Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
PENDLETON C. WAUGH,	)	EB Docket No. 07-147
CHARLES M. AUSTIN, and	)	File No. EB-06-IH-2112
JAY R. BISHOP	)	NAL/Acct. No. 200732080025
	)	
PREFERRED COMMUNICATION SYSTEMS, INC.	)	FRN No. 0003769049*
	)	
Licensee of Various Site-by-Site Licenses	)	
in the Specialized Mobile Radio Service.	)	
	)	
PREFERRED ACQUISITIONS, INC.	)	
	)	FRN No. 0003786183*
Licensee of Various Economic Area Licenses in the 800	)	
MHz Specialized Mobile Radio Service	)	

PREFERRED COMMUNICATION SYSTEM, INC.'S FURTHER RESPONSES TO THE ENFORCEMENT BUREAU'S FIRST SET OF WRITTEN INTERROGATORIES

Preferred Communication Systems, Inc. ("PCSI"), by its attorneys, and as directed in the Presiding Judge's *Memorandum Opinion and Order* (FCC 08M-35; rel. July 2, 2008) ("*MO&O*") in the captioned matter, hereby provides these further responses to the *Enforcement Bureau's First Interrogatories to Communication Systems, Inc.*

PCSI's responses to the Bureau's interrogatories were served on December 17, 2007. The Bureau filed a motion to compel on February 19, 2008, and a second motion to compel on April 15, 2008. In response to the motions to compel, the Presiding Judge directed PCSI to answer or to supplement or clarify its answer to the following: Interrogatory Numbers 3 (*MO&O* ¶ 8); 6 (*id.* ¶ 8); 8 (*id.* ¶ 10); 26, 65, 66 & 77 (*id.* ¶ 11); 37, 38 & 39 (MO&O ¶ 12); 69 & 70 (*id.* ¶ 14); and 72-74 & 76 (*id.* ¶ 15);. The further responses are set forth below in sequence based on the original interrogatory numbers, and are in addition to a cumulative of the prior responses.

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* The FRNs listed in the caption are incorrect. They appear to be duplicates that have never been used for licensing. The licenses and applications of Preferred Communication Systems, Inc., are associated with the FRN 0003944097, and the, and licenses and applications of Preferred Acquisitions, Inc., are associated with the FRN 0004675617.

3. *List all stock certificates PCSI has prepared and/or issued since its inception. For each such stock certificate:*
   a. *Identify the person or entity to which the stock certificate was prepared or issued;*
   b. *specify the amount and class of stock shares;*
   c. *specify the date that the stock certificate was prepared and, if also issued, the date that the stock certificate was issued;*
   d. *if the stock certificate was prepared, but not issued, explain fully why it was not issued and Identify the persons who were involved in making the decision not to issue the stock certificate.*

Further Answer: To the extent PCSI has records of the requested information it is contained in the corporate documents previously or to be produced. In addition, Tables 3.1 and 3.2, appended hereto, are documents prepared by Austin, PCSI's principal, attempting to summarize the information available to PCSI that is responsive to this interrogatory.

6. *State whether PCSI has filed federal income tax returns for each year between January 1, 1998, and the present. If not, explain fully why not.*

Further Answer: As a start-up company that is still in the implementation mode, PCSI has not had profits and therefore has no tax liability for the years in question. Due to lack of sufficient funds and personnel, PCSI was unable to prepare and did not file tax returns for the specified years. PCSI has recently retained an accountant to review the situation and bring PCSI current for any filings required during the specified period, and copies of any returns filed in the course of that project will be provided to the Bureau when they become available.

8. *With respect to Station WPFG598 (Aguada, PR):*
   a. *State whether PCSI holds the license for this Station;*
   b. *State whether PCSI has completed construction of the facilities for this license. If not, explain fully the reasons why PCSI has not completed construction of the facilities for this license;*
   c. *State whether PCSI has operated this license continuously since December 2005. If not, specify the date(s) on which PCSI discontinued operations for this license for more than one year.*

Further Answer: See the Further Answers to Interrogatory Nos. 65 & 66, below.

26. *Identify all current and former employees of PCSI during the period from January 1, 1998, to the present. As to each such person:*
    a. *Specify his or her title, position held, job responsibilities, and dates of service in such title and/or position held; and*
    b. *If the person no longer is an employee of PCSI, specify the date and reason the person left the employment of PCSI.*

Further Answer: The requested information is set forth in Table 26, below.

Table 26 – PCIS Employees
(in response to Interrogatory No. 26)

Employee Name	Position	Start	End	Address	Telephone
Austin, Charles M.	President & CEO	Jan-98	n/a	6911 Highway 161; Irving TX 75039	214-325-1646
Brass, Charles	Inv. Relations Rep	Apr-06	June-06	10601 Tierra Santo Bl; San Diego CA 72124	858-395-0947
Bishop, Michelle	Sec. & Treasurer	Jan-98	May-01		760-601-4990
Cocks, Ronald A.	Marketing Director	Sept-05	July-06	3995 Shereborne Drive; Oceanside CA 92056	760-941-5687
D'Amato, Rachele L.	Office Manager	May-05	Mar-07	640 Maybritt Circle; San Marcus CA 92069	760-736-4556
Estrada, Robert R.	Office Manager	May-05	July-07	948 Chardonney Way; Escondido CA 92029	760-741-0022
Flanders, Linda P. (Lynn)	Office Manager	June-05	Apr-06	3340 Garfield Street; Carlsbad CA 92008	760-434-0963
Fournier, Jeanna A.	Admin. Assistant	June-05	July-05	1842 Hawk View Drive; Encinitas CA 92024	760-753-7550
Fournier, Shera E	Admin. Assistant	June-05	Aug-05	1842 Hawk View Drive; Encinitas CA 92024	760-519-5465
Franco (Hassebrock), Talia	Admin. Assistant	Aug-05	Aug-06	7556 Gibraltar Street #208; Carlsbad CA 92009	937-515-7527
Huston, Rosemary	Admin. Assistant	Aug-05	Aug-05	29115 K Valley Ctr Rd #183; Valley Center CA 92082	760-749-0097
Kosek, Rachel A.	Admin. Assistant	June-05	May-06	944 Camellia Street; Escondido CA 92207	760-740-6810
Manfredi, Frank	Inv. Relations Rep	Apr-06	June-06	632 Salt Grass Ave.; Carlsbad, CA 92001	760-918-1831
McClain, Linda A.	Sec. & Treasurer	May-01	n/a	4263 Towne Lake Court; Irving TX 75061	972-816-1155
Roller-Reese, Terri L.	Admin. Assistant	Aug-05	Feb-06	1337 North Broadway #4; Escondido, CA 92026	760-489-7817

37. *Identify all individual(s) that have ever prepared Documents containing the phrase "action items" on behalf of PCSI. Provide a general explanation of the content of each such Document.*

Further Answer: To the best of PCSI's knowledge and recollection, the term "action items" was used by Waugh in connection with various to-do lists and informal notes that he generated from time to time in the course of his activities as a consultant to PCSI. These documents were not generated by PCSI and have not official status as PCSI documents. Some of these were apparently in the documents already produced to the Commission, either in response to the pre-designation letters of inquiry or in post-designation document productions. PCSI is not aware that it is in possession of any other such documents, it would be impossible for PCSI to so state with absolute certainty. These are informal, unofficial, and personal working papers of Waugh, to the extent any such documents were retained by and in the possession of PCSI, they are not filed or

sorted by reference to any notation of "action items." Thus, short of examining each and every individual sheet of paper in its possession, PCSI is not able to provide any further such documents, nor is it able to say much more about them. Insofar as these documents were generated by Waugh, who is a party to this proceeding, it is respectfully suggested that any further inquiry on this matter be directed to him. Should the commission have any specific questions about any particular such document, however, PCSI will do its best to respond based on its personal knowledge and recollection.

38. *State whether Pendleton C. Waugh has ever prepared Documents containing the phrase "action items" on behalf of PCSI. If so, explain fully such participation.*

Further Answer: PCSI incorporates herein by this reference the Further Answer to Interrogatory No. 37, above.

39. *Identify all individual(s) that have ever prepared, or assisted in preparing, correspondence or other materials to investors on behalf of PCSI. Provide a general explanation of the content of each such Document.*

Further Answer: Among Waugh's duties as a consultant to PCSI was to assist it in raising the funds necessary to acquire, construct, and operate the site-based SMR licenses and to participate, through PAI, in the auction for geographic SMR licenses. In that capacity Waugh did from time to time prepare or assist in the preparation of information for presentation to existing and potential investors, but always under the supervision of, as directed by, and subject to the final and ultimate approval of Austin. See, also, the Response to Interrogatory No. 40.

65. *State whether PCSI has met all construction deadlines applicable to its licenses. If so, state when it met each deadline for each license, and submit any supporting Documents. If not, list the licenses for which PCSI has not met applicable construction deadlines, explain fully why PCSI did not meet applicable construction deadlines, and provide copies of any Documents concerning PCSI's failure to meet such construction deadlines.*

Further Answer: PCSI timely constructed each of its licensed facilities. In addition to any documents produced in connection with its responses to the pre-

designation letters of inquiry or post-designation document production requests, Schedule 65 attached hereto are copies of documents particularly pertinent to the construction of PCSI's facilities. See, also, the Further Answer to Interrogatory No. 66, below.

66. *State the date on which PCSI acquired each of its licenses. As to each license, state whether PCSI has been operating such license since the date PCSI acquired it. If so, specify dates of operation as to each license.*

Further Answer: Table 66, on the following page, sets forth information responsive to this interrogatory. The date on which each of PCSI's licenses was actually issued by the FCC is a matter of Commission record. Table 26 does, however, show the date of the contract pursuant to which each licenses was acquired. It also sets forth the construction deadline and the construction completion date for each license. PCSI continuously operated these facilities until at least 2003. PCSI cannot recall the precise dates as to each station, but the facilities went dark during the period from 2003 to 2005.

69. *Provide a complete list of, and Identify, all customers of PCSI's wireless network or services from 1998 to the present.*

Further Answer: PCSI's wireless customers were Telecinco, Inc.; Bestov Broadcasting; and Tower Top Investments.

70. *Provide the buildout date for al1licenses held by PCSI. If the buildout dates were not met, explain fully why not.*

Further Answer: See the Further Answers to Interrogatory Nos. 65 & 66 and Table 66, below.

72. *State whether all statements in PCSI' s responses to the Enforcement Bureau's June 30, 2006, and December 27, 2006, letters of inquiry were accurate when submitted to the Commission. If not, explain fully why not.*

Further Answer: To the best of PCSI's knowledge and recollection the answers were correct when submitted.

Table 66 – PCSI License Acquisition& Construction Dates

Call Sign	Contract Date	Build-Out Deadline	Construction Completed
WPDU206	01/31/99	12/28/98	12/28/98
WPDU210	03/13/98	12/28/98	12/28/98
WPDU218	11/23/98	12/28/98	12/28/98
WPDU222	06/04/98	12/28/98	12/28/98
WPDU263	03/10/98	12/28/98	12/28/98
WPDU266	11/18/98	12/28/98	12/28/98
WPDU271	01/26/98	12/28/98	12/28/98
WPDU275	05/18/98	12/28/98	12/28/98
WPDU279	03/25/98	12/28/98	12/28/98
WPDU287	10/19/98	12/28/98	12/28/98
WPEF461	02/09/98	12/28/98	12/28/98
WPEU434	11/21/98	12/28/98	12/28/98
WPEX345	01/14/98	12/28/98	12/28/98
WPEX853	10/05/99	12/28/98	12/28/98
WPEY418	06/04/99	12/28/98	12/28/98
WPEY419	02/28/98	12/28/98	12/28/98
WPEY421	05/26/98	12/28/98	12/28/98
WPEY422	09/19/98	12/28/98	12/28/98
WPEY423	06/04/98	12/28/98	12/28/98
WPEY424	01/17/98	12/28/98	12/28/98
WPEY425	06/02/98	12/28/98	12/28/98
WPEY427	12/16/98	12/28/98	12/28/98
WPEY429	12/12/98	12/28/98	12/28/98
WPEY430	06/02/98	12/28/98	12/28/98
WPEY431	11/05/98	12/28/98	12/28/98
WPEY432	03/11/99	12/28/98	12/28/98
WPEY445	11/06/98	12/28/98	12/28/98
WPEY446	11/23/98	12/28/98	12/28/98
WPEY447	03/03/98	12/28/98	12/28/98
WPEY448	06/05/98	12/28/98	12/28/98
WPEY450	06/02/98	12/28/98	12/28/98
WPEY451	03/23/98	12/28/98	12/28/98
WPEZ750	01/26/98	12/28/98	12/28/98
WPFA265	02/18/00	12/28/98	12/28/98
WPFA266	11/20/98	12/28/98	12/28/98
WPFA268	05/30/98	12/28/98	12/28/98
WPFA269	01/21/99	12/28/98	12/28/98
WPFA270	03/15/98	12/28/98	12/28/98
WPFA273	05/31/98	12/28/98	12/28/98
WPFA278	01/30/98	12/28/98	12/28/98

Call Sign	Contract Date	Build-Out Deadline	Construction Completed
WPFA280	05/30/98	12/28/98	12/28/98
WPFD607	01/25/98	12/28/98	12/28/98
WPFD808	08/18/99	12/28/98	12/28/98
WPFD809	10/15/98	12/28/98	12/28/98
WPFD810	01/20/98	12/28/98	12/28/98
WPFD811	05/14/98	12/28/98	12/28/98
WPFD812	03/30/98	12/28/98	12/28/98
WPFE472	11/23/98	12/28/98	12/28/98
WPFE934	05/26/98	12/28/98	12/28/98
WPFG589	06/04/98	12/28/98	12/28/98
WPFG598	02/10/98	12/28/98	12/27/98
WPFG599	02/10/98	12/28/98	12/28/98
WPFG663		12/28/98	12/28/98
WPFM597	11/19/98	12/28/98	12/28/98
WPFM600	01/20/98	12/28/98	12/28/98
WPFN354	11/16/98	12/28/98	12/27/98
WPFN600	11/08/98	12/28/98	12/27/98
WPFN636	02/09/98	12/28/98	12/27/98
WPFN725	03/30/98	12/28/98	12/27/98
WPFQ293	12/11/98	12/28/98	12/24/98
WPFS846	10/05/99	12/28/98	12/28/98
WPFS856	02/10/98	12/28/98	12/28/98
WPFT968	12/12/98	12/28/98	12/24/98
WPFT334	11/18/98	12/28/98	12/28/98
WPFT335	11/18/98	12/28/98	12/27/98
WPFT356	11/10/98	12/28/98	12/27/98
WPFT357	11/10/98	12/28/98	12/28/98
WPFT369	11/10/98	12/28/98	12/24/98
WPFT416	11/18/98	12/28/98	12/24/98
WPFT417	12/12/98	12/28/98	12/28/98
WPFV692	01/16/98	12/28/98	12/24/98
WPFV884	01/21/99	12/28/98	12/27/98
WPFX997	04/15/98	12/28/98	12/27/98
WPFZ805	04/17/98	12/28/98	12/27/98
WPFZ806	04/12/98	12/28/98	12/27/98
WPFZ807	04/01/98	12/28/98	12/27/98
WPFZ808	04/14/98	12/28/98	12/27/98
WPGD852	02/28/98	12/28/98	12/27/98
WPGD855	04/11/98	12/28/98	12/27/98

73. *State whether all statements in PCSI's responses to the Enforcement Bureau's June 30,2006, and December 27,2006, letters of inquiry remain accurate. If not, explain fully why not.*

Further Answer: To the best of PCSI's knowledge and recollection the answers remain correct.

74. *State whether PCSI has any materials that would supplement its responses to the Enforcement Bureau's June 30, 2006, and December 27, 2006, letters of inquiry. If so, provide such supplemental responses and/or materials, as applicable.*

Further Answer: PCSI is aware of no such materials other than those already having been or being produced, either in response to the pre-designation letters of inquiry or pursuant to post-designation discovery.

76. *With respect to PCSI's response, dated January 25,2007, to the Enforcement Bureau's second letter of inquiry:*
    a. *State whether PCSI stated in response to Inquiry 1 that "[a]s of the date of this response the remaining items need to be completed to effectuate the Raymond A. Hebrank Voting Trust: (1) initial payment of the trustee's compensation; (2) filing for the voting trust's taxpayer identification number; and (3) transfer of funds by Mr. Waugh to the voting trust that then would tender such funds to Preferred to purchase the shares to be issued to the voting trust." If so:*
        i. *Identify the individual(s) on whom PCSI relied in making that statement.*
        ii. *State whether the statement was accurate on January 25,2007.*
        iii. *State whether the statement is currently accurate. If not, explain fully why not.*
        iv. *State why Waugh did not effectuate the Raymond A. Hebrank Voting Trust.*
        v. *State the amounts of (l) the referenced "initial payment of the trustee's compensation;" (2) the referenced "funds to Preferred to purchase shares to be issued to the voting trust; (3) the value of 800,000 shares of PCSI stock on April 14,2000; and (4) the current value of 800,000 shares of PCSI stock.*
        vi. *State what funds, compensation, services, or other items of value that Waugh has tendered, or is required to tender, to PCSI in order to effectuate the Raymond A. Hebrank Voting Trust.*
        vii. *State what percentage of ownership interest and voting stock was represented by 800,000 shares at the time that the Raymond A. Hebrank Voting Trust was drafted and executed.*
    b. *State whether PCSI stated in response to Inquiry I that "Certificate C-17 was never issued, but remained on Preferred's books to be issued (with the correct name of the Trust) at such time as Mr. Waugh or Mr. Hebrank presented executed voting trust documents together with a taxpayer identification number and the voting trust tendering funds to Preferred in the appropriate amount to purchase the 800,000 shares." If so:*
        i. *Identify the individual(s) on whom PCSI relied in making that statement.*
        ii. *State whether the statement was accurate on January 25,2007.*
        iii. *State whether the statement is currently accurate. If not, explain fully why not.*
        iv. *State what funds, compensation, services, or other items of value that Waugh has tendered, or needs to tender, to PCSI in order to purchase the referenced 800,000 shares of PCSI stock.*
    c. *State whether PCSI stated in response to Inquiry 28 that "Preferred does not have in its possession a certified copy of Mr. Waugh's convictions and sentencing documents. Mr. Waugh has been requested to provide those documents to PSCI [sic.]. Mr. Waugh has contacted the clerk of courts possessing such records and*

requested that they provide certified copies on an expedited basis. Once the Company receives such certified copies, it will forward them to the Commission: If so:

i. Identify the individual(s) on whom PCSI relied in making that statement.

ii. State whether the statement was accurate on January 25. 2007.

iii. State whether the statement is currently accurate. If not, explain fully why not.

iv. State whether PCSI has provided to the Commission the requested conviction and sentencing materials for Pendleton C. Waugh. If so, explain when and to whom such records were sent. If not, explain why PCSI has not sent such Documents.

d. State whether PCSI stated in response to Inquiry 30 that "Mr. Bishop was convicted in November 2000 of federal tax evasion. The Company does no posses [sic.] copies of his conviction and sentencing records:'

i. Identify the individual(s) on whom PCSI relied in making that statement.

ii. State whether the statement was accurate on January 25,2007.

iii. State whether the statement is currently accurate. If not, explain fully why not.

iv. State whether PCSI has provided to the Commission the requested conviction and sentencing materials for Jay R. Bishop. If so, explain when and to whom such records were sent. If not, explain why PCSI has not sent such Documents.

e. State whether PCSI stated in response to Inquiry 34(b) that "Requests have been made to Mr. Waugh and Mr. Bishop for their individual tax returns. The Company will forward the documents when it is in receipt of them." If so:

i. Identify the individuates) on whom PCSI relied in making that statement.

ii. State whether the statement was accurate on January 25,2007.

iii. State whether the statement is currently accurate. If not, explain fully why not.

iv. State whether PCSI has provided to the Commission the requested individual tax records for Pendleton C. Waugh and Jay R. Bishop. If so, explain when and to whom such records were sent. If not, explain why PCSI has not sent such Documents.

f. State whether PCSI stated in response to Inquiry 34(c) that "On August 16,2005, Preferred Communication Systems, Inc. retained Whitley Penn, a Certified Public Accounting and Consulting firm, to assist in a corporate accounting and tax audit from 1998 to present and the preparation of current and past filings of corporate tax returns. The Company will forward the returns as they come available." If so:

i. Identify the individual(s) on whom PCSI relied in making that statement.

ii. State whether the statement was accurate on January 25,2007.

iii. State whether the statement is currently accurate. If not, explain fully why not.

iv. State whether PCSI has yet provided to the Commission the requested individual tax records for Pendleton C. Waugh and Jay R. Bishop. If so, explain when and to whom such records were sent. If not, explain why PCSI has not sent such Documents.

Further Answer: The following response is keyed to the sub-parts of the interrogatory:

(a) Yes.

- (i) PCSI corporate and regulatory counsel; Austin, Waugh; and Raymond A. Hebrank.
- (ii) To the best of PCSI's knowledge, yes, but this is a matter that has been and continues to be in flux, subject to further negotiation as well as FCC approval.
- (iii) A different arrangement may be made, but nothing has been definitively agreed to by the parties.
- (iv) PCSI has not specific knowledge about this.
- (v) (1) $2,000 per year. (2) $800. (3) Unknown. (4) Unknown.
- (vi) Unknown. Still subject to further negotiation and FCC approval.
- (vii) Unknown. The number was not based on a specific percentage.

(b) Yes.

- (i) PCSI corporate and regulatory counsel; Austin, Waugh; Raymond A. Hebrank, and Michelle Bishop.
- (ii) To the best of PCSI's knowledge, yes.
- (iii) See Further Answer to Interrogatory No. 76(a), above.
- (iv) See Further Answer to Interrogatory No. 76(a), above.

(c) Yes.

- (i) Austin (in reliance on his own recollection and a review of PCSI records) and Waugh.
- (ii) Yes.
- (iii) PCSI believes it to be still accurate, but in light of Waugh's statement that he had provided such documents to PCSI, a further search is being conducted and any such documents discovered will be produced.
- (iv) No, because to the best of its knowledge PCSI does not have any such documents in its possession.

(d) Yes.

- (i) Austin (in reliance on his own recollection and a review of PCSI records) and Bishop.
- (ii) Yes.
- (iii) Yes.
- (iv) No, because to the best of its knowledge PCSI does not have any such documents in its possession.

(e) Yes.

- (i) Austin.
- (ii) Yes.
- (iii) Yes.
- (iv) No, because PCSI has not received any such documents.

(f) Yes.

(i) Austin.
(ii) Yes.
(iii) The project is still underway, see Further Answer to Interrogatory No 6, above, but by a different accounting firm.
(iv) No, because PCSI has not received any such documents.

77. *State whether PCSI, or any entity controlled or operated by PCSI, is or has been involved in any litigation between January 1, 1998, and the present. If so, identify the parties, and describe the nature and status of all such litigation.*

Further Answer: The information provided in response to the pre-designation letter of inquiry is current.

Respectfully submitted,

PREFERRED COMMUNICATION SYSTEMS, INC.

By: Robert J. Keller
Law Offices of Robert J. Keller, P.C.
P.O. Box 33428
Washington, D.C. 20033-0428
Telephone: 202-223-2100
Email: rjk@telcomlaw.com

David J. Kaufman
Brown Nietert & Kaufman, Chartered
1301 Connecticut Ave. NW, Suite 450
Washington, DC 20036
Telephone: 202-887-0600
Email: david@bnkcomlaw.com

Its Attorneys

Date: July 22, 2008

Table 3.1
(Further Answer to Interrogatory No. 3)
PCSI Common Stock

Certificate #	Date Prepared	Date Issued	Explanation	Name of Stockholder	Number of Shares
C-01	3/12/1999	**N/A**	▼	**Void - Patricia M. Hewlett**	500
This stock Certificate was prepared but not issued and voided because it was the wrong date.					
C-02	3/18/1999	3/18/1999	▼	**Void - Patricia M. Hewlett**	500
The shareholder underwent a name change and requested a new certifcate be issued.					
C-02	?	3/17/1999	▲	Eldredge - Patricia Hewlett Eldredge, as Trustee under the Rev Liv Trust Agmt of Patricia Hewlett Eldredge, DTD 4-12-07	500
C-03	?	3/18/1999	▼	**Void - Lakos, Anne M.**	500
Corrected wrong date.					
C-03	?	4/12/2000		Lakos, Anne M.	500
C-04	5/1/1999	**N/A**	▼	**Void - Divya Patel**	6,000
This Stock Certificate was prepared but not issued and voided because Michelle Bishop thought incorrectly that the number of shares was wrong.					
C-05	5/1/1999	**N/A**	▼	**Void - Apurva Patel**	6,000
This Stock Certificate was prepared but not issued and voided because Michelle Bishop thought incorrectly that the number of shares was wrong.					
C-06	5/1/1999	**N/A**	▼	**Void - Sonya Patel**	6,000
This Stock Certificate was prepared but not issued and voided because Michelle Bishop thought incorrectly that the number of shares was wrong.					
C-07	5/1/1999	**N/A**	▼	**Void - Chandu S. Patel**	12,000
This Stock Certificate was prepared but not issued and voided because Michelle Bishop thought incorrectly that the number of shares was wrong.					
C-08	4/16/1999	4/16/1999		Talcott - John G. Talcott, III and/or Dorothea J. Talcott	6,250
C-09	4/1/1999	4/1/1999	▼	**Void - Clark - Glenn E. Clark & Vera M. Clark Trustees**	1,333
The shareholder underwent a name change and requested a new certifcate be issued.					
C-09	?	4/1/1999	▲	Clark - Glenn E. Clark & Vera M. Clark Trustees for Glenn & Vera Clark Trust A-A-7-30-82	1,333
C-10	?	2/10/1999		Judy, Michael D.	6,250
C-11	?	5/1/1999	▼	**Void - Chandu S. Patel**	2,667
This Stock Certificate was prepared and issued. It was later voided when it was discovered to be an incorrect amount of stock. PCSI is awaiting return of this certificate so we can replace with the correct amount of stock (12,000) The decision to issue was Michelle Bishop, the decision to void for replacement of a correct certificate was Charles Austin.					
C-12	?	5/1/1999	▼	**Void - Divya Patel**	1,333
This Stock Certificate was prepared and issued. It was later voided when it was discovered to be an incorrect amount of stock. PCSI is awaiting return of this certificate so we can replace with the correct amount of stock (6,000) The decision to issue was Michelle Bishop, the decision to void for replacement of a correct certificate was Charles Austin.					
C-13	?	5/1/1999	▼	**Void - Apurva Patel**	1,333
This Stock Certificate was prepared and issued. It was later voided when it was discovered to be an incorrect amount of stock. PCSI is awaiting return of this certificate so we can replace with the correct amount of stock (6,000) The decision to issue was Michelle Bishop, the decision to void for replacement of a correct certificate was Charles Austin.					
C-14	?	5/1/1999	▼	**Void - Sonal Patel**	1,333

Table 3.1
(Further Answer to Interrogatory No. 3)
PCSI Common Stock

Certificate #	Date Prepared	Date Issued	Explanation	Name of Stockholder	Number of Shares
This Stock Certificate was prepared and issued. It was later voided when it was discovered to be an incorrect amount of stock. PCSI is awaiting return of this certificate so we can replace with the correct amount of stock (6,000) The decision to issue was Michelle Bishop, the decision to void for replacement of a correct certificate was Charles Austin.					
C-15	?	2/16/1999		Judy, Michael D.	2,083
C-16	6/30/1999	6/30/1999		Setka, Gerald E.	195,000
Mr. Setka shows up with 205,000 shares on other sapreadsheets. We need to figure out why there is a descrpency in the number of shares. We may need to issue him another 10,000					
C-17	4/14/2000	**N/A**	▼	**Void - Raymond A. Hebrank Trustee of the Pendleton C. Waugh Voting Trust**	800,000
This Stock Certificate was prepared but not issued, based upon a meeting in Palm Springs California with Ray Hebrank, Chandu Patel, Jay Bishop and Chuck Guskey, and Charles Austin. Ray learned in the meeting that the Bishops needed to form a trust and Mr. Waugh was to complete his trust. The combined issuing of stock would constitute a change of a control filing and approval with the FCC. Mr. Hebrank wanted something to point to as evidence that the Trust would some day hold assets. Michelle prepared the following Stock Certificate as evidence, but not as a valid stock issue. 1. Ray Hebrank was never to be a shareholder, he did not purchase the stock, 2. Both Trusts needed to be completed, 3; FCC transfer of control filings and approval. The decision was made by Charles Austin					
C-18	**3/20/2001**	**3/20/2001**	▼	**Void-Setka, Gerald E.**	**3,500**
A mistake that was voided.					
C-19	**4/15/2004**	**4/15/2004**	▼	**Void - Patricia Hewlett Eldredge**	**1,238**
This stock was issued, but Mr. Hewlett was remarried and had a name change and a trust formed. This stock certificate was returned, voided and replaced with the stock certificate immediately below. The change was made at Patricia Hewlett's request and approved by Charles Austin.					
C-19	?	4/15/2004	▲	Eldredge - Patricia Hewlett Eldredge, as Trustee under the Rev Liv Trust Agmt of Patricia Hewlett Eldredge, DTD 4-12-07	1,238
C-20	**4/15/2004**	**4/15/2004**	▼	**Void - Chinuge, David W.**	**1,650**
Stock Cert C-20 was issued, voided and replaced with the one below for incorrect date. The decision was made by Linda McClain and Charles Austin					
C-20		2/10/2004		Chinuge, David W.	1,650
C-21	**06/24/99**	**N/A**	▼	**Void - Sumitra C. Patel**	**6,667**
A mistake that was voided.					
C-22	?	4/14/2000	▼	Austin, Charles M.	800,000
This one is a replacement certificate for the lost original. The date looks wrong to me. It should match with the BOD minutes.					
C-11			▼	Estate of Chandu S. Patel	12,000
C-12			▼	Divya Patel	6,000
C-13			▼	Apurva Patel	6,000
C-14			▼	Sonja Patel	6,000
Replacement Certificates are awaiting the return of the originals.					

Table 3.2
(Further Answer to Interrogatory No. 3)
PCSI Preferred Stock

Certificate #	Date Prepared	Date Issued	Explanation	Name	Number of Shares
P-01	**3/12/1999**	**N/A**	▼	**Void - Patricia M. Hewlett**	**6,667.00**
Stock Cert was prepared but not issued and voided because wrong information typed on certificate. Michelle Bishop					
P-02	**3/18/1999**	**3/18/1999**	▼	**Void - Patricia M. Hewlett**	**6,667.00**
This stock cert was prepared and issued, but Mr. Hewlett was remarried and had a name change and a trust formed. This stock certificate was returned, voided and replaced with the stock certificate immediately below (with date corrected). The changes was made at Patricia Hewlett's request and approved by Charles Austin.					
P-02	11/21/2007	3/17/1999	▲	Patricia Hewlett Eldredge, as Trustee under the RLT Agreement of Patricia Hewlett Eldredge, DTD 4-12-2007.	6,666.67
P-03	6/24/1999	5/1/1999	▼	Amide Pharmaceutical	150,000.00
This stock cert was prepared and issued. The Patel's want this stock certificate to be changed to Sumitra Patel. So in some of the documents provided to the FCC this stock is attributed to Sumitra Patel.					
P-04	**4/16/1999**	**N/A**	▼	**Void - John G. Talcott, III, and /or Dorothea J. Talcott**	**6,667**
Stock Certificate was prepared, not issued and voided because of a typo - wrong number of shares. Michelle Bishop most likely made this decision.					
P-05	4/1/1999	4/1/1999	▼	Clark - Glenn E. Clark & Vera M. Clark Trustees	6,666.67
This stock cert was prepared and issued. This cert was voided and replaced with the certs below with the a name correction					
P-05	?	4/1/1999	▲	Clark - Glenn E. Clark & Vera M. Clark Trustees for Glenn & Vera Clark Trust A-A-7-30-82	6,666.67
P-06	**4/28/1999**	**4/28/1999**	▼	**Void - Judy, Michael D.**	**3,333.33**
This stock cert was prepared and issued. This cert was voided and replaced with the certs below with the a date correction					
P-06	?	2/9/1999		Judy, Michael D.	3,333.33
P-07	4/17/1999	4/17/1999		Talcott - John G. Talcott, III and/or Dorothea J. Talcott	10,000.00
This stock cert was prepared and issued. This cert was voided and replaced with the certs below with the a date correction					
P-07	?	2/17/1999		Talcott - John G. Talcott, III and/or Dorothea J. Talcott	10,000.00
P-08	?	7/1/1999		Chinuge, David W.	6,667.00
This stock cert was prepared and issued. This cert was voided and replaced with the certs below with the a date correction					
P-08	?	6/28/1999		Chinuge, David W.	6,667.00
P-09	**4/9/1999**	**N/A**	▼	**Void - Leo Hiatrides & Diane McGaw Trust**	**6,667.00**
This stock certificate was prepared and mailed. The certificate got lost in the mail and was voided. Stock cert number P-10 is tis replacement.					
P-10	**1/10/2000**	**1/10/2000**	▼	**Void - Leo Hiatrides & Diane McGaw Trust**	**6,667.00**
This stock certificate was prepared and issued. Mr. Hiatrides requested a name change so this cert was voided and replaced with cert P-11.					
P-11	**?**	**4/11/1999**	▲	**Void - Leo Hiatrides & Diane McGaw JTw/ROS**	**6,667.00**
This stock certificate was prepared and issued. Mr. Hiatrides requested a name change so this cert was voided and replaced with a new cert P-11.					
P-11	?	4/7/1999	▲	Leo Hiatrides	6,666.67
P-10	?	12/9/2002	▼	Leo Hiatrides	2,222.22
We orders new certificates that were not pre-numbers which allows us to reuse previously voided numbers. Thefore number P-10 is used again but it has nothing to do with the orginal issue.					
P-12	**5/30/2000**	**5/30/2000**	▼	**Voided Hiatrides - Leo Hiatrides & Diane McGaw JTw/ROS**	**4,800.00**

Table 3.2
(Further Answer to Interrogatory No. 3)
PCSI Preferred Stock

Certificate #	Date Prepared	Date Issued	Explanation	Name	Number of Shares
This stock certificate was prepared and issued, but was sent back by Mr. Hiatrides because of multiple errors. The Cert was voided and replaced by the P-12 below.					
P-12	?	5/30/2000	▲	Hiatrides	6,666.67
P-13	**5/31/2000**	**5/31/2000**	▼	**Void - First Trust Corporation, TTEE for Paul Permewan Tucker**	**6,666.67**
This stock cert was prepared and issued. It was later voided and replaced with the cert P-13 below with a date and name correction					
P-13	?	5/23/2000	▲	First Trust Corporation, TTEE for Paul Permewan Tucker A/C#031038006877, 4-6-00	6,666.67
P-14	?	**8/17/2000**	▼	**Void - First Trust Corporaton, TTEE for Lee A. Jones**	**6,666.67**
This stock cert was prepared and issued. It was later voided and replaced with the cert P-14 below with a date and name correction					
P-14	**?**	**8/222/2000**	▼	**Void - FISERV ISS & CO TTEE FBO: Lee A Jones, IRA DTD 212/21/2005 A/C# 06000008775**	**6,666.67**
This stock cert was prepared but never issued due error rescovered by Mr. Jones and Linda McClain					
P-14	?	8/17/2000		FISERV ISS & CO TTEE FBO: Lee A Jones, IRA DTD 212/21/2005 A/C# 060000087775	6,666.67
P-15		12/14/2000		Schofer, R. Frederick	6,666.67
P-16		**Void**	▼	**Void**	**-**
Stock Certs P-17-P67 have been prepared and issued. Several have been sent back in for minor corrections. But none were prepared and not issued.					
P-17		1/21/2005		Talcott, John Jr.	2,500.00
P-18		2/10/2005		AMLAW Pure Trust Organization	5,000.00
P-19		11/10/2004		Wells, Lyle L.	5,000.00
P-20		2/18/2005		MAKDS - The MAKDS Family Pure Trust	5,556.00
P-21		3/7/2005		Allen - Barbara L. Allen Rev Turst UTD 6-9-00	5,556.00
P-22		3/7/2005		Allen - C. Robert Allen Rev Trust UTD 6-9-00	5,556.00
P-23		2/23/2005		Dorsa, Lawrence R.	5,556.00
P-24		3/25/2005		Johnson, Victoria	50,000.00
P-25		3/25/2005		Ward, Bobby L. & Julia	10,700.00
P-26		3/25/2005		Ward - Vicki Ward & Julia Ward	5,600.00
P-27		3/25/2005		Ward - Susan L. Ward & Julia Ward	2,500.00
P-28		3/25/2005		Ward - Linda M. Menor & Julia Ward	2,500.00
P-29		3/29/2005		Corral - Manuel C. Corral & Josephine Corral	5,000.00
P-30		3/29/2005		Kahancza, Zsolt & Kari	5,000.00
P-31		4/4/2005		Marquez, Julie & Val	2,000.00
P-32		4/8/2005		Coughlin - The Coughlin Family RLT UAD 7-15-05, Edward V. Coughlin, TTEE and/or Rachel Coughlin, TTEE	1,000.00
P-33		4/13/2005		Spargur - Aurora Spargur SPT	4,000.00
P-33		3/30/2005		Spargur - Aurora Spargur SPT	1,000.00
P-34		4/4/2005		Romero - Manuel B. Romero & Gabriela J. Romero	1,000.00
P-35		4/4/2005		Rather - Mike Rather, Susan Rather & Lisa Farvour	2,000.00
P-36		4/4/2005		Zerphey, Robert & Mary	1,000.00
P-37		4/5/2005		Trujillo, Edward & Maria	12,500.00

Table 3.2
(Further Answer to Interrogatory No. 3)
PCSI Preferred Stock

Certificate #	Date Prepared	Date Issued	Explanation	Name	Number of Shares
P-38		4/13/2005		Kellerman - Thomas G. Kellerman LT UA 7-13-1999	1,000.00
P-39		4/6/2005		Ward - Susan Ward & Duran Ward J/T	1,000.00
P-40		6/2/2006		Agar - Rodney W. Agar & Dorothy J. Agar, JTw/ROS	2,000.00
P-41		6/2/2006		Eckert, Eleanor	2,000.00
P-42		6/2/2006		Eckert, Edwin J.	2,666.67
P-43		5/30/2006		Kellerman, Thomas G. & Aurora	1,000.00
P-44		6/2/2006		Yim, Bruce Kesni & Terry Langley	2,000.00
P-45		6/5/2006		Johnson - Jeffrey Scott Johnson & Diana Miriam Johnson Revocable Family Trust 08-1990	3,333.00
P-46		6/5/2006		Gorman, Edwina C.	3,333.33
P-47		6/6/2006		Gutierrez, Miguel A. & Maria A.	1,000.00
P-48		6/6/2006		Plut - John D. Plut, M.D., Inc. MPP & Trust	2,000.00
P-49		6/6/2006		Plut, Karen B.	2,000.00
P-50		6/6/2006		Linney, Warren	500.00
P-51		6/6/2006		Gough - Gough Family Revocable Living Trust #2 UA 05-23-91	1,000.00
P-52		6/6/2006		Ward, Bobby L. & Julia	1,000.00
P-53		6/9/2006		Kendrick - Gibney & Aileen Kendrick RLT	1,000.00
P-54		6/12/2006		Howell, Richard H. Howell TTEE, Henry & Gertrude Family Trust	1,000.00
P-55		6/14/2006		Zerphey, Robert & Mary	1,000.00
P-56		6/14/2006		Troesh, Jon M. & Elsa M.	4,000.00
P-57		6/20/2006		Ward, Susan L.	1,000.00
P-58		6/20/2006		Ward, Vicki	1,000.00
P-59		6/20/2006		Menor, Linda M. & Jeffery C.	1,000.00
P-60		9/25/2001		Patel, Amee A.	6,000.00
P-61		9/25/2001		Patel, Rajen A.	6,000.00
P-62		6/1/2006		Smith - The William C. Smith & Ethel Elaine Smith Family Revocable Living Trust	3,000.00
P-63		6/6/2006		Johnson, Victoria	2,000.00
P-64		6/29/2006		Foley, John & Lorraine	3,000.00
P-65		8/9/2006		Traynor, J. Patrick	2,000.00
P-65		6/6/2006		Traynor, J. Patrick	1,000.00
P-66		6/1/2006		Wells, Lyle L.	1,000.00
P-67		4/26/1999		Patel, Sumitra C.	61,111.11
P-68		**N/A**	▼	**Void - Estate of Chandu Patel**	**2,666.00**
P-69		**N/A**	▼	**Void - Apurva Patel**	**1,333.00**
P-70		**N/A**	▼	**Void - Divya Patel**	**1,333.00**
P-71		**N/A**	▼	**Void - Sonal Patel**	**1,333.00**
This group of stock transactions continued to confuse people. Here it was issued as Preferred Stock and subsequently voided because it is wrong. See Common Stock Ledger.					
P-72		**N/A**	▼	**Void - Patel, Sumitra C.**	**3,333.00**

Table 3.2
(Further Answer to Interrogatory No. 3)
PCSI Preferred Stock

Certificate #	Date Prepared	Date Issued	Explanation	Name	Number of Shares
A mistake that was voided. These shares are included in stock cert P-3.					
P-73		1/23/2007		McFarland - Dr. Ausbra E. McFarland, PhD.	2,000.00
P-74		3/22/2007		Winn, Diane R.	1,000.00
P-75		4/4/2007		Herrick - Jamison N. and Mary E. Herrick	1,000.00
P-76		2/28/2007		Wells, Lyle L.	2,000.00
P-77		4/17/2007		MAKDS Family Pure Trust	6,700.00
P-78	**6/8/2007**	**6/8/2007**	▼	**Void - John T. Potts, Jr. and Marjorie J. Potts, JTWROS**	**3,211.33**
Initially issued incorrect Series					
P-79		5/14/2007		Thayer - Richard C. Thayer and Mary J. Thayer Revocable Trust	2,000.00
P-80		7/2/2007		Gutierrez - Sterling Trust Company, Custodian FBO: Maria A. Gutierrez A/C 103214	1,730.33
P-81	**04/24/07**	**N/A**	▼	**Void - John T. Potts and Marjorie J. Potts JTWROS**	**-**
Initially issued incorrect Series					

Certificate of Service

I, Robert J. Keller, counsel for Charles M. Austin; Preferred Communication Systems, Inc.; and Preferred Acquisitions, Inc., in EB Docket No. 07-147, hereby certify that I have, on the date indicated below, caused copies of the foregoing filing to be served to the following addressees via electronic mail (with paper copies to be sent subsequently via first class U.S. mail, postage prepaid) to the persons indicated and at the addresses shown below.

The Honorable Arthur I. Steinberg, Esquire
Administrative Law Judge
Federal Communications Commission
445 12th Street, S.W., Room 1-C861
Washington, D.C. 20554
arthur.steinburg@fcc.gov

Gary A. Oshinsky, Esquire
Anjali K. Singh, Esquire
Investigations and Hearings Division
Enforcement Bureau
Federal Communications Commission
445 12th Street, S.W., Room 4-C330
Washington, D.C. 20554
gary.oshinsky@fcc.gov; anjali.singh@fcc.gov

William D. Silva, Esquire
Law Offices of William D. Silva
5335 Wisconsin Avenue, N.W.
Suite 400
Washington, D.C. 20015-2003
bill@luselaw.com

Jay R. Bishop
c/o Michelle Bishop
3520 N. Weston Pl.
Long Beach, California 90807
jaybishopps@aol.com

Robert J. Keller

Date: July 22, 2008