

3/6/09

Received & Inspected

Premiere Communications Systems, Inc.  
4509 Interlake Ave. N., #110  
Seattle, WA 98103

MAR 17 2009

FCC Mail Room

EB File Number: EB-08-TC-5084  
FRN: 0011089224  
NAL Acct Number: 200932170678

Dear FCC,

Premiere Communications System, Inc. is an extremely small telecommunications company. I endeavor to pay all taxes and fill out all government documents required.

My mistake was in thinking I would be sent notices that the CPNI compliance certificate would be due on such and such date. These notices are what trigger my action to meet all the company's other filing obligations.

I am determined to correct my methods and file every January going forward. The mere fact I missed a deadline of any kind for my business bothers me greatly as I try to do everything correctly.

I have enclosed the 2007 CPNI filing I filed last fall, the 2008 CPNI filing I now know was due by March 1, 2009, and three years of Premiere's business tax returns showing its very small revenue.

Even though my filings up to now have not been current out of ignorance of deadlines on my part, the implementation of privacy protection stated in the CPNI filing has been fully completed.

As Premiere's total assets are less than the \$20,000 fine, the enclosed tax returns show the company's very small annual revenue and that I am determined to comply fully and timely in the future with great eagerness, I respectfully request you waive the fines for the 2007 and 2008 filings so we can start fresh with next January's filing.

You can be assured I will not miss this filing again, and you can believe me that getting an envelope from the FCC's Legal Department is a chilling experience for me and certainly quite the deterrent in itself.

Sincerely,

\_\_\_\_\_  
/

Dale Crouse

Premiere Communications Systems, Inc.  
4509 Interlake Ave. N., #110  
Seattle, WA 98103

No. of Copies rec'd 0  
List A B C D E

Annual 47 C.F.R. S: 64.2009(e) CPNI Certification

EB Docket 06-36

Received & Inspected

MAR 17 2009

FCC Mail Room

Annual 64.2009(e) CPNI Certification for 2008

Date filed: March 6, 2009

Name of company covered by this certification: Premiere Communications Systems, Inc.

Form 499 Filer ID: 824426

Name of signatory: Dale Crouse

Title of signatory: President

I, Dale Crouse, certify that I am an officer of the company named above, and acting as an agent of the company, that I have personal knowledge that the company has established operating procedures that are adequate to ensure compliance with the Commission's CPNI rules. See 47 C.F.R. S: 64.2001 et seq.

Attached to this certification is an accompanying statement explaining how the company's procedures ensure that the company is in compliance with the requirements set forth in section 64.2001 et seq. of the Commission's rules.

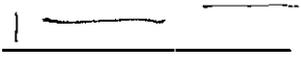
The company has not taken any actions (proceedings instituted or petitions filed by a company at either state commissions, the court system, or at the Commission against data brokers) against data brokers in the past year. Companies must report on any information that they have with respect to the processes pretexters are using to attempt to access CPNI , and what steps companies are taking to protect CPNI.

No actions.

The company has not received any customer complaints in the past

year concerning the unauthorized release of CPNI (number of customer complaints a company has received related to unauthorized access to CPNI, or unauthorized disclosure of CPNI, broken down by category or complaint, e.g., instances of improper access by employees, instances of improper disclosure to individuals not authorized to receive the information, or instances of improper access to online information by individuals not authorized to view the information).

No complaints.

  
Dale Crouse, President  
Premiere Communications Systems, Inc.

Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information; IP-Enabled Services, CC Docket No. 96-115; WC Docket No. 04-36, Report and Order and Further Notice of Proposed Rulemaking, 22 FCC Rcd 6927 (2007)("EPIC CPNI Order").

See 47 U.S.C. S: 222.

47 C.F.R. S: 64.2009(e) states: "A telecommunications carrier must have an officer, as an agent of the carrier, sign and file with the Commission a compliance certificate on an annual basis. The officer must state in the certification that he or she has personal knowledge that the company has established operating procedures that are adequate to ensure compliance with the rules in this subpart. The carrier must provide a statement accompanying the certification explaining how its operating procedures ensure that it is or is not in compliance with the rules in this subpart. In addition, the carrier must include an explanation of any actions taken against data brokers and a summary of all customer complaints received in the past year concerning the unauthorized release of CPNI. This filing must be made annually with the Enforcement Bureau on or before March 1 in EB Docket No. 06-36, for data pertaining to the previous calendar year."

**STATEMENT EXPLAINING HOW THE COMPANY'S OPERATING PROCEDURES  
ENSURE COMPLIANCE WITH THE FCC'S CPNI RULES**

**Prefatory Statement:**

Premiere Communications Systems, Inc. will disclose CPNI to the customer, or another entity designated by the customer, only after receiving an appropriate request (verified appropriately); or in those instances where disclosure is permissible without customer approval; all in accordance with Section 64.2001 *et seq.* of the FCC's Rules and Regulations.

**I. Customer Proprietary Network Information ("CPNI")**

The law affords privacy protections for two kinds of information related to Premiere Communications Systems, Inc. as a telecommunications carrier: (1) information about the quantity, technical configuration, type, destination, location, and amount of a telecommunications service subscribed to by any customer, and (2) information contained in the bills pertaining to telephone exchange service or telephone toll service received by a customer.

That information, when matched to a name, address, and telephone number is known as "Customer Proprietary Network Information" or "CPNI" for short. Examples of CPNI include information typically available from telephone-related details on a monthly bill such as the types of services purchased by a customer, numbers called, duration of calls, directory assistance charges, and calling patterns. (CPNI does not include names, addresses, and telephone numbers, because that information is considered subscriber list information under applicable law.

**II. Use of CPNI Is Restricted**

Premiere Communications Systems, Inc. recognizes that CPNI privacy concerns have led Congress and the FCC to impose restrictions upon its use and disclosure, and upon the provision of access to it by individuals or entities inside and outside our company.

Premiere Communications Systems, Inc. has designated its President as the CPNI Compliance Officer responsible for: (1) communicating with our company attorneys and/or consultants regarding CPNI responsibilities, requirements and restrictions; (2) supervising the training of company employees and agents who use or have access to CPNI; and (3) receiving, reviewing and resolving any questions or issues arising within our company regarding use, disclosure, or provision of access to CPNI.

Company employees and agents that may deal with CPNI have been informed that there are substantial federal restrictions upon CPNI use, distribution and access. In order to be authorized to use or access the company's CPNI, employees and agents must receive training with respect to the requirements of Section 222 of the Communications Act and the FCC's CPNI Rules (Subpart U of Part 64 of the FCC Rules).

### **III. Permissible Uses of CPNI**

Premiere Communications Systems, Inc. employees and agents are strictly prohibited from using CPNI, and from providing CPNI to individuals or entities inside or outside the company, except as follows:

1. Premiere Communications Systems, Inc. may, after receiving an appropriate request from a customer (verified appropriately), disclose or provide customer's CPNI to any person or entity designated by the customer.

Disclosure based on a phone call inquiry may occur if:

- 1) Customer, or a customer-authorized entity, provides a pre-established password
- 2) Information is mailed to customer's address of record or
- 3) We call the telephone number of record with the requested information.

Disclosure based on a store visit requires an appropriate photo ID.

Disclosure is always permissible if given in writing, signed by the customer of record.

Disclosure based on an "on-line" visit requires the use of a secure password.

2. In the absence of an appropriate request from the customer, Premiere Communications Systems, Inc. may still provide the customer's phone records or other CPNI to a law enforcement agency in response to a warrant or subpoena that specifies the particular CPNI to be furnished.

3. Premiere Communications Systems, Inc. may use, disclose or permit access to CPNI to provide the same category of telecommunications service to a customer from which the CPNI is derived. For example, we may use the CPNI from our provision of local exchange service to a customer to inform the customer of new, additional or modified local exchange service offerings.

4. Premiere Communications Systems, Inc. and its authorized employees may use, disclose or permit access to CPNI to provide services necessary to, or used in, the provision of the telecommunications service from which the CPNI is derived.

a. The FCC has noted the publishing of directories as an example of this permitted use.

b. The FCC has indicated that telecommunications carriers may use disclose or permit access to CPNI, without customer approval, to provide inside wiring installation, maintenance, and repair services.

c. The FCC has stated that local exchange carriers and commercial mobile radio service providers may use CPNI, without customer approval, to market "adjunct-to-basic" services such as speed dialing, computer-provided directory assistance, call monitoring, call tracing, call blocking, call return, repeat dialing, call tracking, call waiting, caller ID, call forwarding, and certain Centrex features.

5. Premiere Communications Systems, Inc., its authorized employees and its billing agent may use CPNI to initiate, render, bill and collect for telecommunications services.

6. Premiere Communications Systems, Inc. may use CPNI to protect company rights or property, and to protect users and other carriers from fraudulent, abusive or illegal use of (or subscription to) the telecommunications service from which the CPNI is derived.

7. Premiere Communications Systems, Inc. may use, disclose, or permit access to CPNI derived from its provision of local exchange service or interexchange service, without the customer's approval, to provide customer premises equipment ("CPE"), call answering, voice mail or messaging, voice storage and retrieval services, fax store and forward, and protocol conversion.

8. If a customer subscribes to more than one category of service offered by Premiere Communications Systems, Inc., we are permitted to share CPNI among its affiliated entities that provide a service offering to the customer. If a customer does not subscribe to more than one offering, Premiere Communications Systems, Inc. is not permitted to share CPNI with its affiliates without the customer's consent pursuant to the notice and approval procedures set forth in Sections 64.2001 *et seq.* of the FCC's Rules.]

9. When an existing customer (appropriately verified) calls or visits Premiere Communications Systems, Inc. to inquire about or order new, additional or modified services (in-bound marketing), we may use the customer's CPNI to assist the customer if we provide the customer with the oral notice required by Sections 64.2008(c) and 64.2008(f) of the FCC's Rules.

10. Premiere Communications Systems, Inc. has adopted a policy that it does not and will not use, disclose, or permit access to CPNI in connection with company-initiated marketing of services to which a customer does not already subscribe. (out-bound marketing).]

#### **IV. CPNI Compliance Officer**

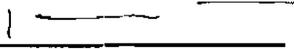
In addition to the specific matters required to be reviewed and approved by Premiere Communications Systems, Inc.'s CPNI Compliance Officer, employees and agents are strongly encouraged to bring any and all other questions, issues or uncertainties regarding the use, disclosure, or access to CPNI to the attention of the our Compliance Officer for appropriate investigation, review and guidance. The extent to which a particular employee or agent brought a CPNI matter to the attention of the CPNI Compliance Officer and received appropriate guidance is a material consideration in any disciplinary action brought against the employee or agent for impermissible use, disclosure or access to CPNI.

#### **V. Disciplinary Procedures**

Premiere Communications Systems, Inc. has informed its employees and agents that it considers compliance with the Communications Act and FCC Rules regarding the use, disclosure, and access to CPNI to be very important.

Violation by company employees or agents of such CPNI requirements will lead to disciplinary action (including remedial training, reprimands, unfavorable performance reviews, probation, and termination), depending upon the circumstances of the violation (including the severity of the violation, whether the violation was a first time or repeat violation, whether

appropriate guidance was sought or received from the CPNI Compliance Officer, and the extent to which the violation was or was not deliberate or malicious).

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Dale Crouse, President  
Premiere Communications Systems, Inc.

Form **1120S**

**U.S. Income Tax Return for an S Corporation**

OMB No. 1545-0130

**2007**

Department of the Treasury  
Internal Revenue Service

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.  
▶ See separate instructions.

For calendar year 2007 or tax year beginning \_\_\_\_\_, 2007, ending \_\_\_\_\_, 20

<b>A</b> S election effective date 9/1/94	<b>Use IRS label. Otherwise, print or type.</b>	Name PREMIERE COMMUNICATIONS SYSTEMS, INC.	<b>D</b> Employer identification number 91 : 1740642
<b>B</b> Business activity code number (see instructions) 51330		Number, street, and room or suite no. If a P.O. box, see instructions. 4509 INTERLAKE AVE N., SUITE # 110	<b>E</b> Date incorporated 9/1/94
<b>C</b> Check if Sch. M-3 attached <input type="checkbox"/>		City or town, state, and ZIP code SEATTLE, WA. 98103-6782	<b>F</b> Total assets (see instructions) \$

**G** Is the corporation electing to be an S corporation beginning with this tax year?  Yes  No If "Yes," attach Form 2553 if not already filed

**H** Check if: (1)  Final return (2)  Name change (3)  Address change  
(4)  Amended return (5)  S election termination or revocation

**I** Enter the number of shareholders in the corporation at the end of the tax year \_\_\_\_\_

**Caution.** Include *only* trade or business income and expenses on lines 1a through 21. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales	7736	<b>b</b> Less returns and allowances		<b>c</b> Bal ▶	<b>1c</b>	7736
	<b>2</b> Cost of goods sold (Schedule A, line 8)					<b>2</b>	890
	<b>3</b> Gross profit. Subtract line 2 from line 1c					<b>3</b>	6846
	<b>4</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)					<b>4</b>	
	<b>5</b> Other income (loss) (see instructions—attach statement)					<b>5</b>	
	<b>6</b> Total income (loss). Add lines 3 through 5.					<b>6</b>	6846
<b>Deductions</b> (see instructions for limitations)	<b>7</b> Compensation of officers					<b>7</b>	
	<b>8</b> Salaries and wages (less employment credits)					<b>8</b>	
	<b>9</b> Repairs and maintenance					<b>9</b>	
	<b>10</b> Bad debts					<b>10</b>	
	<b>11</b> Rents					<b>11</b>	
	<b>12</b> Taxes and licenses					<b>12</b>	4605
	<b>13</b> Interest					<b>13</b>	
	<b>14</b> Depreciation not claimed on Schedule A or elsewhere on return (attach Form 4562)					<b>14</b>	
	<b>15</b> Depletion (Do not deduct oil and gas depletion.)					<b>15</b>	
	<b>16</b> Advertising					<b>16</b>	
	<b>17</b> Pension, profit-sharing, etc., plans					<b>17</b>	
	<b>18</b> Employee benefit programs					<b>18</b>	
	<b>19</b> Other deductions (attach statement) SEE ATTACHMENT # 2.					<b>19</b>	504
	<b>20</b> Total deductions. Add lines 7 through 19					<b>20</b>	5109
	<b>21</b> Ordinary business income (loss). Subtract line 20 from line 6					<b>21</b>	1737
<b>Tax and Payments</b>	<b>22a</b> Excess net passive income or LIFO recapture tax (see instructions)	<b>22a</b>					
	<b>b</b> Tax from Schedule D (Form 1120S)	<b>22b</b>					
	<b>c</b> Add lines 22a and 22b (see instructions for additional taxes)	<b>22c</b>					0
	<b>23a</b> 2007 estimated tax payments and 2006 overpayment credited to 2007	<b>23a</b>					
	<b>b</b> Tax deposited with Form 7004.	<b>23b</b>					
	<b>c</b> Credit for federal tax paid on fuels (attach Form 4136)	<b>23c</b>					
	<b>d</b> Add lines 23a through 23c	<b>23d</b>					0
	<b>24</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached	<b>24</b>					
	<b>25</b> Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed	<b>25</b>					0
	<b>26</b> Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	<b>26</b>					
<b>27</b> Enter amount from line 26 Credited to 2008 estimated tax ▶ Refunded ▶	<b>27</b>						

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

Title

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

**Paid Preparer's Use Only**

Preparer's signature

*Daniel Nehls*

Date

8/11/08

Check if self-employed

Preparer's SSN or PTIN  
540-58-2483

Firm's name (or yours if self-employed), address, and ZIP code

DANIEL NEHLS  
10411 190TH AVE CT E., BONNEY LAKE, WA. 98391

EIN  
Phone no. ( 253 )

863-5297

**Schedule A Cost of Goods Sold** (see instructions)

<b>1</b>	Inventory at beginning of year . . . . .	<b>1</b>		
<b>2</b>	Purchases . . . . .	<b>2</b>		
<b>3</b>	Cost of labor . . . . .	<b>3</b>		
<b>4</b>	Additional section 263A costs (attach statement) . . . . .	<b>4</b>		
<b>5</b>	Other costs (attach statement) . . SEE ATTACHMENT #1 . . . . .	<b>5</b>	890	
<b>6</b>	<b>Total.</b> Add lines 1 through 5 . . . . .	<b>6</b>	890	
<b>7</b>	Inventory at end of year . . . . .	<b>7</b>		
<b>8</b>	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	<b>8</b>	890	

**9a** Check all methods used for valuing closing inventory: (i)  Cost as described in Regulations section 1.471-3  
(ii)  Lower of cost or market as described in Regulations section 1.471-4  
(iii)  Other (Specify method used and attach explanation.) ▶ \_\_\_\_\_

**b** Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) . . . . . ▶

**c** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . . . . ▶

**d** If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO . . . . . **9d** \_\_\_\_\_

**e** If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? . . . . .  Yes  No

**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? . . . . .  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information** (see instructions)

	Yes	No
<b>1</b> Check accounting method: <b>a</b> <input type="checkbox"/> Cash <b>b</b> <input checked="" type="checkbox"/> Accrual <b>c</b> <input type="checkbox"/> Other (specify) ▶ _____		
<b>2</b> See the instructions and enter the: <b>a</b> Business activity ▶ TELECOMMUNICATIONS <b>b</b> Product or service ▶ PHONE SERVICE		
<b>3</b> At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) if 100% owned, was a QSub election made? . . . . .		✓
<b>4</b> Has this corporation filed, or is it required to file, a return under section 6111 to provide information on any reportable transaction? . . . . .		✓
<b>5</b> Check this box if the corporation issued publicly offered debt instruments with original issue discount . . . . . <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
<b>6</b> If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years . . . . . ▶ \$ _____		
<b>7</b> Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$ _____		
<b>8</b> Are the corporation's total receipts (see instructions) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1 . . . . .	✓	

**Schedule K Shareholders' Pro Rata Share Items**

	Total amount
<b>1</b> Ordinary business income (loss) (page 1, line 21) . . . . .	<b>1</b> 1737
<b>2</b> Net rental real estate income (loss) (attach Form 8825) . . . . .	<b>2</b>
<b>3a</b> Other gross rental income (loss) . . . . . <b>3a</b>	
<b>b</b> Expenses from other rental activities (attach statement) . . . . . <b>3b</b>	
<b>c</b> Other net rental income (loss). Subtract line 3b from line 3a . . . . . <b>3c</b>	
<b>4</b> Interest income . . . . . <b>4</b>	
<b>5</b> Dividends: <b>a</b> Ordinary dividends . . . . . <b>5a</b>	
<b>b</b> Qualified dividends . . . . . <b>5b</b>	
<b>6</b> Royalties . . . . . <b>6</b>	
<b>7</b> Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) . . . . . <b>7</b>	
<b>8a</b> Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) . . . . . <b>8a</b>	
<b>b</b> Collectibles (28%) gain (loss) . . . . . <b>8b</b>	
<b>c</b> Unrecaptured section 1250 gain (attach statement) . . . . . <b>8c</b>	
<b>9</b> Net section 1231 gain (loss) (attach Form 4797) . . . . . <b>9</b>	
<b>10</b> Other income (loss) (see instructions) . . . . . Type ▶ <b>10</b>	

		Shareholders' Pro Rata Share Items (continued)	Total amount	
<b>Deductions</b>	<b>11</b>	Section 179 deduction (attach Form 4562)	<b>11</b>	
	<b>12a</b>	Contributions	<b>12a</b>	
	<b>b</b>	Investment interest expense	<b>12b</b>	
	<b>c</b>	Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	<b>12c(2)</b>	
	<b>d</b>	Other deductions (see instructions) Type ▶	<b>12d</b>	
<b>Credits</b>	<b>13a</b>	Low-income housing credit (section 42(j)(5))	<b>13a</b>	
	<b>b</b>	Low-income housing credit (other)	<b>13b</b>	
	<b>c</b>	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	<b>13c</b>	
	<b>d</b>	Other rental real estate credits (see instructions) Type ▶	<b>13d</b>	
	<b>e</b>	Other rental credits (see instructions) Type ▶	<b>13e</b>	
	<b>f</b>	Credit for alcohol used as fuel (attach Form 6478)	<b>13f</b>	
	<b>g</b>	Other credits (see instructions) Type ▶	<b>13g</b>	
<b>Foreign Transactions</b>	<b>14a</b>	Name of country or U.S. possession ▶		
	<b>b</b>	Gross income from all sources	<b>14b</b>	
	<b>c</b>	Gross income sourced at shareholder level Foreign gross income sourced at corporate level	<b>14c</b>	
	<b>d</b>	Passive category	<b>14d</b>	
	<b>e</b>	General category	<b>14e</b>	
	<b>f</b>	Other (attach statement) Deductions allocated and apportioned at shareholder level	<b>14f</b>	
	<b>g</b>	Interest expense	<b>14g</b>	
	<b>h</b>	Other Deductions allocated and apportioned at corporate level to foreign source income	<b>14h</b>	
	<b>i</b>	Passive category	<b>14i</b>	
	<b>j</b>	General category	<b>14j</b>	
	<b>k</b>	Other (attach statement) Other information	<b>14k</b>	
	<b>l</b>	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	<b>14l</b>	
	<b>m</b>	Reduction in taxes available for credit (attach statement)	<b>14m</b>	
	<b>n</b>	Other foreign tax information (attach statement)		
<b>Alternative Minimum Tax (AMT) Items</b>	<b>15a</b>	Post-1986 depreciation adjustment	<b>15a</b>	
	<b>b</b>	Adjusted gain or loss	<b>15b</b>	
	<b>c</b>	Depletion (other than oil and gas)	<b>15c</b>	
	<b>d</b>	Oil, gas, and geothermal properties—gross income	<b>15d</b>	
	<b>e</b>	Oil, gas, and geothermal properties—deductions	<b>15e</b>	
	<b>f</b>	Other AMT items (attach statement)	<b>15f</b>	
<b>Items Affecting Shareholder Basis</b>	<b>16a</b>	Tax-exempt interest income	<b>16a</b>	
	<b>b</b>	Other tax-exempt income	<b>16b</b>	
	<b>c</b>	Nondeductible expenses	<b>16c</b>	
	<b>d</b>	Property distributions	<b>16d</b>	
	<b>e</b>	Repayment of loans from shareholders	<b>16e</b>	
<b>Other Information</b>	<b>17a</b>	Investment income	<b>17a</b>	
	<b>b</b>	Investment expenses	<b>17b</b>	
	<b>c</b>	Dividend distributions paid from accumulated earnings and profits	<b>17c</b>	
	<b>d</b>	Other items and amounts (attach statement)		
<b>Reconciliation</b>	<b>18</b>	<b>Income/loss reconciliation.</b> Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14i	<b>18</b>	1737

<b>Schedule L Balance Sheets per Books</b>		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash . . . . .				
2a	Trade notes and accounts receivable . . . . .				
b	Less allowance for bad debts . . . . .	( )		( )	
3	Inventories . . . . .				
4	U.S. government obligations . . . . .				
5	Tax-exempt securities (see instructions) . . . . .				
6	Other current assets (attach statement) . . . . .				
7	Loans to shareholders . . . . .				
8	Mortgage and real estate loans . . . . .				
9	Other investments (attach statement) . . . . .				
10a	Buildings and other depreciable assets . . . . .				
b	Less accumulated depreciation . . . . .	( )		( )	
11a	Depletable assets . . . . .				
b	Less accumulated depletion . . . . .	( )		( )	
12	Land (net of any amortization) . . . . .				
13a	Intangible assets (amortizable only) . . . . .				
b	Less accumulated amortization . . . . .	( )		( )	
14	Other assets (attach statement) . . . . .				
15	Total assets . . . . .				
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable . . . . .				
17	Mortgages, notes, bonds payable in less than 1 year . . . . .				
18	Other current liabilities (attach statement) . . . . .				
19	Loans from shareholders . . . . .				
20	Mortgages, notes, bonds payable in 1 year or more . . . . .				
21	Other liabilities (attach statement) . . . . .				
22	Capital stock . . . . .				
23	Additional paid-in capital . . . . .				
24	Retained earnings . . . . .				
25	Adjustments to shareholders' equity (attach statement) . . . . .				
26	Less cost of treasury stock . . . . .	( )		( )	
27	Total liabilities and shareholders' equity . . . . .				

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**  
 Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more—see instructions

1	Net income (loss) per books . . . . .		5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize): . . . . .		a	Tax-exempt interest \$ . . . . .
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14! (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14!, not charged against book income this year (itemize):
a	Depreciation \$ . . . . .		a	Depreciation \$ . . . . .
b	Travel and entertainment \$ . . . . .		7	Add lines 5 and 6.
4	Add lines 1 through 3.		8	Income (loss) (Schedule K, line 18). Line 4 less line 7

**Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed** (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year . . . . .	0	
2	Ordinary income from page 1, line 21 . . . . .	1737	
3	Other additions . . . . .		
4	Loss from page 1, line 21 . . . . .	( )	
5	Other reductions . . . . .	( )	
6	Combine lines 1 through 5 . . . . .	1737	
7	Distributions other than dividend distributions . . . . .		
8	Balance at end of tax year. Subtract line 7 from line 6 . . . . .	1737	

**Schedule K-1  
(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2007**

For calendar year 2007, or tax  
year beginning \_\_\_\_\_, 2007  
ending \_\_\_\_\_, 20\_\_

Final K-1

Amended K-1

OMB No. 1545-0130

**Shareholder's Share of Income, Deductions, Credits, etc.** ▶ See back of form and separate instructions.

**Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items**

**Part I Information About the Corporation**

**A** Corporation's employer identification number  
**91-1740642**

**B** Corporation's name, address, city, state, and ZIP code  
**PREMIERE COMMUNICATIONS SYSTEMS, INC.  
4509 INTERLAKE AVE N., SUITE # 110  
SEATTLE, WA. 98103-6782**

**C** IRS Center where corporation filed return  
**OGDEN, UT. 84201**

**Part II Information About the Shareholder**

**D** Shareholder's identifying number  
**532-56-8506**

**E** Shareholder's name, address, city, state, and ZIP code  
**DALE CROUSE  
4509 INTERLAKE AVE N., SUITE # 170  
SEATTLE, WA. 98103-6782**

**F** Shareholder's percentage of stock ownership for tax year **100 %**

For IRS Use Only

<b>1</b>	Ordinary business income (loss) <b>1737</b>	<b>13</b>	Credits
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)		
<b>4</b>	Interest income	<b>14</b>	Foreign transactions
<b>5a</b>	Ordinary dividends		
<b>5b</b>	Qualified dividends		
<b>6</b>	Royalties		
<b>7</b>	Net short-term capital gain (loss)		
<b>8a</b>	Net long-term capital gain (loss)		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain	<b>15</b>	Alternative minimum tax (AMT) items
<b>9</b>	Net section 1231 gain (loss)		
<b>10</b>	Other income (loss)		
<b>11</b>	Section 179 deduction	<b>16</b>	Items affecting shareholder basis
<b>12</b>	Other deductions		
		<b>17</b>	Other information

\* See attached statement for additional information.

**PREMIERE COMMUNICATIONS SYSTEMS, INC.**  
**EIN # 91-1740642**  
**FORM 1120S, TAX YEAR 2007**

**ATTACHMENT SHEET**

**ATTACHMENT # 1**  
**SCH A, LINE 5, OTHER COSTS**

WHSLE TELECOM JAVELIN	\$	540.00
WHSLE TELECOM NUEVO	\$	<u>350.00</u>
<b>TOTAL OTHER COSTS</b>	<b>\$</b>	<b>890.00</b>

**ATTACHMENT # 2**  
**LINE 19, OTHER DEDUCTIONS**

LEGAL & PROFESSIONAL	\$	350.00
TRAVEL	\$	<u>154.00</u>
<b>TOTAL OTHER DEDUCTIONS</b>	<b>\$</b>	<b>504.00</b>