / Optical / Chiropractic Plan which is primarily directed to income groups not utilizing conventional insurance coverage. S.E.D.C. was founded in 1994 and has expanded to multi-state operations. Mr. Abdallah has extensive experience in the management of sales personnel and identification of market potential.

Bassam Abdallah, Vice President and the Director of Management Information Systems, has extensive experience in the field of technology platforms for administration of commercial operations. Mr. Abdallah has a B.S. degree in Computer Science and over 20 years experience in the set up and design of technical infrastructure. Mr. Abdallah is presently interacting with software engineers to develop the back office technology platform which will allow Global to interface with primary carriers, payment centers and customers on a virtual basis to allow for efficiency in the management of service and account maintenance.

**Michael Hill** is the Call Center Director. He received a Bachelor degree in Business Administration and is currently working on his Masters in Economics. Mr. Hill has 22 years experience in customer service, call center management and organizational development.

**Onali Momin** is the Technical Support Manager. Mr. Momin has a Bachelor of Commerce degree and Diplomas in Computer Science and Computer Programming & Applications. He has also obtained certification in various aspects of programming and technology including: languages, RDBMS, report tools, components, web technologies, tools, operating systems and hardware. Mr. Momin's ongoing responsibilities are to design, develop and deploy the client/server application for customer service, as well as the accounting department.

## Exhibit IV Financial Information

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2614 Kelly Lake Road
Decatur, GA 30032
Phone 404-381-0707 Fax 404-241-9741
Member of:
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants

To The Board of Directors Global Connection Inc. of America Atlanta, Georgia

I have compiled the accompanying balance sheet of Global Connection Inc. of America. (a Sub Chapter S type corporation) as of December 31, 2002 and the related statements of income and retained earnings and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The information included in the accompanying schedule of operating expenses is presented for supplementary analysis purposes.

Larry Brown, CPA March 17, 2003

## GLOBAL CONNECTION, INC. of AMERICA.

BALANCE SHEET December 31, 2003

## **ASSETS**

## **CURRENT ASSETS**

Cash Accounts Receivable Allowance for doubtfil accounts TOTAL CURRENT ASSETS	\$1,336,663 644,035 (80,930) \$1,899,768
PLANT AND EQUIPMENT	
Furniture, Fixtures and Equipment Accumulated Depreciation NET PLANT AND EQUIPMENT	\$464,434 (278,225) \$186,209
OTHER ASSETS	
Deposits TOTAL OTHER ASSETS	<u>\$43,575</u> 43,575
TOTAL ASSETS	<u>\$2.129,552</u>
LIABILITIES AND SHAREHOLDERS EQUITY	•
CURRENT LIABILITIES Accounts Payable	\$1,794,356
TOTAL CURRENT LIABILITIES	\$1,794,356
OTHER LIABILITIES	
Loans Payable Shareholders and Related Parties	\$526,011
TOTAL OTHER LIABILITIES TOTAL LIABILITIES	<u>526,011</u> 2,320,367
STOCKHOLDERS EQUITY Common Stock Additional Paid in Capital Retained Earnings	\$5,000 185,931 (381,746)
TOTAL STOCKHOLDERS EQUITY	(\$190,815)
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$2,129,552

## GLOBAL CONNECTION, INC. of AMERICA STATEMENT OF INCOME AND RETAINED EARNINGS For The Year Ended December 31, 2003

Income -Net Sales	\$8,861,036
Cost of Sales	5,390,985
Gross Profit	3,470,051
Operating Expense	3,241,281
INCOME FROM OPERATIONS	228,770
Retained Earnings- Beginning	<u>(610,516)</u>
Retained Earnings- Ending	(\$381,746)

## GLOBAL COMMUNICATION INC., of AMERICA STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2003

CASH FLOWS FROM OPERATIONS	
Net Earnings	\$228,770
Depreciation	153,000
Increase in Accounts Receivable	(275,593)
Increase in Accounts Payable	519,520
NET CASH PROVIDED FROM OPERATING ACTIVITIES	625,697
CASH FLOWS FROM FINANCING ACTIVITIES	
Increase in Fixed Assets	(95,411)
Increase in from Shareholder and Related Parties	210,931
NET CASH FLOWS FROM FINANCING ACTIVITIES	115,520
NET INCREASE IN CASH	741,217
CASH AND CASH EQUIVALENTS AT 12/31/2002	639,021
CASH AND CASH EQUIVALENTS AT 12/31/2003	\$1,380,238

SEE ACCOUNTANTS' COMPLIATION REPORT AND NOTES TO FINANCIAL STATEMENTS'

# GLOBAL CONNECTION, INC. of AMERICA NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003 NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Company's Activities and Operating Cycle: Global Connection, Inc. of America is a Sub Chapter S type Corporation with a single shareholder. The Company is licensed by th Georgia Public Service Commission as a reseller of telecommunications services in the State of Georgia. The Company is also licensed in the States of Tennessee, Kentucky, Alabama, North & South Carolina.. The compar provides credit in the normal course of business to its customers and performs ongoin credit evaluations of those customers. It maintains allowances for doubtful accounts based on factors surrounding the credit risk of specific customers, historical trends, and other information. The company began its operations in October 1998.

Income taxes. The corporation is organized as a subchapter S type corporation. The company files its tax returns on a cash basis without including accounts receivable and accounts payable. As a subchapter the corporation makes no provision for either Federal or State income taxes.

#### Cash and Cash Equivalents -.

For purposes of reporting cash flows, cash is defined as cash on hand, and amounts held at financial institutions.

#### Estimates in Financial Statements

The Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### NOTE-2 PLANT AND EQUIPMENT

The Company depreciates its assets utilizing the straightline half year convention.

Office Furniture and Equipment:	\$19,945
Computers and Software	299,407
Telephone System	49,865
Vehicles	93,980
Accumlated Depreciation	(278.225)
Net Plant and Equipment	\$184.972

#### NOTE -3 NOTES PAYABLE

The company has a line of credit with Bank of America. Limit is \$200,000, rate is plus 1 %

## NOTE -4 RELATED PARTY PAYABLE

The company has a note payable to a corporation wholly owned by its sole shareholde. The note carries no fixed interest rate or period of repayment.

See Accountants' Compilation Report"

# SCHEDULE A GLOBAL COMMUNICATION, INC. of AMERICA SCHEDULE OF OPERATING EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2003

Accounting & Professional Fees	\$199,531
Advertising	331,557
Automotive Lease and Expenses	36,939
Bad Debt Expense	80,971
Bank And Credit Service Fees	60,961
Commissions	178,270
Contract Services	21,013
Depreciation	153,000
Dues & Subscriptions	8,826
Equipment Rentals	70,775
Insurance	64,784
Interest	167,436
Office Expenses	20,769
Postage	104,969
Printing	20,689
Seminars & Training	1,245
Travel	53,401
Repairs & Maintenance	2,443
Salaries, Wages and Fringe Benefits	1,089,007
Taxes & Licenses	422,209
Telephone & Utilities	152,486
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TOTAL OPERATING EXPENSES \$3,241,281

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## LARRY BROWN, C.P.A.

2014 Kelly Lake Road Decasur, GA 30032 Phone 404-381-0707 Fax 404-241-9741 Anterican Institute of Certified Public Accountants Georgia Society of Certified Public Accountants

To the Board of Directors Global Connection Inc., of America Atlanta, Georgia

I have compiled the accompanying balance sheat of Global Connection Inc. of America as of June 30, 2004, and the related statement of income and retained samings and cash flows for the six month period then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Larry Brown, CPA August 4, 2004

## GLOBAL CONNECTION, INC. of AMERICA. BALANCE SHEET June 30, 2004

## **ASSETS**

	ARRETR

Cash	\$2,227,088
Accounts Receivable	733,445
Allowance for doubtfil accounts	<u>(80,930)</u>
TOTAL CURRENT ASSETS	\$2,879,603

#### PLANT AND EQUIPMENT

Furniture, Fixtures and Equipment		\$549,289
Accumulated Depreciation	•	(379,725)
NET PLANT AND EQUIPMENT		\$169.564

## OTHER ASSETS

Deposits TOTAL OTHER ASSI	ETS	<u>\$216,007</u> 216,007
TOTAL ASSETS		\$3,265,174

#### LIABILITIES AND SHAREHOLDERS EQUITY

## **CURRENT LIABILITIES**

Accounts Payable	\$1,754,343
Line of Credit	46.289

#### TOTAL CURRENT LIABILITIES \$1,800,632

## OTHER LIABILITIES

Loans Payable Shareholders and Related Parties \$5	526,	U	14
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TOTAL OTHER LIABILITIES	<u>526,034</u>
TOTAL LIABILITIES	2,326,666

## STOCKHOLDERS EQUITY

Common Stock	\$5,000
Additional Paid in Capital	185,931
Retained Earnings	747.577

TOTAL	STOCKHOLDERS EQUITY	\$938,508

TOTAL LIABILITIES AND STOCKHOLDERS EQUITY \$3,265,174

"SEE ACCOUNTANTS" COMPILATION REPORT AND NOTES TO FINANCIAL STATEMENTS" -2-

## GLOBAL CONNECTION, INC. of AMERICA STATEMENT OF INCOME AND RETAINED EARNINGS For The Six Month Period Ended June 30, 2004

Income -Net Sales	\$5,610,512
Cost of Sales	2,711,130
Grass Profit	2,899,382
Operating Expense	1.770.059
INCOME FROM OPERATIONS	1,129,323
Retained Earnings- Beginning	(381 746)
Retained Earnings- Ending	<u>\$747,57</u> 7

## **GLOBAL COMMUNICATION INC., of AMERICA** STATEMENT OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2004

CASH FLOWS FROM OPERATION Net Earnings Depreciation Increase in Accounts Receivable Increase in Accounts Payable	SMC	\$1,129,323 101,500 (89,410) 6,276
NET CASH PROVIDED FROM O	PERATING ACTIVITIES	1,147,689
CASH FLOWS FROM FINANCING Increase in Fixed Assets Increase in Joans from Sharehold		(84,855) <u>23</u>
NET CASH FLOWS FROM FINAL	NCING ACTIVITIES	(84,832)
CASH FLOWS FROM INVESTME	NT ACTIVITIES	
NET CASH FLOWS FROM INVES	STMENT ACTIVITIES	0
NET INCREASE IN CASH		1.062.857
CASH AND CASH EQUIVALENT	S AT 12/31/2003	1,380,238
CASH AND CASH EQUIVALENT	S AT 06/30/2004	\$2,443,095

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#### OCT-06-04 (

# GLOBAL CONNECTION, INC. of AMERICA NOTES TO FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2004 NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Company's Activities and Operating Cycle: Global Connection, Inc. of America is a Sub Chapter S type Corporation with a single shareholder. The Company is licensed by th Georgia Public Service Commission as a reseller of telecommunications services in the State of Georgia. The Company is also licensed in the States of , Kentucky, Alabama, North & South Carolina.. The company provides credit in the normal course of business to its customers and performs ongoing credit evaluations of those customers. It maintains allowances for doubtful accounts based on factors surrounding the credit risk of specific customers, historical trends, and other information. The company began its operations in October 1998.

Income taxes. The corporation is organized as a subchapter S type corporation. The company files its tax returns on a cash basis without including accounts receivable and accounts payable. As a subchapter the corporation makes no provision for either Federal or State income taxes.

#### Cash and Cash Equivalents -.

For purposes of reporting cash flows, cash is defined as cash on hand, amounts held at financial institutions, and deposits.

#### Estimates in Financial Statements

The Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

## NOTE-2 PLANT AND EQUIPMENT

The Company depreciates its assets utilizing the straightline half year convention.

Office Furniture and Equipment:	\$21,202
Computers and Software	299,407
Telephone System	49,865
Vehicles	178,815
Accumiated Depreciation	(379,725)
Net Plant and Equipment	\$169,564

## NOTE -3 NOTES PAYABLE

The company has a line of credit with Bank of America. Limit is \$200,000, rate is prime plus 1 %. Balance at June 30, 2004 is \$46,289

#### NOTE -4 RELATED PARTY PAYABLE

The company has a note payable to a corporation wholly owned by its sole shareholder. The note carries no fixed interest rate or period of repayment.

See Accountants' Compilation Report"

SCHEDULE A
GLOBAL COMMUNICATION, INC. of AMERICA
SCHEDULE OF OPERATING EXPENSES
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2004

Accounting & Professional Fees	\$122,243
Advertising	254,194
Automotive Lease and Expenses	32,898
Bank And Credit Service Fees	11,230
Commissions	90,730
Contract Services	19,788
Depreciation	101,500
Dues & Subscriptions	5,438
Equipment Rentals	11,513
Insurance	38,335
Interest	2,084
Office Expenses	66,116
Postage	52,948
Printing	9,905
Rent	85,000
Seminars & Training	1,569
Travel	42,530
Repairs & Maintenance	2,443
Salaries, Wages and Fringe Benefits	594,308
Taxes & Licenses	196,844
Telephone & Utilities	28,443

State of Georgia
County of DeKalb

## VERIFICATION

I, Houssam Abdallah, being duly sworn, declare that I am the President of Global Connection Inc. of America, the Applicant. I verify that, based upon information and belief, I have knowledge of the statements in the foregoing Application, and I declare that they are true and correct.

Houssam Abdallah

President

Sworn to before me, the undersigned Notary Public on this

31st day of March, 2004.

Charlete E. Lace

Print or Type Name

My commission expires:

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the application of	)
Global Connection Inc. of America, for a	)
certificate of service authority to provide	)Case No.
resold and facilities-based/UNE-P Basic Local	
telecommunications services	)
in Portions of the State of Missouri and to	)
Classify such services and the company	)
As Competitive	)

#### ENTRY OF APPEARANCE

COMES NOW Lance J. M. Steinhart, Attorney at Law and pursuant to rule 4 CSR 240-2.040 herewith files his Entry of Appearance on behalf of Applicant, Global Connection Inc. of America, in connection with the above-styled proceeding. With respect to his entry, Mr. Steinhart hereby advises the Commission that he is a member in good standing of the State Bar of Georgia and is admitted to practice before District Courts. He also is on inactive status with the State Bars of New York and Maryland. Neither the undersigned nor any member of his firm is disqualified to appear in any court. I also hereby designate Judith A. Rau, of the law firm of Rau & Rau, 119 E. Mill Street, Waterloo, Illinois 62298 to serve as our local Missouri counsel in this matter.

Lance J.M. Steinhart, Esq. Lance J.M. Steinhart, P.C.

1720 Windward Concourse, Suite 250

Alpharetta, Georgia 30005 (770) 232-9200 (Phone)

(770) 232-9208 (Fax)

lsteinhart@telecomcounsel.com (E-mail)

Georgia Bar No. 678222

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the application of	)
Global Connection Inc. of America, for a	)
certificate of service authority to provide	)Case No.
resold and facilities-based/UNE-P Basic Loca	1)
telecommunications services	)
in Portions of the State of Missouri and to	)
Classify such services and the company	)
As Competitive	)

## ENTRY OF APPEARANCE

COMES NOW Judith A. Rau of the law firm Rau & Rau, and pursuant to rule 4 CSR 240-2.040, herewith files her Entry of Appearance as local Missouri counsel on behalf of Applicant Global Connection Inc. of America, in connection with the above-styled proceeding.

Judith A. Rau, Esq.

Rau & Rau

119 E. Mill Street Waterloo, IL 62298 (618) 939-7186

Missouri Bar No. 24856

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing Application upon the following parties, listed below, in accordance with Commission rules.

Dated this day of Olum, 2004.

Lance J.M./Steinhart Georgia Bar No. 678222

Counsel for

**GLOBAL CONNECTION INC. OF AMERICA** 

Office of the Public Counsel
PO Box 7800
Jefferson City, MO 65102

General Counsel
Missouri Public Service Commission
PO Box 360
Jefferson City, MO 65102