

NationNet Communications Corporation
35 Carriage House Drive # 3
Jackson, TN 38305

REC'D TN
REGULATORY AUTH.

*01 MAY 32 PM 12 50

RE: NationNet Communications Corporation (Docket No. 01-00447)

OFFICE OF THE
EXECUTIVE SECRETARY

Corporate Structure Information:

1. Has the applicant had any corporate structural changes in the last three years such as name changes, mergers, and acquisitions?
 - A. No. NationNet Communications Corporation incorporated in the State of Tennessee under the NationNet name but the Secretary of State fee was paid with a Telgenics check. As is their policy, they put the name that is on the check on the corporation papers. We have changed the account on the checks to say NationNet but are still using Telgenics checks until the NationNet checks come in.
2. Provide an organization chart that includes the parent and any corporate affiliates.
 - A. Organization chart and corporate structure chart are attached.

Financial Requirements:

1. Does the current financial statements and projected financial statements contain any amounts that include reciprocal compensation relating to the termination of Internet service provider ("ISP") traffic?
 - A. No. NationNet Communications Corporations financial projection does not include any income from reciprocal relating to termination of internet services providers.
2. Capital expenditures budget for the next three years, which may include the following:
 - a) Equipment to be deployed.
 - A. Synernet is NationNet's vendor. They will supply and deploy an voice over IP Network (VOIP) for NationNet over the next 3 yrs.
 - b) Cost of the equipment.
 - A. The Cost of the equipment is attached with the Equipment List and Configuration Request.
 - c) Sources for funding the Tennessee network, equipment, UNEs: Cash, loan commitments, vendor credits, letters of credit, etc.
 - A. NationNet Communications Corporation will be financed by Synernet and operations generated by the interstate operations by the State of Tennessee as well as corporate partner commitments.

Small and Minority-Owned Telecommunications Business Participation Plan:

1. Programs for technical assistance.

- A. NationNet Communications Corporation acknowledges to contribute its share to the fund established by the Department of Economic and Community Development in accordance with Section 17 of Chapter 408 of the Public acts of 1995 (the "Act") for the purpose of funding the Small and Minority Owned Telecommunications Business Assistance Program which provides for loan guarantees, technical assistance and services, and consulting education services.

Plan Administration

In conducting its business affairs in Tennessee, NationNet will appoint one of its employees as the Administrator of the Small and Minority Owned Telecommunications Business Participation Plan. The Administrator will be responsible for obtaining and utilizing available resources for identifying Small and Minority Owned Telecommunications Business interested and qualified in furnishing goods and services to NationNet and to cultivate an awareness among such businesses as to any opportunities to develop business relations with NationNet. The Administrator will also serve as a resource for technical assistance to Small and Minority Owned Telecommunications Businesses and will refer such businesses to sources of information and other technical assistance.

The duties of the Administrator are, among other things:

1. To develop policies and procedures to assure success of the Plan.
2. To maintain a current Plan acceptable to the Tennessee Regulatory Authority.
3. To conduct certification surveys as to the status of suppliers.
4. To establish and maintain a database and records in support of the Plan pursuant to the requirements of the Tennessee Regulatory Authority.
5. To search diligently for qualified small and minority owned telecommunications businesses and concerns through:
 - a. The Small Business Administration's Procurement Automated Source System (PASS), and publications of the Office of Minority Business Data Center in the Department of Commerce and the Office of Minority Small Business and Capital Ownership Development in the Small Business Administration.
 - b. Local and national associations and Minority Suppliers Development councils.
 - c. Participation in trade fairs and industry meetings.
6. To prepare and submit forms and information as may be required by the Tennessee Regulatory Authority.
7. Maintain liaison and cooperation with the Tennessee Regulatory Authority, and other agencies of the state of Tennessee to find and utilize qualifying the business concerns defined herein.
8. To support activities for assisting buyers in locating and qualifying the business concerns defined herein.
9. To provide required records and reports to cooperate in any authorized surveys by the Tennessee Regulatory Authority.

TRA Rules for Local Telecommunications Providers:

Applicant should service notice of its application on the following incumbent local exchange telephone companies in Tennessee.

1. Citizens Communications Company of Tennessee @ P.O. Box 770, 300 Bland Street, Bluefield, WV 24701.
 - A. NationNet Communications Corporation has sent notification to this company.
2. Citizens Communications Company of the Volunteer State, PO Box 770, 300 Bland Street, Bluefield, WV 24701.
 - A. NationNet Communications Corporation has sent notification to this company.
3. Century Telephone of Ooltewah-Collegedale, Inc. PO Box 782, 5616 Main Street, Ooltewah, TN 37363.
 - A. NationNet Communications has sent notification to this company.

NNC GLOBAL PREPAID SERVICES

We're excited and think you will be too, once you learn more about the creative programs and opportunities we're developing for our distribution partners. Nationnet is literally reinventing the prepaid industry and we'd like to share our vision and opportunity with you. NationNet thinks "outside the box" when it comes to our products, marketing, technology and partners. We invite you to join us today!

NationNet Communications Corporation is an ICP (Integrated Communications Provider) offering wholesale prepaid local dial tone, long distance calling cards, wireless, paging and internet services including web design, hosting and e-commerce solutions.

NationNet offers a full suite of prepaid products and services on the wholesale level to major distributors throughout the United States. Our focus is on providing a single stop solution for our customers. Through our domestic and international relationships we are able to leverage the purchasing power of many of the largest distribution channels through a single group purchasing alliance. We are seeking partners to join NationNet on all levels and invite you to contact us today.

NationNet Products & Services

Prepaid Long Distance-NationNet offers the most competitive decks in the industry and can custom design a domestic or international card to your exact specifications.

Prepaid Local Dialtone-Our experience in the local dialtone market is unmatched. We are able to provide postpaid and prepaid local services to business and residential customers nationwide.

Prepaid Cellular-The hottest part of the prepaid industry today, growing fast and we can provide immediate coverage to 97% of the U.S.

Prepaid Internet-With over 1,000 POP's nationwide, NationNet offers among the most complete coverage footprints in the industry. Our international alliances can provide you with a truly global presence.

Prepaid Unlimited Long Distance-A true unlimited flat-rate product using 100% fiber optic lines. For one flat rate, customers can make unlimited domestic long distance 24/7 calls to anywhere in the United States.

Prepaid Point of Sale Activation-NationNet is the acknowledged leader in POSA, offering the first and only turn-key "single source" for all prepaid services. Our experience and innovation is your best partner for success in the expanding POSA industry. We can work with any existing activation system or can offer you a turn-key solution to utilizing proven and tested systems.

EXECUTIVE TEAM

Ralph Monroe
President & CEO

Amy Marcella
Treasurer

Gail Sharp
Secretary

Tina Nieves
Marketing
Manager

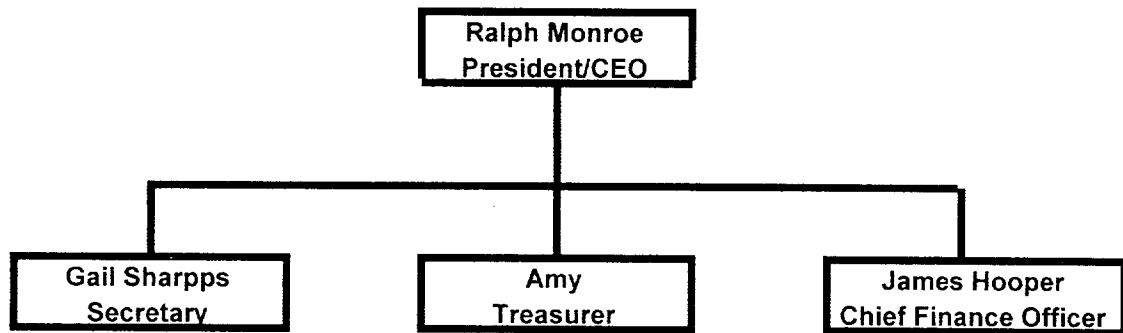
Candy Parrish
Accounting Mgr.

James Hooper
Chief Finance
Officer

NationNet is a service of Telgenics

"Prepaid Communication Services is for everyone"

Corporate Structure for NationNet Communication Communications



Equipment List and Configuration Request

May 25, 2001

To: Ralph Monroe
 From: Phil Shearin
 RE: Equipment Listing and Configuration

Notes to quotation:

(i) Unless otherwise stated, all orders shipped within the State of Florida require sales tax at the prevailing rate of the county to which the order is shipped, unless a sales tax exemption form has been completed by customer, and received by Synergix.net.

(ii) Synergix charges a 25% restocking fee for any order or portion of order that is cancelled after customer has issued a Purchase Order to Synergix.

(iii) With this accepted quotation, all orders are shipped FOB from Synergix.net and will **assume a waiver of insurance** unless other arrangements have been previously requested and acknowledged and shipping insurance premiums are separately line-item quoted within this quotation. **This means that the customer is responsible for the equipment as it leaves the Synergix.net premises.**

(iv) When equipment is shipped to customer via Fedex, the signed Fedex delivery receipt will be evidence of equipment acceptance by customer.

Line Item	Part ID	Part Description	QTY	Customer Unit Price	Customer Extended Price
1		Arelnet Gateways			
2	ITP-02	Basic i-Tone Prime GW with 2 Trunks (E1/T1)	1	\$ 23,800.00	\$ 23,800.00
3	ITPTRU-02	i-Tone Prime 2 Trunk Interface (E1/T1)	9	\$ 10,200.00	\$ 91,800.00
4	ITPSCPU	i-Tone Prime Spare/Redundant CPU Board	1	\$ 7,225.00	\$ 7,225.00
5	ITPSPS	i-Tone Prime Spare/Redundant Power Supply	1	\$ 722.50	\$ 722.50
6	ITP-SNT	i-Tone Prime SmartNet Maintenance Package 8x5xNBD	1	\$ 725.00	\$
725.00					
7		Arelnet Gatekeepers			
8	ITPGK-B	i-Tone Prime Gatekeeper; includes license for up to 10 E1/T1; Includes Industrial PC	1		
\$11,950.00		\$11,950.00			
9	ITPGK-SW	i-Tone Prime Gatekeeper SW; includes license for up to 10 E1/T1; no hardware	N/A		
N/A		N/A			
10	ITPGK-L	Additional GK SW license (for each additional T1/E1)	14	\$ 930.75	
\$13,030.50					
11		Arelnet Network Management Services			
12	ITPNMS-C	NMS Client	1	N/C	N/C
13	ITPNMS-SB	NMS Server; includes Industrial PC and SQL; Includes License for up to 10 E1/T1			
1		\$23,450.00			
14	ITPNMS-SW	NMS Server - software only; Includes License for up to 10 E1/T1	1		N/A
N/A					
15	ITPNMS-U30	NMS Upgrade: NMS Server to support 20 additional E1/T1	1		\$11,650.00
\$11,650.00					

21	Cisco Equipment				
22	WS-C2924-XL-EN	24-port 10/100 Switch (Enterprise Edition)	1	\$ 1,496.25	\$
1,496.25					
23	CON-SNT-PKG2	Packaged SMARTnet -- Category 2	1	\$ 135.00	\$ 135.00
24					
25	CISCO7206VXR/300	7206VXR Bundle with NPE-300 and I/O Controller with FE	1		\$
12,750.00					
26	MEM-SD-NPE-256MB=	Cisco 7200VXR NPE 256 MB SDRAM, Upgrade kit	1		\$
3,600.00					
27	PA-H=	Port Adapter: 1-Port HSSI	1	\$ 4,500.00	\$ 4,500.00
28	CAB-HS1=	HSSI Cable, Male-to-Male Connectors, 10 Feet	1	\$ 75.00	\$
75.00					
29	PA-2FE-TX=	2-Port Fast Ethernet 100Base TX Port Adapter	1	\$ 2,850.00	\$
2,850.00					
30	PA-MC-4T1	4 port multichannel T1 port adapter with integrated CSU/DSUs	1		\$
5,437.50					
31	CAB-V35MT=	Male DTE V.35 10 foot cable	1	\$ 75.00	\$ 75.00
32	CON-SNT-PKG14	Packaged SMARTnet -- Category 14	1	\$ 2,900.00	\$ 2,900.00
33	Engineering				
34	Staging / Configuration				
35		Ongoing Project Management and Coordination	9	\$ 175.00	\$ 1,575.00
36		Gateway configuration, IP addressing, dialplans, access lists,	14	\$	\$ 210.00
	\$ 2,940.00				
37		voice codecs, IVR, radius reporting			
38		Configure T1/PRI interfaces	20	\$ 800.00	\$ 16,000.00
39					
40	SGYX-PKG2-ITPRIME	Support.net 8 x 5 x 2 M-F for Arelnet ITPRIME	1		\$4,375.00
\$ 4,375.00					
41	SGYX-PKG2-7206	Support.net 8 x 5 x 2 M-F for Cisco 7206 Series	1	\$6,375.00	\$
6,375.00					
42					
43		Shipping	6	\$ 40.60	\$ 243.60
44		Equipment SubTotal			\$249,680.35

This equipment list and configuration request is accepted by _____ Date: _____

Printed Name and Title: _____