

1. REPORT DATE: 00/00/00 :
 2. BUREAU: FUS :
 3. SECTION(S) : 4. PUBLIC MEETING DATE:
 5. APPROVED BY: : 00/00/00
 DIRECTOR: :
 SUPERVISOR: :
 6. PERSON IN CHARGE: : 7. DATE FILED: 05/20/02
 8. DOCKET NO: A-310810 F0002 : 9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT:

RESPONDENT/APPLICANT: GTE TELECOM INC

COMP/APP COUNTY:

UTILITY CODE: 310810

DOCKETED
MAY 24 2002

ALLEGATION OR SUBJECT

APPLICATION OF GTC TELECOM, INC FOR APPROVAL TO OFFER, RENDER, FURNISH OR SUPPLY TELECOMMUNICATIONS SERVICES AS A COMPETITIVE LOCAL EXCHANGE CARRIER TO THE PUBLIC IN THE COMMONWEALTH OF PENNSYLVANIA.

DOCUMENT
FOLDER

May 8, 2002

RECEIVED
2002 MAY 20 PM 12:34
PA PUC
SECRETARY'S BUREAU
ORIGINAL

Pennsylvania Public Utility Commission
Attn: Secretary
Commonwealth Keystone Building
Second Floor - Room N201
Harrisburg, PA 17120

DOCUMENT
FOLDER

Re: CLEC Application - GTC Telecom, Inc.

Dear Sir or Madam:

A-310810 F0002

Enclosed please find the original and four (4) copies of the application for Competitive Local Exchange Carrier status, and a check in the amount of \$250.00 representing the filing fee, for my client, GTC Telecom, Inc. Please file-stamp the additional copy and return to the undersigned in the enclosed, postage-paid, return envelope.

Contact the undersigned on all matters pertaining to this filing.

Thank you.

Sincerely,



Michael W. Mlinar
Consultant for GTC Telecom, Inc.

Application of:

A-310810 F0002

RECEIVED

2002 MAY 20 PM 12:34
ORIGINAL
SECRETARY'S BUREAU

GTC Telecom, t/a

for approval to offer, render, furnish or supply telecommunications services to the public in the Commonwealth of Pennsylvania.

1. **IDENTITY OF THE APPLICANT:** The name, address, telephone number, and fax number of the Applicant.

DOCKETED
MAY 24 2002

GTC Telecom
3151 Airway Avenue, Suite P-3
Costa Mesa, CA 92626
Phone: (714) 549-7700
Fax: (714) 549-7707

Please identify any predecessors of the Applicant and provide other names under which the Applicant has operated within the preceding five years, including name, address, and telephone number.

None

2. **ATTORNEY:** The name, address, telephone number, and fax number of the Applicant's attorney.

3. **CONTACTS:**

A) **APPLICATION:** The name, title, address, telephone number, and fax number of the person to whom questions about this application should be addressed.

Michael W. Mlinar
Communications Consulting Services
3157 32nd Avenue
Greeley, CO 80634
Phone & Fax: (970) 506-4041
Email: mwmlinar@attbi.com

B) PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY (PEMA): The name, title, address, telephone number and FAX number of the person with whom contact should be made by PEMA.

Jerry DiCiccio
Chief Financial Officer
3151 Airway Avenue, Suite P-3
Costa Mesa, CA 92626
Phone: (714) 549-7700
Fax: (714) 549-7707

C) RESOLVING COMPLAINTS: Name, address, telephone number, and FAX number of the person and an alternate person responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints and queries filed with the Public Utility Commission or other agencies.

Todd Regan
Heather Hall
3151 Airway Avenue, Suite P-3
Costa Mesa, CA 92626
Phone: (714) 549-7700
Fax: (714) 549-7707

4. FICTITIOUS NAME:

XXX The Applicant will not be using a fictitious name.

The Applicant will be using a fictitious name. Attach to the Application a copy of the Applicant's filing with the Commonwealth's Department of State pursuant to 54 Pa. C.S. §311, Form PA-953.

5. BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:

The Applicant is a sole proprietor.

The Applicant is a:

- General partnership
- Domestic limited partnership (15 Pa. C.S. §8511)
- *Foreign limited partnership (15 Pa. C.S. §8582)
- Domestic registered limited liability partnership (15 Pa. C.S. §8201)
- *Foreign registered limited liability general partnership (15 Pa. C.S. §8211)

*Provide name and address of Corporate Registered Office Provider or Registered Office within PA.

Attach to the application the name and address of partners. If any partner is not an individual, identify the business nature of the partner entity and identify its partners or officers.

Attach to the application proof of compliance with appropriate Department of State filing requirements as indicated above.

5. (Continued)

XXX The Applicant is a:

Domestic corporation (15 Pa. C.S. §1306)

XXX *Foreign corporation (15 Pa. C.S. §4124) **See Attachment A – Foreign Corporation Registration**

Domestic limited liability company (15 Pa. C.S. §8913)

*Foreign limited liability company (15 Pa. C.S. §8981)

*Provide name and address of Corporate Registered Office Provider or Registered Office within PA.

See Attachment B – Registered Office Information

Attach to the application proof of compliance with appropriate Department of State filing requirements as indicated above. Additionally, provide a copy of the Applicant's Articles of Incorporation or a Certificate of Organization. The Applicant is incorporated in the State of _____ Nevada _____.

See Attachment C – Articles of Incorporation

Give name and address of officers:

See Attachment D – Officers and Directors

6. AFFILIATES AND PREDECESSORS WITHIN PENNSYLVANIA:

XXX The Applicant has no affiliates doing business in Pennsylvania or predecessors which have done business in Pennsylvania.

The Applicant has affiliates doing business in Pennsylvania or predecessors which have done business in Pennsylvania. Name and address of the affiliates. State whether they are jurisdictional public utilities. Give docket numbers for the authority of such affiliates.

If the Applicant or an affiliates has a predecessor who has done business within Pennsylvania, give name and address of the predecessors and state whether they were jurisdictional public utilities. Give the docket numbers for the authority of such predecessors.

7. AFFILIATES AND PREDECESSORS RENDERING PUBLIC UTILITY SERVICE OUTSIDE PENNSYLVANIA:

XXX The Applicant has no affiliates rendering or predecessors which rendered public utility service outside Pennsylvania.

The Applicant has affiliates rendering or predecessors which rendered public utility service outside Pennsylvania. Name and address of the affiliates. Name and address of the predecessors (please specify which).

8. APPLICANT'S PRESENT OPERATIONS: (Select and complete the appropriate statement)

The applicant is not presently doing business in Pennsylvania as a public utility.

XXX The applicant is presently doing business in Pennsylvania as a:

XXX Interexchange Toll Reseller, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards) **See Attachment E**

Interexchange Toll Facilities-based carrier, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards)

Competitive Access Provider (dedicated point-to-point or multipoint service; voice or data)

Competitive Local Exchange Carrier:

Facilities-Based

Non-facilities-Based

Incumbent Local Exchange Carrier.

Other (Identify).

9. APPLICANT'S PROPOSED OPERATIONS: The Applicant proposes to operate as a:

Interexchange Toll Reseller, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards)

Interexchange Toll Facilities-based carrier, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards)

Competitive Access Provider (dedicated point-to-point or multipoint service; voice or data)

XXX Competitive Local Exchange Carrier:

Facilities-based

XXX Non-facilities-based

Incumbent Local Exchange Carrier

Other (Identify).

10. PROPOSED SERVICES: Describe in detail the services which the Applicant proposes to offer. If proposing to provide more than one category in Item #9, clearly and separately delineate the services within each proposed operation.

See Attachment F

11. **SERVICE AREA:** Describe the geographic service area in which the Applicant proposes to offer services. Clearly and separately delineate the service territory for each category listed in Item #9. For Competitive Local Exchange Carrier operations, you must name and serve the Incumbent Local Exchange Carriers in whose territory you request authority.

See Attachment G

12. **MARKET:** Describe the customer base to which the Applicant proposes to market its services. Clearly and separately delineate a market for each category listed in Item #9.

See Attachment H

13. **PROPOSED TARIFF(S):** Each category of proposed operations must have a separate and distinct proposed tariff setting forth the rates, rules and regulations of the Applicant. Every proposed tariff shall state on its cover page the nature of the proposed operations described therein, i.e., IXC R/S, CLEC, CAP, or IXC F/B. A copy of all proposed tariffs must be appended to each original and duplicate original and copy of Form 377.

See Attachment I

14. **FINANCIAL:** Attach the following to the Application:

A general description of the Applicant's capitalization and, if applicable, its corporate stock structure;

Current balance sheet, Income Statement, and Cash Flow Statement of Applicant or Affiliated Company, if relying on affiliate for financial security;

A tentative operating balance sheet and a projected income statement for the first year of operation within the Commonwealth of Pennsylvania; provide the name, title, address, telephone number and fax number of the Applicant's custodian for its accounting records and supporting documentation; and indicate where the Applicant's accounting records and supporting documentation are, or will be, maintained.

If available, include bond rating, letters of credit, credit reports, insurance coverage and reports, and major contracts.

See Attachment J

15. **START DATE:** The Applicant proposes to begin offering services on or about

Start Date Has Not Been Determined

16. **FURTHER DEVELOPMENTS:** Attach to the Application a statement of further developments, planned or contemplated, to which the present Application is preliminary or with which it forms a part, together with a reference to any related proceeding before the Commission.

None

17. **NOTICE:** Pursuant to 52 Pa. Code §5.14, you are required to serve a copy of the signed and verified Application, with attachments, on the below-listed parties, and file proof of such service with this Commission:

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Office of the Attorney General
Office of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

A certificate of service must be attached to the Application as proof of service that the Application has been served on the above-listed parties. A copy of any Competitive Local Exchange Carrier Application must also be served on any and/or all Incumbent Local Exchange Carrier(s) in the geographical area where the Applicant proposes to offer services.

See Attachment K

18. **FEDERAL TELECOMMUNICATIONS ACT OF 1996:** State whether the Applicant claims a particular status pursuant to the Federal Telecommunications Act of 1996. Provide supporting facts.

None

19. **COMPLIANCE:** State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application has been convicted of a crime involving fraud or similar activity. Identify all proceedings, limited to proceedings dealing with business operations in the last five (5) years, whether before an administrative body or in a judicial forum, in which the Applicant, an affiliate, a predecessor of either, or a person identified herein has been a defendant or a respondent. Provide a statement as to the resolution or present status of any such proceedings.

None

20. **FALSIFICATION:** The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

Acknowledged

21. **CESSATION:** The Applicant understands that if it plans to cease doing business within the Commonwealth of Pennsylvania, it is under a duty to request authority from the Commission for permission prior to ceasing business.

Acknowledged

Applicant: GTC Telecom

By: Jerry DiCiccio

Title: Chief Financial Officer

23. **VERIFICATION STATEMENT:** Attach to the Application a verification statement as follows:

State of California:

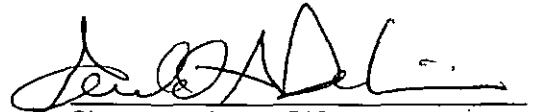
County of Orange : ss.
~~Gosta Mesa~~

Jerry DiCiccio, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

He is the Chief Financial Officer (Office of Affiant) of GTC Telecom (Name of Applicant)

That he is authorized to and does make this affidavit for said corporation;

That the facts above set forth are true and correct to the best of his knowledge, information, and belief and that he expects GTC Telecom to be able to prove the same at any hearing hereof.


Signature of Jerry DiCiccio
Chief Financial Officer

Sworn and subscribed before me this 1st day of May, 2002
Month Year




Signature of official administering oath

My Commission expires April 2, 2005

SCHEDULE OF ATTACHMENTS

ATTACHMENT A	Foreign Corporation Registration
ATTACHMENT B	Registered Office Information
ATTACHMENT C	Articles of Incorporation
ATTACHMENT D	Officers & Directors
ATTACHMENT E	Pennsylvania IXC Toll Reseller Authorization
ATTACHMENT F	Proposed Services Description
ATTACHMENT G	Service Area Description
ATTACHMENT H	Target Market Customer Base Description
ATTACHMENT I	Proposed Tariff
ATTACHMENT J	Financial Information
ATTACHMENT K	Certificate of Service
ATTACHMENT L	Pro Forma Financials



ATTACHMENT A
Foreign Corporation Registration

FEB - 5 1999

Microfilm Number _____

Filed with the Department of State on _____

Entity Number _____

Kim Ditzgen

ACTING Secretary of the Commonwealth

APPLICATION FOR CERTIFICATE OF AUTHORITY

DSCB:15-4124/6124 (Rev 90)

Indicate type of corporation (check one):

Foreign Business Corporation (15 Pa.C.S. § 4124)

Foreign Nonprofit Corporation (15 Pa.C.S. § 6124)

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) the undersigned association hereby states that:

1. The name of the corporation is: GTC Telecom

2. The name which the corporation adopts for use in this Commonwealth is (complete only when the corporation must adopt a corporate designator for use in Pennsylvania):

GTC Telecom, Inc.

3. (If the name set forth in paragraph 1 or 2 is not available for use in this Commonwealth, complete the following):

The fictitious name which the corporation adopts for use in transacting business in this Commonwealth is:

The corporation shall do business in Pennsylvania only under such fictitious name pursuant to the attached resolution of the board of directors under the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) and the attached form DSCB:54-311 (Application for Registration of Fictitious Name).

4. The name of the jurisdiction under the laws of which the corporation is incorporated is:

Nevada

5. The address of its principal office under the laws of the jurisdiction in which it is incorporated is:

3151 Airway Ave, Ste P-3, Costa Mesa CA 92626

Number and Street City State Zip

6. The (a) address of this corporation's proposed registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) 1735 Market St, 51st FL Philadelphia PA 19103-7599 Philadelphia

Number and Street City State Zip County

(b) c/o: Tracy A. Bacigalupo, Esq. Philadelphia

Name of Commercial Registered Office Provider County

For a corporation represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation is located for venue and official publication purposes.

FEB -5 .99

FEB 25 99

ATTACHMENT B
Registered Office Information

GTC Telecom
%NATIONAL CORPORATE RESEARCH LTD
600 N 2ND ST
HARRISBURG, PA 17101



ATTACHMENT C
Articles of Incorporation

MAY 17 1994

CHERYL A. LAU SECRETARY OF STATE

Cheryl Lau
25994

Receipt-C19526
Expedite-E57329
DM

ARTICLES OF INCORPORATION

of

Bobernco, Inc.

Know all men by these present;

That the undersigned, have this day voluntarily associated ourselves together for the purpose of forming a corporation under and pursuant to the provisions of Nevada Revised Statutes 78.010. to Nevada Revised Statutes 78.090 inclusive, as amended, and certify that;

1. The name of this corporation is:

Bobernco, Inc.

2. Offices for the transaction of any business of the Corporation, and where meetings of the Board of Directors and of Stockholders may be held, may be established and maintained in any part of the State of Nevada, or in any other state, territory, or possession of the United States.

3. The nature of the business is to engage in any lawful activity.

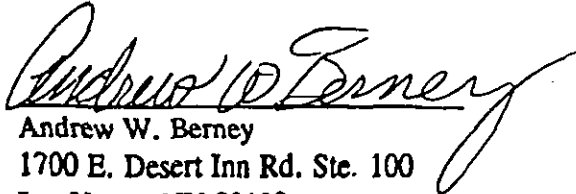
4. The Capital Stock shall consist of 3,000,000 shares of common stock, \$0.001 par value.

5. The members of the governing board of the corporation shall be styled directors, of which there shall be no more than five. The Directors of this corporation need not be stockholders. The first Board of Directors is: Andrew W. Berney, whose address is 1700 E. Desert Inn Rd. Suite 100 Las Vegas, NV 89109.

6. This corporation shall have perpetual existence.

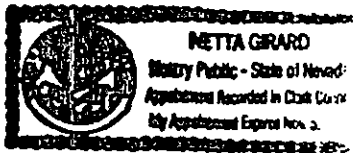
7. This Corporation shall have a president, a secretary, a treasurer, and a resident agent, to be chosen by the Board of Directors, any person may hold two or more offices.
8. The resident agent of this Corporation shall be Rayomd M. Girard 1700 E. Desert Inn Rd. Suite 100 Las Vegas, NV 89109.
9. The Capital Stock of the corporation, after the fixed consideration thereof has been paid or performed, shall not be subject to assessment, and the individual liable for the debts and liabilities of the Corporation, and the Articles of Incorporation shall never be amended as the aforesaid provisions.
10. No director or officer of the corporation shall be personally liable to the corporation of any of its stockholders for damages for breach of fiduciary duty as a director or officer involving any act or omission of any such director or officer provided, however, that the foregoing provision shall not eliminate or limit the liability of a director or officer for acts or omissions which involve intentional misconduct, fraud or a knowing violation of law, or the payment of dividends in violation of Section 78.300 of the Nevada Revised Statutes. Any repeal or modification of this Article of the Stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of officer of the Corporation for acts or omissions prior to such repeal or modification.
11. Except to the extent limited or denied by Nevada Revised Statutes 78.265 Shareholders have a preemptive right to acquire unissued shares, treasury shares or securities convertible into such shares, of this corporation.

I, the undersigned, being the incorporator herein above named for the purpose of forming a corporation pursuant to the general corporation law of the State of Nevada, do make and file these Articles of Incorporation, hereby declaring and certifying that the facts within stated are true, and accordingly have hereunto set my hand this 17 day of May, 1994.


Andrew W. Berney
1700 E. Desert Inn Rd. Ste. 100
Las Vegas, NV 89109

State of NEVADA)
)ss
County of CLARK)

On 17 May, 1994, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the above instrument who acknowledged that he/she executed the instrument.




Signature



RECEIVED

MAY 17 1994

Secretary of State

SEP 03 1998
2:12
#1259JN

SEP 03 1998 CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION
of
BOBERNCO, INC.

No. C 4569-1998

Dean Heller
DEAN HELLER, SECRETARY OF STATE Berney certifies that:

1. The original articles were filed with the Office of the Secretary of State on December 31, 1997
2. As of the date of this certificate, 6,000,000 shares of stock of the corporation have been issued.
3. Pursuant to a shareholders meeting at which in excess of 51% voted in favor of the following amendment, the company hereby adopts the following amendments to the amendment of the Articles of Incorporation of this Corporation.

First: Name of Corporation

The name of the corporation is GTC Telecom
(the "Corporation")

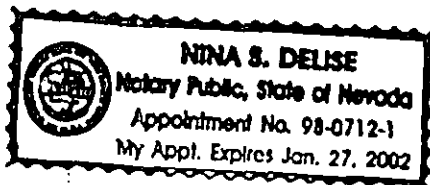
4. Pursuant to a meeting of the Board of Directors, it has been voted and approved a reverse split of 2:1, authorized to remain the same, issued and outstanding to change from 6,000,000 outstanding shares to 3,000,000 outstanding shares.

Andy Berney
Andy Berney, President/Director

Caron Kelly
Caron Kelly/Director

State of Nevada
)s.
County of Clark

On Sept 2, 1998, personally appeared before me, a Notary public, Andy Berney, and Caron Kelly who acknowledged that they executed the above instrument.



Nina S. Delise
A Notary Public in and for said
County and State.

RECEIVED
SEP 03 1998



ATTACHMENT D
Officers & Directors

The directors and executive officers of the Company are as follows:

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>	<u>% Ownership</u>
Paul Sandhu	40	Chief Executive Officer and Chairman of the Board	19.60%
Eric Clemon	30	Director, President, Secretary	2.50%
Gerald DeCiccio	44	Director and Chief Financial Officer	1.51%
Mark Fleming	43	Chief Operating Officer	.66%
John M. Eger	61	Director	2.79%
Clay T. Whitehead	62	Director	2.78%

Address, phone and fax for all of the above:

3151 Airway Avenue, Suite P-3
Costa Mesa, CA 92626
Phone: (714) 549-7700
Fax: (714) 549-7707



ATTACHMENT E
Pennsylvania IXC Toll Reseller Authorization

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

April 19, 1999

A-310810

LANCE J M STEINHART
6455 EAST JOHNS CROSSING
SUITE 285
DULUTH GA 30097

Dear Mr. Steinhart:

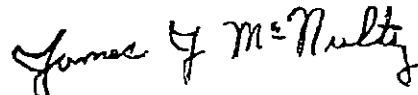
Please be advised that the Application of GTC Telecom, to provide telecommunications services as an Interexchange Reseller to the public in Pennsylvania, has been reviewed and found to be in compliance with the filing requirements of the Commission's Opinion and Order entered June 3, 1996, at Docket Number M-00960799.

The protest period for this application expired on or about February 28, 1999.

Since no protests have been received within the time period, this matter is being referred to the Bureau of Fixed Utilities to schedule it for consideration by the Commission at the next earliest Public Meeting.

Should you have any further questions concerning this matter, please do not hesitate to contact me.

Sincerely,



James J. McNulty
Secretary

JJM:jiy



ATTACHMENT F
Proposed Services Description

Description**Rate****Basic Service**

Non-recurring charge for installation of Local line service \$48.00

Business Services Type:

Recurring local business service price under 18-month term agreement \$25.54/month
Recurring local business service price under 36-month term agreement \$25.01/month
Recurring local business service price under 60-month term agreement \$20.09/month

Residential Services Type:

Recurring local residential service price under 18-month term agreement \$27.54/month
Recurring local residential service price under 36-month term agreement \$27.01/month
Recurring local residential service price under 60-month term agreement \$22.09/month

Adds, Changes, Deletions (All Types) – Charges:

Non-Recurring Charge - Changes of Class Type Or Grade of Service,
Per Exchange Line. (Can be waived at time of upgrade) \$20.00/Per Request

Non-Recurring Charge for Customer Requested Change In Telephone Number. \$15.00

Additional Line Charge Single Line Business – per Additional Line \$3.50/month
Additional Line Charge Multi-Line Business – per Additional Line \$7.34/month
Anonymous Call Rejection \$0.00/month

Directory Listing Services (All Types):

Directory Listing: additional listing \$1.00/month
Directory Listing: Informational \$0.50/month
Directory Listing: Alpha \$2.50/month
Directory Listing: Nonlisted \$0.50/month
Directory Listing: Nonpublished \$0.75/month
Directory Listing: E-mail address
Directory Listing: URL Address
Directory Listing: Listing change non-recurring charge \$5.00

Feature Services (All Types):

Non-recurring line feature installation (per order)	\$11.00
Three way calling feature	\$2.80/month
Call Forwarding Busy Line Expanded	\$1.00/month
Call Forwarding Busy Line External	\$1.00/month
Call Forwarding Busy Line Overflow	\$2.00/month
Call Forwarding Busy Line Programmable	\$5.50/month
Call Forward Busy/ Don't Answer Expanded	\$2.50/month
Call Forward Busy/ Don't Answer External	\$2.50/month
Call Forward Busy/ Don't Answer Overflow	\$3.50/month
Call Forwarding Don't Answer	\$2.00/month
Call Forwarding Don't Answer (Expanded)	\$2.00/month
Call Forwarding Don't Answer (Programmable)	\$4.50/month
Call Forwarding Variable	\$2.80/month
Call Waiting	\$2.80/month
Call Rejection	\$4.50/month
Caller ID with Privacy Plus	\$10.95/month
Caller ID Name and Number	\$7.95/month
Caller ID Number	\$7.50/month
Continuous Redial (monthly basis)	\$3.50/month
Dial Call Waiting	
Dial Lock	
Directed Call Pick Up	\$3.95/month
Distinctive Alert	
Do Not Disturb	
Hot Line	\$2.00/month
Last Call Return (Monthly Basis)	\$3.00/month
No Solicitation	\$6.95/month
Priority Call	\$3.50/month
Remote Call Forwarding Access	\$5.95/month
Scheduled Forwarding	
Selective Call Forwarding	\$3.50/month
Speed Call 8 (8 nos. programmed)	\$2.80/month
Speed Call 30 (30 nos. programmed)	\$5.55/month
Warm Line	\$2.50/month
Toll Calling Restriction	\$2.00/month
Blocking for 10-XXX & 10-XXX-011	\$0.10/month
Call Trace (per activation)	\$1.50/month
Series Hunting Per-Line	\$0.00/month
Circular Hunting Per-Line	\$0.00/month
Call Transfer	\$6.00/month
Caller ID Blocking Per-Line, Initial Request	\$0.00
Caller ID Blocking Per-Line, Subsequent (per request)	\$13.00
Caller ID Blocking Per-Line	\$0.00/month
Caller ID Blocking Per-Use	\$0.00
Continuous Redial Blocking	\$0.00/month
Last Call Return Blocking	\$0.00

Conference Calling Services (Only Available to Business Type Services)

Standard Price

\$20.55/month

The following services are included in the Standard Price:

- Blast Dial
- Roll Call
- Invitation Services
- Sub-conferencing
- Broadcast Lecture Mode
- Originator Dial Out

The following additional Conference Calling services are available plus the following additional charges:

Rates are per minute/per-leg

Meet Me & Dial-Out	\$0.40 per minute/per-leg
Month – Month	\$0.40 per minute/per-leg
18, 36 or 60 Months	\$0.39 per minute/per-leg
Digital Rebroadcast Polling	\$0.40 per minute/per-leg
18, 36 or 60 Months	\$0.35 per minute/per-leg

Electronic Q&A Participant Notification

Call Taping	\$0.20/minute/per port (1 port per leg)
	\$2.00 per person
	\$20.00 per tape
Transcription	\$125.00 per hour

Per-Use Services (All Types):

Per Use Restriction Services:

Per-Use Restrictions Initial Installation \$6.50
Per-Use Restrictions Subsequent Installation On Same Line \$6.50

Three Way Call Blocking
Call Trace Blocking
Billed Number Screening
Collect Call Blocking
Third Party Billing Blocking Only
Third Party Billing & Collect Call Blocking
Toll Restriction (Installation) \$24.00
Blocking For 10XXX+10XXX011+ Initial Installation. \$2.00

Basic Intercept
\$0.00/month

Local Number Portability Surcharge \$0.43/month

911 Calls:

911 Confirmed \$0.00
911 Unverified \$0.00

Call Trace (per activation) \$1.50/month

Continuous Redial (per use) \$0.75/per use \$6.00 monthly maximum
Last Call Return (per use) \$0.75/per use \$6.00 monthly maximum
Three-way Calling (per use) \$0.75/per use \$6.00 monthly maximum

Directory Assistance Services (All Types):

Directory Assistance for calls in excess of one per month:
Directory Assistance: Each call placed from Public Access Lines \$0.85/call
Directory Assistance: National Directory Assistance - direct dialed \$0.85/call

Toll Services – Local Exchange Customers

Business Type:

Outbound long distance rate service for total	
Monthly Usage up to \$500	\$0.075/minute
Monthly Usage between \$500.01 to \$1,500	\$0.069/minute
Monthly Usage exceeding \$1,500	\$0.0650/minute
8XX Long distance service ceiling rate	\$0.1190/minute
8XX service recurring monthly service fee	\$10.00/month
8XX long distance service rate for total	
Monthly Usage up to \$500	\$0.1190/minute
Monthly Usage between \$500.01 to \$1,500.00	\$0.0850/minute
Monthly Usage exceeding \$1,500	\$0.079/minute

Residential Type:

Outbound Interexchange Long Distance service for total	
Monthly Usage up to \$25	\$0.1500/minute
Monthly Usage from \$25.01 to \$50.00	\$0.1350/minute
Monthly Usage exceeding \$50.00	\$0.1200/minute
Residential 8XX Inbound service:	
8XX service recurring monthly service fee	\$12.00
8XX long distance service rate	\$0.2200/minute

Prepaid calling card

10 Minute card	\$0.08/minute
15 Minute card	\$0.09/minute
20 Minute card	\$0.10/minute
30 Minute card	\$0.17/minute
60 Minute card	\$0.17/minute

Travel Card Services (All Types):

Travel Calling Card service surcharge	\$0.85/call
Travel Calling card service for total Monthly Usage up to \$500	\$0.2300/minute
Travel Calling card service for total Monthly Usage between \$500.01 and \$1,500.00	\$0.2100/minute
Travel Calling card service if Monthly Total Usage exceeds \$1,500.00	\$0.1900/minute

ATTACHMENT G
Service Area Description

Applicant shall initially seek to provide service in the following areas:

Pittsburgh (412 & 878 area codes) -

and

Philadelphia (215, 267 & 445 area codes) -

The Incumbent Local Exchange Carrier is:

Verizon of Pennsylvania
Attn: Mr. Daniel Whelan
1717 Arch Street, 17th Floor
Philadelphia, PA 19103

Please note Certificate of Service, Attachment K.

ATTACHMENT H
Target Market Customer Base Description

Applicant will initially solicit from its IXC customer base of business and residential customers for its LEC services. Thereafter, Applicant shall provide services to business and residential customers on an exchange-by-exchange basis.

ATTACHMENT I
Proposed Tariff

DRAFT

GTC Telecom, Inc. a/k/a GTC Telecom

PUC PA Tariff No. 1
Original Page 1

Tariff Schedule Applicable to
Resold Competitive Local Exchange Services
Telecommunications Services Furnished by
GTC Telecom
Between Points Within the State of Pennsylvania

Issued: May 8, 2002

Effective date: _____, 2002

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TARIFF FORMAT

- A. **Page Numbering** - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between Page 14 and 15 would be 14.1.
- B. **Page Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised Page 14 cancels the 3rd revised Page 14.
- C. **Paragraph Numbering Sequence** - There are various levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2
 - 2.1
 - 2.1.1
 - 2.1.1.1
- D. **Check Sheets** - When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the Check Sheet is changed to reflect the revision. An asterisk designates all revisions made in a given filing (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some pages.) The tariff user should refer to the latest Check Sheet to find out if a particular page is the most current on file with the Commission.

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CHECK SHEET

Sheets 1 through 41 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

<u>Page</u>	<u>Number of Revision</u>	<u>Page</u>	<u>Number of Revision</u>
1	Original	30	Original
2	Original	31	Original
3	Original	32	Original
4	Original	33	Original
5	Original	34	Original
6	Original	35	Original
7	Original	36	Original
8	Original	37	Original
9	Original	38	Original
10	Original	39	Original
11	Original	40	Original
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29	Original		

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Table of Contents

1	GENERAL	5
1.1	Explanation of Symbols	5
1.2	Application of the Tariff.....	5
1.3	Definitions.....	6
2	RULES AND REGULATIONS	8
2.1	Undertaking of the Company	8
2.2	Obligations of the Customer	8
2.3	Liability of the Company	10
2.4	Application for Service.....	12
2.5	Payment for Service	14
2.6	Customer Deposits	14
2.7	Late Payment Charges.....	16
2.8	Customer Complaints and Billing Disputes	16
2.9	Allowance for Interruptions in Service	17
2.10	Taxes and Fees	17
2.11	Returned Check Charge	18
2.12	Directory Assistance Call Allowance	18
2.13	Special Customer Arrangements	18
2.14	Termination of Service:	18
2.15	Unlawful Use of Service	22
2.16	Interference with or Impairment of Service	22
2.17	Telephone Solicitation by Use of Recorded Messages	22
2.18	Incomplete Calls.....	23
2.19	Overcharge/Undercharge.....	23
3	DESCRIPTION OF SERVICES	24
3.1	Trial Services.....	24
3.2	Promotional Offerings.....	24
3.3	Individual Case Basis ("ICB") Offerings	24
4	RATES AND CHARGES	25
4.1	Calculation of Rates	25
4.2	Dial-Around Compensation Surcharge for Payphones.....	25
5	INTRALATA TOLL PRESUBSCRIPTION	27
5.1	General.....	27
5.2	Presubscription Charge Application	27
5.3	End User/Pay Telephone Service Provider Charge Discrepancy.....	29
5.4	PIC Switchback Options	30
5.5	IntraLATA Preferred Carrier Freeze Selection	31
5.6	Informational Notice to Customers	32
5.7	Rates and Charges.....	32

Issued: May 8, 2002

Effective date: _____, 2002

Issued By:
Gerald DeCiccio, CFO
GTC Telecom, Inc.
3151 Airway Ave., Suite P-3
Costa Mesa, CA 92626

6. LOCAL CALLING SERVICES.....34

6.1 Basic Service34

6.2 Directory Listing35

6.3 Feature Services36

6.4 Conference Calling.....37

6.5 Per-Use Services39

6.6 Directory Assistance39

6.7 Toll Services40

Issued: May 8, 2002

Effective date: _____, 2002

Issued By:
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GTC Telecom, Inc.
3151 Airway Ave., Suite P-3
Costa Mesa, CA 92626

1 GENERAL

1.1 Explanation of Symbols

- (C) – To signify a changed regulation
- (D) – To signify a discontinued rate or regulation
- (I) – To signify an increase in a rate
- (M) – To signify text or rates relocated without change
- (N) – To signify a new rate or regulation or other text
- (R) – To signify a reduction in a rate
- (S) – To signify reissued regulations
- (T) – To signify a change in text but no change in rate
- (Z) – To signify a correction

1.2 Application of the Tariff

- 1.2.1 This tariff governs the Carrier's services that originate and terminate in Pennsylvania. Specific services and rates are described elsewhere in this tariff.
- 1.2.2 The Company's services are available to business and residential customers.
- 1.2.3 The Company's service territory is TBD

1.3 Definitions

- 1.3.1 "Carrier," "Company" or "Utility" refers to **GTC Telecom, Inc.**
- 1.3.2 "Commission" means the Pennsylvania Public Utility Commission.
- 1.3.3 "Completed call" is a call which the Company's network has determined has been answered by a person, answering machine, fax machine, computer modem device, or other answering device.
- 1.3.4 "Customer" means any person, firm, corporation, or governmental entity who has applied for and is granted service or who is responsible for payment of service.
- 1.3.5 "Residential" customer is a customer who has telephone service at a dwelling and who uses the service primarily for domestic or social purposes. All other customers are non-residential customers.
- 1.3.6 "Service" means any telecommunications service(s) provided by the Carrier under this tariff.
- 1.3.7 "Station" means a telephone instrument consisting of a connected transmitter, receiver, and associated apparatus to permit sending or receiving telephone messages.
- 1.3.8 "Time period" means the interval of hours that distinguish day, evening, night, and weekend rate periods as indicated below:

Rate Periods	From	To, but not Including	Days
Weekdays	8:00 a.m.	5:00 p.m.	Monday-Friday
Evenings	5:00 p.m.	11:00 p.m.	Monday-Friday
	5:00 p.m.	11:00 p.m.	Sunday
Night/Weekends	11:00 p.m.	8:00 a.m.	Monday-Sunday
	8:00 a.m.	5:00 p.m.	Saturday-Sunday
	5:00 p.m.	11:00 p.m.	Saturday

DRAFT

GTC Telecom, Inc. a/k/a GTC Telecom

PUC PA Tariff No. 1
Original Page 8

The Company charges weekend rates on the following Federal holidays:
New Year's Day, Martin Luther King's Birthday, President's Day, Memorial
Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas
Day.

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Effective date: _____, 2002

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2 RULES AND REGULATIONS

2.1 Undertaking of the Company

This tariff provides for rules, regulations, services description and rates for services provided in the State of Pennsylvania.

2.2 Obligations of the Customer

2.2.1 The customer shall be responsible for:

2.2.1.1 The payment of all applicable charges pursuant to this tariff;

2.2.1.2 Reimbursing the Company for damage to, or loss of, the Company's facilities or equipment caused by the acts or omissions of the customer; or the noncompliance by the customer, with these regulations, or by fire or theft or other casualty on the customer's premises unless caused by the negligence or willful misconduct of the employees or agents of the Company.

2.2.1.3 Providing at no charge, as specified from time to time by the Company, any needed space and power to operate the Company's facilities and equipment installed on the customer's premises.

2.2.1.4 Complying with all laws and regulations regarding the working conditions on the premises at which the Company's employees and agents shall be installing or maintaining the Company's facilities and equipment. The customer may be required to install and maintain the Company's facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material prior to any construction or installation work.

2.2.1.5 Complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of the Company's

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facilities and equipment in any customer premises for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company.

2.2.1.6 Making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the customer. No allowance for interruptions in service will be made for the period during which service is interrupted for such purposes.

2.2.2 With respect to any service or facility provided by the Company, the customer shall indemnify, defend and hold harmless the Company from all claims, actions, damages, liabilities, costs and expenses for:

2.2.2.1 Any loss, destruction or damage to property of the Company or any third party, or injury to persons, including, but not limited to, employees or invitees of either the Company or the customer, to the extent caused by or resulting from the negligent or intentional act or omission of the customer, its employees, agents, representatives or invitees; or

2.2.2.2 Any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the customer.

2.2.3 The customer is responsible for ensuring that customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The connection, operation, testing, or maintenance of such equipment shall be such as not to cause damage to the Company-provided equipment and facilities or injury to the Company's employees or other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the customer's expense.

2.2.4 The Company's services (as detailed in this tariff) may be connected to the services or facilities or other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs or contracts which are applicable to such connections.

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Effective date: _____, 2002

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2.2.5 Upon reasonable notification to the customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the customer is complying with the requirements set forth in this tariff for the installation, operation, and maintenance of customer-provided facilities and equipment that is connected to Company-owned facilities and equipment.

2.3 Liability of the Company

2.3.1 In view of the fact that the customer has exclusive control over the use of service and facilities furnished by the Company, and because certain errors incident to the services and to the use of such facilities of the Company are unavoidable, services and facilities are furnished by the Company subject to the terms, conditions and limitations herein specified:

2.3.2 Service Irregularities

2.3.2.1 The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing service or other facilities and not caused by the negligence of the customer, shall in no event exceed an amount equivalent to the proportionate charge to the customer for the service or facilities affected during the period such mistake, omission, interruption, delay, error or defect in transmission, or failure or defect in facilities continues after notice and demand to Company.

2.3.2.2 The Company shall not be liable for any act or omission of any connecting carrier, underlying carrier or local exchange Company except where Company contracts the other carrier; for acts or omission of any other providers of connections, facilities, or service; or for culpable conduct of the customer or failure of equipment, facilities or connection provided by the customer.

2.3.3 Claims of Misuse of Service

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2.3.3.1 The Company shall be indemnified and saved harmless by the customer against claims for libel, slander, fraudulent or misleading advertisements or infringement of copyright arising directly or indirectly from material transmitted over its facilities or the use thereof; against claims for infringement of patents arising from combining or using apparatus and systems of the customer with facilities of the Company; and against all other claims arising out of any act or omission of the customer in connection with the services and facilities provided by the Company.

2.3.4 Defacement of Premises

2.3.4.1 The Company is not liable for any defacement of, or damage to, the customer's premises resulting from the furnishing of service or the attachment of equipment and facilities furnished by the Company on such premises or by the installation or removal thereof, when such defacement or damage is not the result of negligence of the Company. For the purpose of this paragraph, no agents or employees of the other participating carriers shall be deemed to be agents or employees of the Company except where contracted by the Company.

2.3.5 Facilities and Equipment in Explosive Atmosphere, Hazardous or Inaccessible Locations

2.3.5.1 The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere. Company shall be indemnified, defended and held harmless by the customer from and against any and all claims, loss, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any equipment or

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facilities or the service and not due to the gross negligence or willful misconduct of the Company.

2.3.6 Service at Outdoor Locations

2.3.6.1 The Company reserves the right to refuse to provide, maintain or restore service at outdoor locations unless the customer agrees in writing to indemnify and save the Company harmless from and against any and all loss or damage that may result to equipment and facilities furnished by the Company at such locations. The customer shall likewise indemnify and save the Company harmless from and against injury to or death of any person which may result from the location and use of such equipment and facilities.

2.3.7 Warranties

2.3.7.1 THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

2.3.7.2 Acceptance of the provisions of Section 2.3 by the Commission does not constitute its determination that any disclaimer of warranties or representations imposed by the Company should be upheld in a court of law.

2.3.8 Limitation of Liability

2.3.8.1 Nothing in this tariff shall be construed to limit the Company's liability in cases of gross negligence or willful misconduct.

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2.4 Application for Service

2.4.1 Minimum Contract Period:

2.4.1.1 Except as otherwise provided, the minimum contract period is one month for all services furnished. However, if a new residential or single line business customer notifies the Company within twenty days after receipt of the first bill that certain services or equipment are not desired, the Company will delete such services or equipment from the customer's account without a record keeping or service ordering charge. The customer nonetheless shall be responsible for all monthly usage and installation charges incurred for the use of such service and equipment.

2.4.1.2 Except as provided in 2.4.2.1, the length of minimum contract period for directory listings, and for joint user service where the listing actually appears in the directory, is the directory period. The directory period is from the day on which the directory is first distributed to customers to the day the succeeding directory is first distributed to customers.

2.4.1.3 The Company may require a minimum contract period longer than one month in connection with special, non-standard types or arrangements of equipment, or for unusual construction, necessary to meet special demands for service.

2.4.2 Cancellation of Service

2.4.2.1 Where the applicant cancels an order for service prior to the start of the installation or special construction of facilities, no charge shall apply, except to the extent the Company incurs a service order or similar charge from a supplying carrier, if any, prior to the construction.

2.4.2.2 Where the installation of facilities, other than those provided by special construction, has been started prior to cancellation, the lower of the following charge applies;

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Effective date: _____, 2002

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Costa Mesa, CA 92626

2.4.2.2.A The total costs of installing and removing such facilities;
or

2.4.2.2.B The monthly charges for the entire initial contract period
of the service ordered by the customer as provided in
this tariff plus the full amount of any applicable
installation and termination charges.

2.4.2.3 Where special construction of facilities has been started
prior to the cancellation, and the Company has another
requirement for the specially constructed facilities, no charge
applies.

2.5 Payment for Service

2.5.1 Service will be billed directly by the company on a monthly basis and is
due and payable upon receipt or as specified on the customer's bill.
Service will continue to be provided until canceled by the customer or
discontinued by the Company as set forth in Section 2.14 of this tariff.

2.5.2 The customer is responsible for payment of all charges for service
furnished to the customer. Charges based on actual usage during a
month will be billed monthly in the month following the month in which the
service was used. All fixed monthly and nonrecurring charges for services
ordered will be billed monthly in advance.

2.6 Customer Deposits

2.6.1 The Carrier agrees to abide by the regulations associated with
nonresidential customer deposits as amended from time to time.

2.6.2 In order to establish credit, the carrier may require an applicant for
nonresidential service to demonstrate good paying habits by showing that
the applicant:

2.6.2.1 Was a customer of a Pennsylvania utility for at least 12
months within the preceding 2 years;

2.6.2.2 Does not currently owe any outstanding bills for utility
service to a utility doing business in Pennsylvania;

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Effective date: _____, 2002

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Costa Mesa, CA 92626

- 2.6.2.3 Did not have service discontinued for nonpayment of a utility bill during the last 12 months that service was provided; and
- 2.6.2.4 Did not fail, on more than two occasions during the last 12 months that service was provided, to pay a utility bill when it became due.
- 2.6.3 The Carrier agrees to abide by the regulations associated with residential customer deposits as amended from time to time.
- 2.6.4 In order to establish credit, a utility may require an applicant for residential service to demonstrate good paying habits by showing that the applicant:
 - 2.6.4.1 Was a customer of a Pennsylvania utility within the preceding 2 years;
 - 2.6.4.2 Does not currently owe any outstanding bills for utility service to a utility doing business in Pennsylvania;
 - 2.6.4.3 Did not have service discontinued for non-payment of a utility bill during the last 12 months that service was provided; and
 - 2.6.4.4 Did not on more than two occasions during the last 12 months that service was provided, fail to pay a utility bill when it became due.
- 2.6.5 Deposits for establishment or reestablishment of credit will not be more than the estimated charge for service for 2 consecutive billing periods or 90 days, whichever is less.
- 2.6.6 The Company reserves the right to require from an applicant for service advance payments of fixed charges and nonrecurring charges. The advance payment will not exceed an amount equal to the nonrecurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated nonrecurring charges for the special construction. The advance payment will be applied to any indebtedness for the service and facilities for which the advance payment is made on the customer's initial bill.

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Costa Mesa, CA 92626

Advanced payments for installation costs or special construction will be credited on the first bill in their entirety.

- 2.6.7 Customer deposits for service will receive interest at a rate set by the Commission.

2.7 Late Payment Charges

- 2.7.1 The Carrier agrees to abide by the regulations governing late payment charges as specified by the Commission and as amended from time to time.
- 2.7.2 Any charges that are disputed by a customer shall not be subject to late payment charges regardless of the outcome of the dispute.
- 2.7.3 The Company will consider delinquent and apply late payment charges on bills not paid within 20 days of the billing invoice date in the case of residential customers and within 15 days of the billing invoice date in the case of all non-residential customers.
- 2.7.4 Late payment fees will be computed at a rate not to exceed 1.5% per month.

2.8 Customer Complaints and Billing Disputes

- 2.8.1 Customers may notify the carrier of billing or other disputes either orally or in writing. There is no time limit for submitting disputes.
- 2.8.2 Customer complaints and billing disputes that are not satisfactorily resolved may be presented by the customer to:

Pennsylvania Public Utility Commission
Consumer Services
Commonwealth Keystone Building
Second Floor – Room N201
Harrisburg, PA 17120

(717) 783-5187 (Office of Consumer Services)
(717) 783-1740 (Main PSC number)
(800) 782-1110 (Toll-free PSC number)

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Costa Mesa, CA 92626

2.8.3 The Company provides the following toll free number (1-800-486-4030) for customers to contact the carrier.

2.8.4 The Company will not collect attorney fees or court costs from customers, except as may be otherwise agreed to by individual contract.

2.9 Allowance for Interruptions in Service

2.9.1 Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in equipment owned, provided, and billed for, by the Company.

2.10 Taxes and Fees

2.10.1 All state and local taxes and fees shall be listed as separate line items on the customer's bill.

2.10.2 If a municipality, other political subdivision or local agency of government, or the Commission imposes and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee, or regulatory fee, such taxes and fees shall, as allowed by law, be billed pro rata to the customer receiving service from the Company within the territorial limits of such municipality, other political subdivision or local agency of government.

2.10.3 Service shall not be subject to taxes for a given taxing jurisdiction if the customer provides the Company with written verification, acceptable to the Company and to the relevant taxing jurisdiction, that the customer has been granted a tax exemption.

2.11 Returned Check Charge

The charge for a returned check is \$25.00

2.12 Directory Assistance Call Allowance

Residential customers shall receive six free directory assistance calls per month with two requests per call. Charges will not be levied for Directory Assistance on an individual who suffers from a physical or visual disability that precludes the use of a telephone directory.

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Costa Mesa, CA 92626

2.13 Special Customer Arrangements

In cases where a customer requests special or unique arrangements which may include but are not limited to engineering, conditioning, installation, construction, facilities, assembly, purchase or lease of facilities and/or other special services not offered under this tariff, the Company, may provide the requested services. Appropriate recurring charges and/or nonrecurring charges and other terms and conditions will be developed for the customer for the provisioning of such arrangements.

2.14 Termination of Service:

2.14.1 Denial of Service Without Notice

The Company may discontinue service without notice for any of the following reasons:

- 2.14.1.1 Hazardous Condition. For a condition on the customer's premises determined by the Company to be hazardous.
- 2.14.1.2 Adverse Effect on Service. Customer's use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
- 2.14.1.3 Tampering With Company Property. Customer's tampering with equipment furnished and owned by the Company.
- 2.14.1.4 Unauthorized Use of Service. Customer's unauthorized use of service by any method which causes hazardous signals over the Company's network.
- 2.15.1.5 Illegal use of Service. Customer's use of service or equipment in a manner to violate the law.

2.14.2. Denial of Service Requiring Notice

- 2.14.2.1 The Company may deny service for any of the following reasons provided it has notified the customer of its intent, in writing, to deny service and has allowed the customer a

reasonable time of not less than 10 days in which to remove the cause for denial:

2.14.2.1.A Non-compliance with Regulations. For violation of or non-compliance with regulations, or for violation of or non-compliance with the Company's tariffs on file with the Commission.

2.14.2.1.B Failure on Contractual Obligations. For failure of the customer to fulfill his contractual obligations for service or facilities subject to regulation by the Pennsylvania Public Utility Commission.

2.14.2.1.C Refusal of Access. For failure of the customer to permit the Company to have reasonable access to its equipment.

2.14.2.1.D Non-payment of Bill.

2.14.2.1.D.1 For non-payment of a bill for service, provided that the Company has made a reasonable attempt to effect collection and has given the customer written notice of its intent to deny service if settlement of his account is not made and provided the customer has at least 5 days, excluding Sundays and holidays in which to make settlement before his service is denied.

2.14.2.1.D.2 In cases of bankruptcy, receivership, abandonment of service, or abnormal toll usage not covered adequately by a security deposit, less than 5 days notice may be given if necessary to protect the Company's revenues.

2.14.2.1.D.3 Except in cases where a prior promise to pay has not been kept or bankruptcy, receivership, abandoned service, or abnormal toll usage is involved, the Company may not deny service on the day preceding any day on which it is not prepared to accept payment of the amount due and to reconnect service.

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2.14.2.1.D.4 Failure to Comply with Service Conditions. For failure of the customer to furnish the service equipment, permits, certificates, or rights-of-way, specified by the Company as a condition to obtaining service, or if the equipment or permissions are withdrawn or terminated.

2.14.2.1.D.5 Failure to Comply with Municipal Ordinances. For failure to comply with municipal ordinances or other laws pertaining to telephone service.

2.14.2.1.D.6 Failure to Pay Increased Deposit Required. For failure of the customer to pay an increased security deposit when warranted by the Company to protect its revenue.

2.14.3. Insufficient Reasons for Denial of Service

2.14.3.1 The following may not constitute cause for refusal of service to a present or prospective customer:

2.14.3.1.A Failure of a prior customer to pay for service at the premises to be serviced;

2.14.3.1.B Failure to pay for a different class of service for a different entity;

2.14.3.1.C Failure to pay the bill of another customer as guarantor of that bill;

2.14.3.1.D Failure to pay directory advertising charges;

2.14.3.1.E Failure to pay an undercharge; or

2.14.3.1.F Failure to pay an outstanding bill that is over 7 years old, unless the:

2.14.3.1.F.1 Customer signed an agreement to pay the outstanding bill before the expiration of this period;

2.14.3.1.F.2 Outstanding bill is for service obtained by the customer by means of tampering with equipment furnished and owned by the Company or by unauthorized use of service by any method; or

2.14.3.1.F.3 Outstanding bill is for service obtained by the customer by means of an application made:

- (i) In a fictitious name,
- (ii) In the name of an individual who is not an occupant of the dwelling unit, without disclosure of the individual's actual address,
- (iii) In the name of a third party without disclosing that fact or without bonafide authority from the third party, or
- (iv) Without disclosure of a material fact or by misrepresentations of a material fact.

2.14.3.2 This regulation applies to both residential and nonresidential classes of service.

PROVISION OF SERVICE AND FACILITIES

2.15 Unlawful Use of Service

2.15.1 Service shall not be used for any purpose in violation of law or for any use as to which the customer has not obtained all required governmental approvals, authorizations, licenses, consents, and permits. The Company shall refuse to furnish service to an applicant or shall disconnect the service without notice of a customer when:

2.15.1.1 An order shall be issued, signed by a judge finding that probable cause exists to believe that the use made or to be made of the service is prohibited by law, or

2.15.1.2 The Company is notified in writing by a law enforcement agency acting within its jurisdiction that any facility furnished by the Company is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of the law.

2.15.2 If service has been physically disconnected by law enforcement officials at the customer's premises and if there is not presented to the Company the written finding of a judge, then upon written or verbal request of the subscriber, and agreement to pay restoral of service charges and other applicable service charges, the Company shall promptly restore such service.

2.16 Interference with or Impairment of Service

Service shall not be used in any manner that interferes with other persons in the use of their service, prevents other persons from using their service, or otherwise impairs the quality of service to other customers. The Company may require a customer to immediately shut down its transmission of signals if said transmission is causing interference to others or impairing the service of others.

2.17 Telephone Solicitation by Use of Recorded Messages

2.17.1 Service shall not be used for the purpose of solicitation by recorded messages when such solicitation occurs as a result of unrequested or unsolicited calls initiated by the solicitor by means of automatic dialing

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devices. Such devices, with storage capability of numbers to be called or a random or sequential number generator that produces numbers to be called and having the capability, working alone or in conjunction with other equipment, of disseminating a prerecorded message to the number called and which are calling party or called party controlled, are expressly prohibited.

2.18 Incomplete Calls

- 2.18.1 There shall be no charge for incomplete calls. No charge will be levied for unanswered calls. Customers will receive credit for calls placed to a wrong number if the customer notifies the Company of the error.

2.19 Overcharge/Undercharge

- 2.19.1 Overcharge/undercharge provisions will be in accordance with Commission rules and regulations.
- 2.19.2 When a customer has been overcharged, the amount shall be refunded or credited to the customer.

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3 DESCRIPTION OF SERVICES

3.1 Trial Services

3.1.1 The Company may offer new services, not otherwise tariffed, from time to time on a trial basis subject to Commission approval. Such trials are limited to a maximum of six months at which time the trial offering must be either withdrawn or made available on permanent basis.

3.2 Promotional Offerings

3.2.1 The Company may offer existing services on a promotional basis, subject to Commission approval, that provides special rates, terms, or conditions of service. Promotional offerings are limited to a maximum of six months at which time the promotional offering must be either withdrawn or made available on a permanent basis. All promotions, regardless of whether services are given away for free, are subject to Commission approval.

3.3 Individual Case Basis ("ICB") Offerings

3.3.1 The tariff may specify "ICB pricing" for a service. The Company may or may not be an equivalent service in the tariff for which there is a tariffed rate, and the quoted ICB rates may be different than the tariffed rates. An ICB must be provided under contract to a customer and the contract filed (can be under seal) with the Commission. All customers have non-discriminatory access to requesting the service under an ICB rate.

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4 RATES AND CHARGES

4.1 Calculation of Rates

- 4.1.1 Rates for service are based on airline mileage between rate centers of the calling and called stations. The location of rate centers is based on information provided by incumbent local exchange carriers. Mileage is calculated using the Vertical and Horizontal (V&H) coordinate system from the National Exchange Carriers Association Tariff F.C.C. No. 4.
- 4.1.2 Timing of calls begins when the call is answered at the called station. Different rates may apply depending on the time of day or day of week the call is made. Calls originating in one time period and terminating in another time period will be billed according to the rates in effect during each portion of the call.

4.2 Dial-Around Compensation Surcharge for Payphones

- 4.2.1 A Dial-Around Compensation Surcharge applies to all completed consumer intrastate long distance calls placed from a public/semi-public payphone which are not paid on a sent paid basis. The Surcharge applies to:

- A. Calling card service
- B. Collect calls
- C. Third party billed
- D. Directory Assistance calls
- E. Pre-paid card service

- 4.2.2 The Surcharge does not apply to:

- A. Calls paid for by inserting coins
- B. Calls placed from stations other than public/semi-public payphones
- C. Calls placed to the Pennsylvania Telecommunications Relay Service for the hearing impaired
- D. Any calls for which the payphone provider is otherwise compensated pursuant to contract with the carrier.

- 4.2.3 The Dial Around Compensation Surcharge rate is \$0.25 per call.

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PUC PA Tariff No. 1
Original Page 27

- 4.2.4 If the Company provides service under a term plan (1,3,5 years, etc.) and (1) automatically renews the contract and (2) imposes a penalty for early cancellation by the customer, then the customer shall be notified 60 days in advance of the customer's current contract expiration date.

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5 INTRALATA TOLL PRESUBSCRIPTION

5.1 General

IntraLATA toll presubscription is a procedure whereby an end user or Pay Telephone Service Provider may select and designate an IntraLATA Toll Provider ("ITP") to access IntraLATA toll calls without dialing an access code. The end user or Pay Telephone Service Provider may designate an ITP for IntraLATA toll, a different carrier for InterLATA toll, or the same carrier for both. This ITP is referred to as the end user or Pay Telephone Service Provider preferred IntraLATA toll provider.

Each carrier will have one or more access codes assigned to it for various types of service. When an end user of Pay Telephone Service Provider selects a carrier as its preferred IntraLATA toll provider, only one access code of that carrier may be incorporated into the switching system of the Telephone Company permitting access to that carrier by the end user or Pay Telephone Service Provider without dialing an access code. Should the same end user or Pay Telephone Service Provider wish to use other services of the same carrier, it will be necessary for the end user or Pay Telephone Service Provider to dial the necessary access code(s) to reach that carrier's other service(s).

An ITP must use Feature Group D ("FGD") Switched Access Service to qualify as an IntraLATA toll provider. All ITPs must submit a Letter of Intent ("LOI") to the Telephone Company at least twenty days prior to the IntraLATA toll-presubscription-conversion date or, if later, forty-five days prior to the date on which the carrier proposed to begin participating in IntraLATA toll presubscription.

Selection of an ITP by an end user or Pay Telephone Service Provider is subject to the terms and conditions in Section 5.2.

5.2 Presubscription Charge Application

5.2.1 90-Day Initial Free Presubscription choice for Existing Users

Existing end users or Pay Telephone Service Providers may exercise an initial free presubscription choice, either by contacting the Telephone Company, or by contacting the ITP directly. The initial free choice must be made within ninety days following implementation of IntraLATA toll

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presubscription. End user or Pay Telephone Service Provider choices that constitute exercising the free choices are:

Designating an ITP as their primary carrier, thereby requiring no access code to access that ITP's service. Other carriers are accessed by dialing 101-XXXX or other required codes.

Choosing no carrier as a primary carrier, thus requiring 101-XXXX code dialing to access all ITPs. This choice can be made by directly contacting the Telephone Company.

Following an existing end user's or Pay Telephone Service Provider's free selections, any change made more than 90 days after presubscription is implemented is subject to a nonrecurring charge, as set forth in 5.7.1 following.

5.2.2 Initial Free Presubscription Choice for New Users

New end users (including an existing customer who orders an additional line) or Pay Telephone Service Providers who subscribe to service after the presubscription implementation date will be asked to select a primary ITP when they place an order for Telephone Company Exchange Service. If a customer cannot decide upon an IntraLATA toll carrier at the time, the customer will have thirty days following completion of the service request to make an IntraLATA PIC choice without charge. In the interim, the customer will be assigned a "No-PIC" and will have to dial an access code to make IntraLATA toll calls. The free selection period available to new end users or Pay Telephone Service Providers is the period within thirty days of installation of the new service.

Initial free selection available to new end user or Pay Telephone Service Providers are:

Designating an ITP as their primary carrier, thereby requiring no access code to access that ITP's service. Other carriers are accessed by dialing 101-XXXX or other required codes.

Choosing no carrier as a primary carrier, thus requiring 101-XXXX code dialing to access all ITPs. This choice can be made by directly contacting the Telephone Company.

Following a new end user's or Pay Telephone Service Provider's free selections, any change made more than 30-days after presubscription is

implemented is subject to a nonrecurring charge, as set forth in 5.7.1 following.

5.2.3 Charge for IntraLATA Toll Presubscription

After expiration of the initial free presubscription choice period for new customers, as specified above, or existing customers, the end user or ITP will be assessed an IntraLATA Toll presubscription charge as specified in 5.7.1.

5.2.4 Cancellation of IntraLATA Toll Presubscription by an ITP

If an ITP elects to discontinue Feature Group D service after implementation of the IntraLATA toll presubscription option, the ITP is obligated to contact, in writing, all end users or Pay Telephone Service Providers who have selected the canceling ITP as their preferred IntraLATA toll provider. The ITP must inform the end users or Pay Telephone Service Providers that it is canceling its Feature Group D service, request that the end user select a new ITP and state that the canceling ITP will pay the PIC change charge. The ITP must provide written notification to COMPANY that this activity has taken place.

5.3 End User/Pay Telephone Service Provider Charge Discrepancy
("Anti-Slamming Measure")

5.3.1 When a discrepancy is determined regarding an end user's designation of a preferred IntraLATA toll carrier, the following applies depending upon the situation described:

A signed letter of authorization takes precedence over any order other than subsequent, direct customer contact with the Telephone Company.

When two or more orders are received for an end user line generated by telemarketing, the date field on the mechanized record used to transmit PIC change information will be used as the PIC authorization date. The order with the latest application date determines customer choice.

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5.3.2 Verification of Orders for Telemarketing

No ITP shall submit to the Telephone Company a PIC change order generated by outbound telemarketing unless, and until, the order has first been conformed in accordance with the following procedures:

5.3.2.1 The ITP has obtained the customer's written authorization to submit the order that explains what occurs when a PIC is changed and confirms:

5.3.2.1.A The customer's billing name and address and each telephone number to be covered by the PIC change order;

5.3.2.1.B The decision to change the PIC to the ITP; and

5.3.2.1.C The customer's understanding of the PIC change fee; or

5.3.2.2 The ITP has obtained the customer's electronic authorization, placed from the telephone number(s) on which the PIC is to be changed, to submit the order that confirms the information described in 5.3.2.1 preceding to confirm the authorization; or

5.3.2.3 An appropriately qualified and independent third party operating in a location physically separate from the outbound telemarketing representative has obtained the customer's oral authorization to submit the PIC change order that confirms and includes appropriate verification date (e.g., the customer's date of birth or social security number).

5.3.3 The Company will follow the Federal Communications Commission's and the Pennsylvania Public Utility Commission's (if issued) regulations regarding slamming. The Company will not impose a penalty or charge for unauthorized IntraLATA toll provider changes.

5.4 PIC Switchback Options

5.4.1 Customer denies requesting change of ITP.

When the Telephone Company is contacted by an end user who denies requesting a change in ITP primary IC, the end user will be credited the charge assessed for the disputed change in carrier, and will be switched back to the previous ITP at no charge.

The ITP is in no way relieved of the FCC requirements for:

5.4.1.1 Verifying all PIC orders obtained by outbound telemarketing prior to submitting those orders, or

5.4.1.2 Instituting steps to obtain verification of orders submitted to the Company. In addition, the end user has the option of initiating a complaint to the FCC or the Public Utility Commission concerning unauthorized changes in carrier. The complaint may be issued in writing to the Pennsylvania Public Utility Commission.

5.4.2 Customer requests Switchback to Previous ITP PIC.

When the Telephone Company is notified via a call from the customer, where the end user is not denying the authenticity of the most recent change to the current PIC, the Telephone Company will change the customers ITP to the previous PIC. The customer will be billed the PIC charge as specified in 5.7.2.

5.5 IntraLATA Preferred Carrier Freeze Selection

The Company will offer a preferred carrier freeze option to all customers on a nondiscriminatory basis regardless of the customer's carrier selection at no charge to the end user. The preferred carrier freeze option prevents a change in the end-user's IntraLATA toll provider unless the end users request a change in carrier.

End users may request a preferred carrier freeze on their IntraLATA toll service as a means of protection from unauthorized IntraLATA PIC changes. The Company will only accept preferred carriers freezes either

orally or in writing from end users. The preferred carrier freeze will be offered on a per line basis.

The Federal Communications Commission and the Pennsylvania Public Utility Commission accepted the use of three-way calls to remove PIC freezes when the customer's IntraLATA toll presubscription choice has been frozen. Carriers must still follow the verification procedures for PIC changes of the Federal Communications Commission (e.g., independent 3rd party verification, written letter of agency from customer, electronic authorization) and the Pennsylvania Public Utility Commission (if issued). The carriers will impose and/or lift preferred carrier freeze request in accordance with Chapter 1 of Title 47 of the Code of Federal Regulation, Section 64.1190

Marketing of PIC Freeze Option

The Company will not market the PIC freeze option to Customers within a 90-day period after implementation, i.e., 90 days following the Effective Date of this tariff. However, the freeze option is available during that period on Customer request.

5.6 Informational Notice to Customers

The Company will provide written notification to customers of their IntraLATA presubscription options and rights within 30 days of subscribing for service. Notification will not contain information on PIC-freeze service.

5.7 Rates and Charges

5.7.1 Charge for ITP Carrier Change \$ (SPECIFY RATE)

5.7.2 Charge for Switchback Carrier Change \$ (SPECIFY RATE)

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6. Local Service Offerings

6.1 Basic Service

6.1.1 Non-recurring charge for installation of Local line service \$48.00

6.1.2 Monthly recurring charges:

6.1.2.1 Business Services Type:

6.1.2.1.a	Recurring local business service price	
	under 18-month term agreement	\$25.54/month
	under 36-month term agreement	\$25.01/month
	under 60-month term agreement	\$20.09/month

6.1.2.2 Residential Services Type:

6.1.2.2.a	Recurring local residential service price	
	under 18-month term agreement	\$27.54/month
	under 36-month term agreement	\$27.01/month
	under 60-month term agreement	\$22.09/month

6.1.3 Adds, Changes, Deletions (All Types) – Charges:

6.1.3.1 Non-Recurring Charge - Changes of Class Type Or Grade of Service, Per Exchange Line. (Can be waived at time of upgrade)
\$20.00 Per Request

6.1.3.2 Non-Recurring Charge for Customer Requested Change In Telephone Number. \$15.00 Per Request

6.1.3.3 Additional Line Charge Single Line Business – per Additional Line
\$3.50/month

6.1.3.4 Additional Line Charge Multi-Line Business – per Additional Line
\$7.34/month

6.1.3.5 Anonymous Call Rejection \$0.00/month

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6.2	Directory Listing Services (All Types):	
6.2.1	Additional listing	\$1.00/month
6.2.2	Informational	\$0.50/month
6.2.3	Alpha	\$2.50/month
6.2.4	Nonlisted	\$0.50/month
6.2.5	Nonpublished	\$0.75/month
6.2.6	E-mail address	\$0.50/month
6.2.7	URL Address	\$0.50/month
6.2.8	Listing change non-recurring charge	\$5.00

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6.3	Feature Services (All Types):	
6.3.1	Non-recurring line feature installation (per order)	\$11.00
6.3.2	Three way calling feature	\$2.80/month
6.3.3	Call Forwarding Busy Line Expanded	\$1.00/month
6.3.4	Call Forwarding Busy Line External	\$1.00/month
6.3.5	Call Forwarding Busy Line Overflow	\$2.00/month
6.3.6	Call Forwarding Busy Line Programmable	\$5.50/month
6.3.7	Call Forward Busy/ Don't Answer Expanded	\$2.50/month
6.3.8	Call Forward Busy/ Don't Answer External	\$2.50/month
6.3.9	Call Forward Busy/ Don't Answer Overflow	\$3.50/month
6.3.10	Call Forwarding Don't Answer	\$2.00/month
6.3.11	Call Forwarding Don't Answer (Expanded)	\$2.00/month
6.3.12	Call Forwarding Don't Answer (Programmable)	\$4.50/month
6.3.13	Call Forwarding Variable	\$2.80/month
6.3.14	Call Waiting	\$2.80/month
6.3.15	Call Rejection	\$4.50/month
6.3.16	Caller ID with Privacy Plus	\$10.95/month
6.3.17	Caller ID Name and Number	\$7.95/month
6.3.18	Caller ID Number	\$7.50/month
6.3.19	Continuous Redial (monthly basis)	\$3.50/month
6.3.20	Dial Call Waiting	
6.3.21	Dial Lock	
6.3.22	Directed Call Pick Up	\$3.95/month
6.3.23	Distinctive Alert	
6.3.24	Do Not Disturb	
6.3.25	Hot Line	\$2.00/month
6.3.26	Last Call Return (Monthly Basis)	\$3.00/month
6.3.27	No Solicitation	\$6.95/month
6.3.28	Priority Call	\$3.50/month
6.3.29	Remote Call Forwarding Access	\$5.95/month
6.3.30	Scheduled Forwarding	
6.3.30.1	Selective Call Forwarding	\$3.50/month
6.3.31	Speed Call 8 (8 nos. programmed)	\$2.80/month
6.3.32	Speed Call 30 (30 nos. programmed)	\$5.55/month
6.3.33	Warm Line	\$2.50/month

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6.3.34	Toll Calling Restriction	
	\$2.00/month	
6.3.35	Blocking for 10-XXX & 10-XXX-011	\$0.10/month
6.3.36	Call Trace (per activation)	\$1.50/month
6.3.37	Series Hunting Per-Line	\$0.00/month
6.3.38	Circular Hunting Per-Line	\$0.00/month
6.3.39	Call Transfer	\$6.00/month
6.3.40	Caller ID Blocking Per-Line	
6.3.40.1	Initial Request	\$0.00
6.3.40.2	Subsequent (per request)	\$13.00
6.3.40.3	Caller ID Blocking Recurring	\$0.00/month
6.3.40.3	Caller ID Blocking Per-Use	\$0.00
6.3.41	Continuous Redial Blocking	\$0.00/month
6.3.42	Last Call Return Blocking	\$0.00
6.4	Conference Calling Services (Only Available to Business Type Services)	
6.4.1	Standard Price	\$20.55/month
	Included in the Standard Price:	
	Blast Dial	
	Roll Call	
	Invitation Services	
	Sub-conferencing	
	Broadcast Lecture Mode	
	Originator Dial Out	
6.4.2	Features Rates are per minute/per-leg	
6.4.2.1	Meet Me & Dial-Out	\$0.40 per minute/per-leg
	Month – Month	\$0.40 per minute/per-leg
	18, 36 or 60 Months	\$0.39 per minute/per-leg
6.4.3	Digital Rebroadcast Polling	\$0.40 per minute/per-leg
	18, 36 or 60 Months	\$0.35 per minute/per-leg

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6.4.4	Electronic Q&A	
	Per person (leg)	\$2.00
	Participant Notification	\$1.00
	Call Taping	\$0.20/minute/per port (1 port per leg)
	Tape	\$20.00 per tape
	Transcription	\$125.00 per hour

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6.5 Per-Use Services (All Types):

6.5.1	Per Use Restriction Services Installation	
6.5.1.1	Per-Use Restrictions Initial Installation	\$6.50
6.5.1.2	Per-Use Restrictions Subsequent Installation On Same Line	\$6.50
6.5.2	Three Way Call Blocking	
6.5.3	Call Trace Blocking	
6.5.4	Billed Number Screening	
6.5.5	Collect Call Blocking	
6.5.6	Third Party Billing Blocking Only	
6.5.7	Third Party Billing & Collect Call Blocking	
6.5.8	Toll Restriction (Installation)	\$24.00
6.5.9	Blocking For 10XXX+10XXX011+ Initial Installation.	\$2.00
6.5.10	Basic Intercept	\$0.00/month
6.5.11	Local Number Portability Surcharge	\$0.43/month
6.5.12	911 Calls:	
6.5.12.1	Confirmed	\$0.00
6.5.12.2	Unverified	\$0.00
6.5.13	Call Trace (per activation)	\$1.50/month
6.5.14	Continuous Redial (per use)	\$0.75/per use \$6.00 monthly maximum
6.5.15	Last Call Return (per use)	\$0.75/per use \$6.00 monthly maximum
6.5.16	Three-way Calling (per use)	\$0.75/per use \$6.00 monthly maximum

6.6 Directory Assistance Services (All Types) in excess of one per month:

6.6.1	Each call placed from Public Access Lines	\$0.85/call
6.6.2	Direct dialed	\$0.85/call

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6.7 Toll Services – Local Exchange Customers

6.7.1 Business Type:

6.7.1.1 Outbound long distance rate service for total

Monthly Usage up to \$500	\$0.075/minute
Monthly Usage between \$500.01 to \$1,500	\$0.069/minute
Monthly Usage exceeding \$1,500	\$0.065/minute

6.7.1.2 8XX Inbound service

6.7.1.2.1 ceiling rate	\$0.119/minute
6.7.1.2.2 recurring monthly service fee	\$10.00/month
6.7.1.2.3 8XX long distance service rate for total	
Monthly Usage up to \$500	\$0.119/minute
Monthly Usage \$500.01 to \$1,500	\$0.085/minute
Monthly Usage exceeding \$1,500	\$0.079/minute

6.7.2 Residential Type:

6.7.2.1 Outbound Interexchange Long Distance service for total

Monthly Usage up to \$25	\$0.150/minute
Monthly Usage from \$25.01 to \$50	\$0.135/minute
Monthly Usage exceeding \$50	\$0.120/minute

6.7.2.2 8XX Inbound service:

6.7.2.2.1 Recurring monthly service fee	\$12.00
6.7.2.2.2 Service rate	\$0.2200/minute

6.7.3 Prepaid calling card

6.7.3.1 10 Minute card	\$0.08/minute
6.7.3.2 15 Minute card	\$0.09/minute
6.7.3.3 20 Minute card	\$0.10/minute
6.7.3.4 30 Minute card	\$0.17/minute
6.7.3.5 60 Minute card	\$0.17/minute

Issued: May 8, 2002

Effective date: _____, 2002

Issued By:
Gerald DeCiccio, CFO
GTC Telecom, Inc.
3151 Airway Ave., Suite P-3
Costa Mesa, CA 92626

DRAFT

GTC Telecom, Inc. a/k/a GTC Telecom

PUC PA Tariff No. 1
Original Page 41

6.7.4 Travel Card Services (All Types):

6.7.4.1 Travel Calling Card service surcharge	\$0.85/call
6.7.4.2 Travel Calling card service for total Monthly Usage	
up to \$500	\$0.230/minute
between \$500.01 and \$1,500.00	\$0.210/minute
exceeds \$1,500.00	\$0.190/minute

Issued: May 8, 2002

Effective date: _____, 2002

Issued By:
Gerald DeCiccio, CFO
GTC Telecom, Inc.
3151 Airway Ave., Suite P-3
Costa Mesa, CA 92626

ATTACHMENT J
Financial Information

GTC TELECOM CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Six Months Ended December 31,		Three Months Ended December 31,	
	2001	2000	2001	2000
Revenues:				
Telecommunications	\$ 8,562,110	\$ 6,211,577	\$ 4,268,691	\$ 3,451,235
Internet services	241,148	23,293	156,384	13,681
Total revenues	<u>8,803,258</u>	<u>6,234,870</u>	<u>4,425,075</u>	<u>3,464,916</u>
Cost of sales:				
Telecommunications	4,817,698	3,625,110	2,329,456	1,885,498
Internet services	165,929	13,445	101,567	6,918
Total cost of sales	<u>4,983,627</u>	<u>3,638,555</u>	<u>2,431,023</u>	<u>1,892,416</u>
Gross profit	3,819,631	2,596,315	1,994,052	1,572,500
Selling, general, and administrative expenses	<u>4,487,365</u>	<u>4,000,517</u>	<u>2,295,146</u>	<u>1,979,792</u>
Operating loss	(667,734)	(1,404,202)	(301,094)	(407,292)
Interest expense, net	<u>(236,490)</u>	<u>(224,491)</u>	<u>(115,506)</u>	<u>(131,254)</u>
Loss before provision for income taxes	(907,224)	(1,628,693)	(416,600)	(538,546)
Provision for income taxes	<u>11,622</u>	<u>4,254</u>	<u>2,941</u>	<u>15</u>
Net loss	<u>\$ (915,846)</u>	<u>\$ (1,632,947)</u>	<u>\$ (419,541)</u>	<u>\$ (538,561)</u>
Basic and dilutive net loss available to common shareholders per common share	<u>\$ (0.04)</u>	<u>\$ (0.08)</u>	<u>\$ (0.02)</u>	<u>\$ (0.03)</u>
Basic and diluted weighted average common shares outstanding	<u>20,387,872</u>	<u>19,968,336</u>	<u>20,398,687</u>	<u>19,969,128</u>

Item 1. Financial Statements

**GTC TELECOM CORP.
CONSOLIDATED BALANCE SHEETS**

	December 31, 2001 (Unaudited)	June 30, 2001 (Audited)
ASSETS		
Cash and cash equivalents	\$ 309,591	\$ 219,878
Accounts receivable, net of allowance for doubtful accounts of approximately \$482,000 and \$210,000 at December 31, 2001 and June 30, 2001, respectively	1,644,156	1,514,972
Deposits	89,426	77,426
Related party note receivable	100,000	100,000
Prepaid expenses	39,063	23,449
Total current assets	2,182,236	1,935,725
Property and equipment, net of accumulated depreciation of \$496,334 and \$377,523 at December 31, 2001 and June 30, 2001, respectively	252,894	222,584
Other assets	7,486	19,736
Total assets	\$ 2,442,616	\$ 2,178,045
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,120,723	\$ 5,675,073
Accrued payroll and related taxes	1,595,006	1,644,228
Obligation under capital lease	33,874	88,124
Note payable	4,861,604	--
Deferred income	47,816	50,887
Total current liabilities	8,659,023	7,458,312
Long-term liabilities:		
Obligation under capital lease, net of current portion	19,370	--
Total Liabilities	8,678,393	7,458,312
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none issued and outstanding	--	--
Common stock, \$0.001 par value; 50,000,000 shares authorized; 20,406,622 and 20,371,622 shares issued and outstanding at December 31, 2001 and June 30, 2001, respectively	20,407	20,372
Additional paid-in-capital	8,627,780	8,667,479
Note receivable officer	(60,306)	(60,306)
Accumulated deficit	(14,823,658)	(13,907,812)
Total stockholders' deficit	(6,235,777)	(5,280,267)
Total liabilities and stockholders' deficit	\$ 2,442,616	\$ 2,178,045

GTC TELECOM CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended December 31,	
	2001	2000
Cash Flows From Operating Activities:		
Net loss	\$ (915,846)	\$ (1,632,947)
Adjustments to reconcile net loss to net cash provided by/(used in) operating activities:		
Estimated fair market value of options granted to employees for compensation	66,150	66,150
Estimated fair market value of warrants granted for marketing	25,000	--
Estimated fair market value of stock issued for services	7,250	38,378
Estimated fair market value of options granted to a director and consultants for services rendered	--	40,333
Estimated fair market value of warrants granted in connection with notes payable	--	13,500
Reduction of note receivable for services rendered	--	22,500
Cancellation of previously issued stock and options	--	(357,800)
Allowance for doubtful receivables	289,382	56,550
Depreciation and amortization	143,904	107,606
Loss on sale of equipment	6,385	--
Changes in operating assets and liabilities:		
Accounts receivable and other current assets	(446,180)	(937,970)
Accounts payable and accrued expenses	1,307,254	1,988,450
Accrued payroll and related taxes	(49,222)	514,280
Deferred income	(3,071)	18,172
Net cash provided by/(used in) operating activities	431,006	(62,798)
Cash Flows From Investing Activities:		
Purchases of property and equipment	(141,376)	(16,047)
Proceeds from sale of equipment	1,125	--
Notes receivable	--	(100,000)
Advances to stockholder	--	(75,766)
Net cash used in investing activities	(140,251)	(191,813)
Cash Flows From Financing Activities:		
Prepayment of registration statement costs	(138,164)	--
Principal payments under capital lease	(62,978)	(79,970)
Proceeds from exercise of stock options	100	--
Principal borrowings on notes payable to stockholder	--	234,561
Net cash provided by/(used in) financing activities	(201,042)	154,591
Net increase/(decrease) in cash and cash equivalents	89,713	(100,020)
Cash and cash equivalents at beginning of period	219,878	231,336
Cash and cash equivalents at end of period	\$ 309,591	\$ 131,316
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	\$ <u>156,343</u>	\$ <u>69,499</u>
Income taxes	\$ <u>11,622</u>	\$ <u>4,254</u>

Independent Auditors' Report

To the Board of Directors and Shareholders of
GTC Telecom Corp.

We have audited the accompanying consolidated balance sheet of GTC Telecom Corp. (the "Company") and subsidiaries as of June 30, 2001 and the related consolidated statements of operations, stockholders' deficit and cash flows for each of the years in the two-year period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of GTC Telecom Corp. at June 30, 2001 and the consolidated results of their operations and their cash flows for each of the years in the two-year period then ended, in conformity with accounting principles generally accepted in the United States.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As disclosed in Note 1, the Company has incurred operating losses in the last two years, and has a working capital deficit of \$5,522,587, liabilities from the underpayment of payroll taxes and contingent liabilities from cancelled contracts, and a stockholders' deficit of \$5,280,267 at June 30, 2001. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are described in Note 1. The consolidated financial statements do not include any adjustments that may result from the outcome of this uncertainty.

/s/ CORBIN & WERTZ

Irvine, California
July 27, 2001

GTC TELECOM CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

	June 30, 2001
ASSETS	
Cash	\$ 219,878
Accounts receivable, net of allowance for doubtful accounts of \$210,518	1,514,972
Deposits	77,426
Related party note receivable	100,000
Prepaid expenses	23,449
Total current assets	<u>1,935,725</u>
Property and equipment, net of accumulated depreciation of \$377,523	222,584
Other assets	<u>19,736</u>
Total assets	<u>\$ 2,178,045</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Current liabilities:	
Accounts payable and accrued expenses	5,675,073
Accrued payroll and related taxes	1,644,228
Obligation under capital lease	88,124
Deferred income	50,887
Total current liabilities	<u>7,458,312</u>
Commitments and contingencies	
Stockholders' deficit:	
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none issued and outstanding	--
Common stock, \$0.001 par value; 50,000,000 shares authorized; 20,371,622 shares issued and outstanding	20,372
Additional paid-in-capital	8,667,479
Note receivable officer	(60,306)
Accumulated deficit	(13,907,812)
Total stockholders' deficit	<u>(5,280,267)</u>
Total liabilities and stockholders' deficit	<u>\$ 2,178,045</u>

See independent auditors' report and
 accompanying notes to consolidated financial statements.

GTC TELECOM CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended June 30,	
	2001	2000
Revenues:		
Telecommunications	\$ 13,867,163	\$ 4,654,922
Internet services	97,381	41,165
Total revenues	13,964,544	4,696,087
Cost of sales:		
Telecommunications	7,888,648	3,755,698
Internet services	77,134	276,889
Total cost of sales	7,965,782	4,032,587
Gross profit	5,998,762	663,500
Selling, general, and administrative expenses	8,317,686	7,696,832
Operating loss	(2,318,924)	(7,033,332)
Interest expense, net	(504,901)	(142,441)
Loss before provision for income taxes	(2,823,825)	(7,175,773)
Provision for income taxes	8,433	5,218
Net loss	\$ (2,832,258)	\$ (7,180,991)
Net loss available to common shareholders per common share	\$ (0.14)	\$ (0.42)
Basic and diluted weighted average common shares outstanding	20,031,313	17,105,139

See independent auditors' report and
 accompanying notes to consolidated financial statements.

GTC TELECOM CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
For the Two-Year Period Ended June 30, 2001

	<u>Common Stock</u>		<u>Additional</u>	<u>Note</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid-in</u>	<u>Receivable</u>	<u>Deficit</u>	<u>Stockholders'</u>
			<u>Capital</u>	<u>Officer</u>		<u>Deficit</u>
Balance at June 30, 1999	15,286,824	\$15,287	\$3,452,282	\$--	\$(3,894,563)	\$(426,994)
Issuance of common stock pursuant to private placements, net of offering costs of \$288,395	2,825,000	2,825	2,533,780	--	--	2,536,605
Sale of common stock for cash	250,000	250	249,750	--	--	250,000
Estimated fair market value of stock issued for services rendered	1,175,720	1,176	2,009,798	--	--	2,010,974
Estimated fair market value of options granted to consultants for services rendered	--	--	157,800	--	--	157,800
Estimated fair market value of options granted to directors and employees for compensation	--	--	121,790	--	--	121,790
Cashless exercise of stock options	375,000	375	71,875	--	--	72,250
Issuance of restricted common stock for conversion of note payable	55,000	55	54,945	--	--	55,000
Advances to officer, net	--	--	--	(71,351)	--	(71,351)
Net loss	--	--	--	--	(7,180,991)	(7,180,991)
Balance at June 30, 2000	19,967,544	19,968	8,652,020	\$(71,351)	(11,075,554)	(2,474,917)

See independent auditors' report and accompanying notes to consolidated financial statements.

GTC TELECOM CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
For the Two-Year Period Ended June 30, 2001

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Note Receivable Officer</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Deficit</u>
	<u>Shares</u>	<u>Amount</u>				
Estimated fair market value of stock issued for services rendered	150,000	150	54,580	--	--	54,730
Estimated fair market value of options granted to consultants for services rendered	--	--	53,833	--	--	53,833
Estimated fair market value of options granted to directors and employees for compensation	--	--	140,100	--	--	140,100
Cancellation of previously issued stock and options	(56,637)	(57)	(357,743)	--	--	(357,800)
Issuance of restricted common stock for conversion of notes payable	310,715	311	124,689	--	--	125,000
Advances to officer, net	--	--	--	11,045	--	11,045
Net loss	--	--	--	--	(2,832,258)	(2,832,258)
Balance at June 30, 2001	20,371,622	\$20,372	\$8,667,479	\$(60,306)	\$(13,907,812)	\$(5,280,267)

See independent auditors' report and
accompanying notes to consolidated financial statements.

GTC TELECOM CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended June 30,	
	2001	2000
Cash Flows From Operating Activities:		
Net loss	\$ (2,832,258)	\$ (7,180,991)
Adjustments to reconcile net loss to net cash provided by/(used in) operating activities:		
Estimated fair market value of options granted to directors and employees for compensation	140,100	121,790
Estimated fair market value of warrants granted in connection with notes payable	13,500	--
Estimated fair market value of options and warrants granted to consultants for services rendered	40,333	157,800
Estimated fair market value of stock issued for services	54,730	2,010,974
Cancellation of previously issued stock and options	(357,800)	--
Increase in allowance for doubtful accounts	312,201	475,241
Interest accrued on debt converted	--	5,000
Depreciation and amortization	220,390	173,946
Changes in operating assets and liabilities:		
Accounts receivable and other current assets	(1,164,896)	(1,241,749)
Accounts payable and accrued expenses	3,062,738	2,014,343
Accrued payroll and related taxes	770,015	778,955
Deferred income	(60,582)	98,987
Net cash provided by/(used in) operating activities	198,471	(2,585,704)
Cash Flows From Investing Activities:		
Purchases of property and equipment	(46,109)	(156,686)
Loan to related party under note receivable	(100,000)	(22,500)
Advances to officer, net	11,045	(71,351)
Deposits	101,564	150,000
Net cash used in investing activities	(33,500)	(100,537)
Cash Flows From Financing Activities:		
Principal borrowings on notes payable to stockholders	225,000	48,500
Principal repayments on notes payable to stockholders	(273,500)	--
Principal borrowings on notes payable	--	310,000
Principal repayments on notes payable	(36,790)	(213,396)
Proceeds from sale of stock, net of offering costs of \$288,395	--	2,786,605
Principal repayments under capital lease obligations	(91,139)	(14,632)
Net cash provided by/(used in) financing activities	(176,429)	2,917,077
Net increase/(decrease) in cash	(11,458)	230,836
Cash at beginning of period	231,336	500
Cash at end of period	\$219,878	\$231,336

See independent auditors' report and accompanying notes to consolidated financial statements.

ATTACHMENT K
Certificate of Service

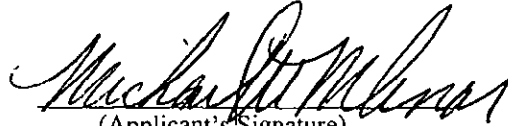
CERTIFICATE OF SERVICE

The undersigned hereby certifies that I have this day served a copy of

The Application of GTC Telecom for Approval to Offer,
Render, Furnish or Supply Telecommunications Services
to the Public in the Commonwealth of Pennsylvania

upon the parties on the attached Service List, by mailing such copy of the filing by first class mail, postage prepaid.

Dated at Greeley, Colorado this 13th day of May, 2002.


(Applicant's Signature)

Michael W. Mlinar
Consultant for GTC Telecom
3107 52nd Avenue
Greeley, CO 80634

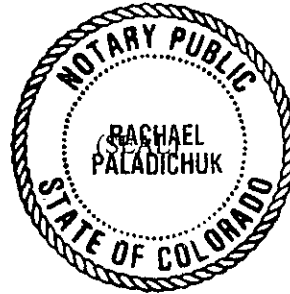
Phone & Fax: (970) 506-4041

SUBSCRIBED AND SWORN BEFORE ME THIS

13th DAY OF May, 2002.


(NOTARY PUBLIC)

MY COMMISSION EXPIRES 4-3-2005



SERVICE LIST

**Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101**

**Office of the Attorney General
Office of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120**

**Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101-1923**

**Verizon of Pennsylvania
Attn: Mr. Daniel Whelan
1717 Arch Street, 17th Floor
Philadelphia, PA 19103**

ATTACHMENT L
Pro Forma Financials

**FCC Table 9.5
TRENDS IN TELECOMMUNICATIONS SERVICES**

**End-User Lines Served by Reporting LECs
(As of June 30, 2000)**

<u>State</u>	<u>ILECs</u>	<u>CLECs</u>	<u>Total</u>	<u>CLEC Share</u>
Pennsylvania	8,200,347	671,437	8,871,784	8%


GTC PROJECTIONS - TWO YEARS

	<u>Target Penetration</u>	<u>Ave. Rev./Line/Mo.*</u>	<u>Annualized</u>	<u>Cost of Good Sold**</u>	<u>Gross Revenue</u>	<u>S, G & A</u>	<u>EBIDTA</u>
	0.0500%	\$34.50	12	73%		18%	
	<u>Annual Growth Rate</u>						
	23%						
Year 1***	4,436	\$153,038.27	\$1,836,459.29	\$1,340,615.28	\$495,844	\$330,563	\$165,281
Year 2	5,456	\$188,237.08	\$2,258,844.92	\$1,648,956.79	\$609,888	\$406,592	\$203,296

NOTES

- * Includes Revenue from all local services.
- ** Based on 17% Discount from Non-facilities Resale Tariff of Underlying Carrier.
- *** After 6 month ramp-up.

COMMONWEALTH OF PENNSYLVANIA

DATE: MAY 24, 2002
SUBJECT: A-310810 F0002
TO: Bureau of Fixed Utility Services
FROM:  James J. McNulty, Secretary

DOCUMENT
FOLDER

Application of GTC Telecom, Inc.

We attach hereto a copy of the Application of GTC Telecom, Inc. for approval to provide telecommunications services as a Competitive Local Exchange Carrier docketed at A-310810 F0002 to the public in the Commonwealth of Pennsylvania, which has been captioned and docketed to the above number.

The Protest period for this application will expire on June 4, 2002.

This matter is being referred to your Bureau to schedule it for consideration by the Commission at Public Meeting.

jih

Attachment

DOCKETED
MAY 24 2002

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

DOCUMENT
FOLDER

IN REPLY PLEASE
REFER TO OUR FILE
A-310810 F0002

May 24, 2002

MICHAEL W. MLINAR
COMMUNICATIONS CONSULTING SERVICES
3157 32ND AVENUE
GREELEY CO 80634

DOCKETED
MAY 24 2002

Dear Sir/Madam:

Please be advised that the Application of GTC Telecom, Inc.. to provide telecommunications services as a Competitive Local Exchange Carrier docketed at A-310810 F0002 to the public in the Commonwealth of Pennsylvania, has been reviewed and found to be in compliance with the filing requirements of the Commission's Opinion and Order entered June 3, 1996, at Docket Number M-00960799.

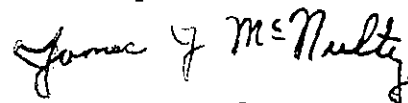
The protest period for this application will expire on June 4, 2002.

This matter is being referred to the Bureau of Fixed Utility Services to schedule it for consideration by the Commission at Public Meeting.

Please be advised that you now have provisional authority to do business in Pennsylvania.

Should you have any further questions concerning this matter, please do not hesitate to contact me.

Sincerely,



James J. McNulty
Secretary

JJM:jih

PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIPT

The addressee named here has paid the PA P.U.C. for the following bill:

MICHAEL W. MLINAR
3107 - 52ND AVE.
GREELEY, CO 80634

DATE 5/24/02
RECEIPT # 199811

IN RE: Application fees for GTC TELECOM, INC.

Docket Number A-310810F0002..... \$250.00

REVENUE ACCOUNT: 001780-017601-102

CHECK NUMBER: 1398
CHECK AMOUNT: \$250.00

C. Joseph Meisinger
(for Department of Revenue)

DOCUMENT
FOLDER

DOCKETED
MAY 29 2002