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TC97-001

KC/TW

TC97-001

DOCKET NO.

In the Matter of IN THE MATTER OF THE
APPLICATION OF AMERICAN
INTERNATIONAL TELEPHONE, INC.
FOR A CERTIFICATE OF AUTHORITY
TO PROVIDE TELECOMMUNICATIONS
SERVICES IN SOUTH DAKOTA

Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

1/2 97 Filed and Accepted,
1/2 97 TC for filing,
2/20 97 Order Granting COA,
2/20 97 Docket Closed.

BRONSON & MIGLIACCIO
ATTORNEYS AT LAW
287 BOWMAN AVENUE • PURCHASE, N.Y. 10577

H. BRUCE BRONSON, JR.
RICHARD J. MIGLIACCIO
COUNSEL
JOHN G. WARD, JR.

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TELECOPIER
1914/251-1213

RECEIVED

JAN 02 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

NEW YORK CITY COUNSEL'S OFFICE
461 FIFTH AVE. - 19TH FL.
NEW YORK, NY 10017

December 31, 1996

FEDERAL EXPRESS
Public Utilities Commission
State of South Dakota
500 E. Capitol Avenue
Pierre, SD 57501
Attention: Harlan Best

Re: American International Telephone, Inc.

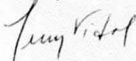
Dear Mr. Best:

Enclosed is an original and ten copies of our client's application for a Certificate of Public Convenience and Necessity together with a \$250 check for the applicable filing fee.

If you have any questions or comments, please do not hesitate to contact the undersigned.

For our records, kindly date-stamp the receipt copy of this letter and return it in the self-addressed, stamped envelope provided.

Sincerely,



Terry Vidal
Legal Assistant

TV:ll
Enclosures

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TC97-001

RECEIVED

JAN 02 1997

STATE OF SOUTH DAKOTA
SOUTH DAKOTA PUBLIC SERVICE COMMISSION

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF THE PETITION OF)
AMERICAN INTERNATIONAL TELEPHONE,)
INC., FOR A CERTIFICATE OF)
AUTHORITY (CTA) TO OPERATE AS A)
RESELLER OF INTEREXCHANGE)
INTRASTATE TELECOMMUNICATION)
SERVICES WITHIN THE STATE OF)
SOUTH DAKOTA)

NO. _____

Petition

American International Telephone, Inc. (sometimes referred to as "AIT" or "Petitioner"), pursuant to South Dakota Code Section 20:10:24:02, hereby petitions the South Dakota Public Utilities Commission for authority to operate as a non-facilities based reseller of interexchange telecommunication services within the State of South Dakota. In support of this petition, AIT provides the following information:

1. The full name, address and telephone number of the Petitioner is:

American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577
(914) 251-1450

2. Petitioner will provide services under the names:

American International Telephone, Inc.; Oasis Telecom; and AIT.

3. (a) American International Telephone, Inc. is a corporation organized and existing under the laws of the State of Delaware on March 27, 1995, a copy of the Certificate of Incorporation is attached as Exhibit A.

(b) Petitioner does not have an office in the State of South Dakota. The name and address and telephone number of Petitioner's registered agent is:

Corporation Service Company
503 S. Pierre Street
Pierre, S.D. 57501
(800) 927-9800

(c) Attached hereto as Exhibit B is a listing of Petitioner's principal officers, directors and shareholders.

(d) Petitioner does not have any subsidiaries.

4. The Petitioner is not a partnership.

5. Petitioner is a switchless, nonfacilities-based interexchange resale carrier that provides its services over the networks of major facilities-based carriers from whom it purchases transport services. Currently Petitioner resells LDDS WorldCom's long distance service. The Company also is a seller of its proprietary prepaid telephone cards (debit cards) pursuant to telephone services provided by LDDS and facilities provided by Digital Technologies, Inc. Attached hereto as Exhibit C is AIT's proposed Tariff.

6. AIT is a switchless reseller of 1+ plus services network equipment provided by LDDS WorldCom Corp.

7. Petitioner intends to offer its services statewide in the State of South Dakota.

8. Attached as Exhibit D is the Balance Sheet and Financial Statement of American International Telephone, Inc.

9. All inquiries regarding complaints and regulatory matters should be addressed as follows:

Terry Vidal,
Secretary
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577
(914) 251-1450 (X-237)

All inquires regarding how Petitioner handles customer billings and customer service matters should be addressed as follows:

Charles S. Eisenberg,
President
287 Bowman Avenue
Purchase, NY 10577
(914) 251-1450 (X-206)

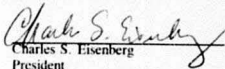
10. A list of the states in which AIT is registered or certified to do business is attached as Exhibit D.

11. AIT uses an extensive network of independent contractors to market our services. These independent contractors ("Dealers") are all highly experienced in the industry, most of them are established interconnects. AIT's target market is mainly the business community, however, AIT does not refuse any residential business. AIT does not currently engage in any multi-level marketing practices.

12. Not Applicable. All of AIT's products are competitive.

WHEREFORE, American International Telephone, Inc. respectfully requests that this Commission issue to it a Certificate of Authority to offer and resell telecommunication services within the State of South Dakota and grant all other proper relief.

Respectively submitted,


Charles S. Eisenberg
President
American International
Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

STATE OF NEW YORK)
)SS:
COUNTY OF WESTCHESTER)

Subscribed and sworn to before me, a Notary Public in and for said County and State
this 31st day of December, 1996.

Linda Leland
Notary Public

My Commission Expires:

3/11/97

My County of Residence:

Westchester

LINDA LELAND
Notary Public, State of New York
No. 90-4978807
Qualified in Westchester County
Commission Expires March 11, 1997

EXHIBIT A
Certificate of Incorporation
and
Certificate of Authority

State of Delaware
Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "AMERICAN INTERNATIONAL TELEPHONE, INC.", FILED IN THIS OFFICE ON THE TWENTY SEVENTH DAY OF MARCH, A.D. 1975, AT 9 O'CLOCK A.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.



Edward J. Freel, Secretary of State

2493336 8100

750057175

AUTHENTICATION

7457211

DATE:

03-30-75

CERTIFICATE OF INCORPORATION
OF
AMERICAN INTERNATIONAL TELEPHONE, INC.

FIRST. The name of this corporation shall be:

AMERICAN INTERNATIONAL TELEPHONE, INC.

SECOND. Its registered office in the State of Delaware is to be located at 1013 Centre Road, in the City of Wilmington, County of New Castle and its registered agent at such address is CORPORATION SERVICE COMPANY.

THIRD. The purpose or purposes of the corporation shall be:

To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH. The total number of shares of stock which this corporation is authorized to issue is: One Thousand (1,000) shares with a par value of \$.01 per share.

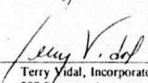
FIFTH. The name and address of the incorporator is as follows:

Terry Vidal
Bronson & Migliaccio
287 Bowman Avenue
Purchase, NY 10577

SIXTH. The Board of Directors shall have the power to adopt, amend or repeal the by-laws.

SEVENTH. No director shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article Seventh shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment.

IN WITNESS WHEREOF, the undersigned, being the incorporator hereinbefore named, has executed, signed and acknowledged this Certificate of Incorporation this 27th day of March, 1995.


Terry Vidal, Incorporator
287 Bowman Avenue
Purchase, NY 10577

State of South Dakota

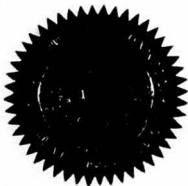


OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of AMERICAN INTERNATIONAL TELEPHONE, INC. (DE) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of AMERICAN INTERNATIONAL TELEPHONE, INC.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this June 3, 1996.

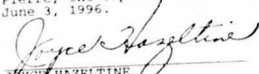

JOYCE HAZELTINE
Secretary of State

EXHIBIT B

Principal Officers, Directors and Shareholders

<u>Name</u>	<u>Position</u>
H. Bruce Bronson, Jr.	Chairman, CEO, Director and Shareholder
Charles Eisenberg	President, Director and Shareholder
Daniel Connor	Vice President
Phil Kahn	Vice President of Western Region
Gary Blundo	Vice President of Eastern Region
James Fuchs	Vice President of Operations
Branislav Maletic	Vice President of Management Information Systems and Shareholder
E.J. Caesar	Vice President of Prepaid Card Services and Shareholder
Terry Vidal	Secretary and Shareholder
Marand Holdings L.L.C.	Shareholder

EXHIBIT C
Tariff

TELECOMMUNICATIONS SERVICES TARIFF

TITLE PAGE

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

OF

AMERICAN INTERNATIONAL TELEPHONE, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by American International Telephone, Inc. ("AIT" or the "Company") within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, where copies may be inspected during normal business hours. Copies may also be inspected during normal business hours at the Company's principal place of business at 287 Bowman Avenue, Purchase, NY 10577.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

American International
Telephone, Inc.

South Dakota P.U.C. No. 1
Original Page No. 2

TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

Sheets 1 through 24, 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 page.

<u>SHEET</u>	<u>REVISION</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

American International
Telephone, Inc.

South Dakota P.U.C. No. 1
Original Page No. 3

TELECOMMUNICATIONS SERVICES TARIFF

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Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SYMBOLS

The following are the only symbols used for the purpose indicated below:

- D** - Delete or Discontinue
- I** - Change Resulting In An Increase in Rates
- M** - Moved From Another Tariff Location
- N** - New Regulation, Term, or Condition or Rate
- R** - Change Resulting In A Reduction in Rates
- T** - Change In Text or Regulation But No Change In Rate or Charge

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

TARIFF FORMAT

A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the S.D.P.U.C. For example, the 4th revised Sheet 14 cancels the 3rd revised sheet 14. Because of various suspension periods, deferrals, etc. the S.D.P.U.C. follows in its tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to the next higher level:

- 2.
- 2.1
- 2.1.1
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a)
- 2.1.1.A.1.(a).1.
- 2.1.1.A.1.(a).1.(i).
- 2.1.1.A.1.(a).1.(i).1.

D. Check Sheets - When a tariff filing is made with the S.D.P.U.C., an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets 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. All revisions made in a given filing are designated by an asterisk (*). 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 sheet is the most current on file with the S.D.P.U.C.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

Section 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to Carrier.

Account Codes - Optional, customer defined digits that allow the customer to identify the individual user, department or client associated with a call.

AIT - Used throughout this tariff to mean AMERICAN INTERNATIONAL TELEPHONE, INC. unless clearly indicated otherwise by the text.

Authorization Code - A numerical code, one or more of which are available to a customer to enable him/her to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Carrier's service.

Customer - The person, firm, corporation, or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

Company - AIT unless otherwise clearly indicated by the context.

Carrier - WorldCom Networks Services, Inc., d/b/a LDDS WorldCom ("LDDS") and such other authorized carriers.

Commission - The South Dakota Public Utilities Commission.

Day - From 8:00 a.m. up to but not including 5:00 p.m. local time Monday through Friday.

Evening - From 5:00 p.m. up to but not including 11:00 p.m. local time Sunday through Friday.

Holidays - The Company observes the following holidays: New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, CONT'D.

LDCS - Long Distance Telephone Calling Services provided to a customer at his, her or its locations either switched or dedicated.

LEC - Local Exchange Company.

Night/Weekend - From 11:00 p.m. up to but not including 8:00 a.m. Sunday through Friday, and 8:00 a.m. Saturday up to but not including 5:00 p.m. Sunday.

S.D.P.U.C. - South Dakota Public Utilities Commission.

Special Access Origination - Where originating access between the customer and the interexchange carrier is provided on dedicated circuits. The cost of these dedicated circuits is billed by the LEC or other access provider consistent with S.D.P.U.C. rules and orders directly to the end user.

V & H Coordinates - Geographic points which define the originating and terminating points of a call in mathematical terms so that the airline mileage of the call may be determined. Call mileage is used for the purpose of rating calls.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of AMERICAN INTERNATIONAL TELEPHONE, INC.

The Company is a switchless, nonfacilities-based interexchange resale carrier that provides its services over the networks of major facilities-based carriers from whom it purchases transport services. Currently the Company resells LDDS WorldCom's long distance service. The Company also is a seller of its proprietary prepaid telephone cards (debit cards) pursuant to telephone services provided by LDDS and facilities provided by Digital Technologies, Inc.

The Company's services are furnished for communications originating at specified points within the State of South Dakota under terms of this tariff.

The Company operates the communications services provided herein in accordance with the terms and conditions set forth under this tariff. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities as required in S.D.P.U.C. rules and orders, when authorized by the Customer, to allow connection of a Customer's location to the Company service. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

2.2.1 Service is offered subject to the availability of the necessary facilities and subject to the provisions of this tariff.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.2 Limitations, CONT'D.

- 2.2.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3 The Company does not undertake to transmit messages, but offers the use of Carrier facilities when available, and the Company will not be liable for errors in transmission or for failure to establish connections.
- 2.2.4 All services provided under this tariff are directly controlled by the Company and the Customer may not transfer or assign the use of service without the express written consent of the Company.
- 2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

Issued: December 30, 1996
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American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.4 Liabilities of the Company

- 2.4.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur. The customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

$$\text{Credit formula: Credit} = \frac{A}{720} \times B$$

A - Outage time in hours

B - Total monthly charge for affected facility.

- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

Issued: December 30, 1996
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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement or copy-right or patent, unauthorized use of any trademark, tradename, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff, or for any act or mission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- 2.4.4 No agent or employee of any carrier shall be deemed to be an agent or employee of the Company.
- 2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of services which is not the direct result of the Company's negligence.

2.5 Deposits

The Company does not require deposits from Customers. In the event the Company deems it necessary to request a deposit from Customers, it will comply with Commission rules and regulations.

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.6 Advance Payments

For Customers whom the Company believes an advance payment is necessary based upon credit factors, the Company reserves the right to collect an amount of one month's estimated charges as an advance payment for service. This will be applied against the next month's charges and a new advance payment may be collected for the next month.

2.7 Taxes

All state, local and federal taxes (i.e., gross receipts tax, sales tax, municipal utilities tax and federal excise taxes) are listed as separate line items and are not included in the quoted rates.

2.8 Installation and Termination

Service is installed upon mutual agreement between the Customer and the Company. The service agreement does not alter rates specified in this tariff.

2.9 Payment for Service

The Customer is responsible for payment of all charges for services furnished to the Customer or to an Authorized User of the Customer. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments. The billing agency may be the Company, a local exchange telephone company, interexchange carrier, or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the S.D.P.U.C. Any objections to billed charges must be reported within 15 days of receipt to the Company or the Company's billing agent. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
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Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.10 Cancellation by Customer

Customer may cancel service by providing 30 days written notice to the Company.

2.11 Interconnection

Service furnished by the Company may be connected with the services for facilities of other carriers. The customer is responsible for all charges billed by other carriers for use in connection with the Company's service. Any special interface equipment or facilities necessary to achieve compatibility between carriers is the responsibility of the customer.

2.12 Refusal or Discontinuance by Company

The Company may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given 15 days written notice to comply with any rule or remedy any deficiency:

- (a) For non-compliance with or violation of any State municipal, or Federal law, ordinance or regulation pertaining to telephone service
- (b) For use of telephone service for any other property or purpose than that described in the application.
- (c) For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- (d) For noncompliance with or violation of Commission regulation of the Company's rules and regulations on file with the Commission, provided five days written notice is given before termination
- (e) For nonpayment of bills, provided that suspension or termination of service shall not be made without five working days written notice to the Customer, except in extreme cases.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.12 Refusal or Discontinuance by Company Cont'd

(f) Without notice in the event of Customer or Authorized User's use of equipment is in such a manner as to adversely affect the Company's or Carriers equipment or the Company's service to others.

(g) Without notice in the event of tampering with Carrier equipment or services provided by the Company or its agents.

(h) Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.

(i) Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits the Company or Carrier from furnishing such services.

(j) For extended periods of inactivity.

2.13 Interruption of Service

Credit allowances for interruptions of service which are not due to the Carrier's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Carrier immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any furnished by Customer and connected to Carrier's terminal. Interruptions caused by Customer-provided or Carrier-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of using the long distance network via local exchange company access.

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By: H. Bruce Bronson, Jr., Chairman
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287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.14 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Carrier shall be made available to the Carrier for tests and adjustments as may be deemed necessary by the Carrier for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.15 Tests, Pilots, Promotional Campaigns and Contests

The Company and/or the Carrier may conduct special tests or pilot programs and promotions at their discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Company and/or the Carrier may also waive a portion or all processing fees or installation fees for winners of contests and other occasional promotional events sponsored or endorsed by either the Company and/or the Carrier. From time to time, the Company may waive all processing fees for a Customer.

These promotions will be approved by the S.D.P.U.C. with specific starting and ending dates with promotions running under no circumstances longer than 90 days in any 12 month period.

2.16 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Company and/or the Carrier including legal and accounting expenses. Customer is also responsible for recovery costs of Carrier-provided equipment and any expenses required for repair or replacement of damaged equipment.

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.17 Late Fee

A late fee of 1.5% monthly may be charged on any past due balances beginning 30 days from the mailing date of the bill.

2.18 Return Check Charges

A fee of \$15.00 or five percent of the amount of the check, whichever is greater, may be charged for each check returned for insufficient funds.

2.19 Reconnection Charge

A reconnection fee of \$50.00 per occurrence may be, at the discretion of the Company, charged when service is re-established for customers who have been disconnected for non-payment.

2.20 Routing of 0- and 0+ IntraLATA Calls

All 0- and 0+ intraLATA calls will be routed to the local exchange company.

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

- 3.1.1 Long distance usage charges are based on the actual usage of the Company's network services. The Company will determine that a call has been established when the called party's station answers. When the station answers is determined by hardware answer supervision in which the local telephone company sends a signal to indicate an answer. A call is terminated when either party hangs up.

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE, CONT'D.

3.1 Timing of Calls Cont'd

- 3.1.2 Unless otherwise specified in this tariff, the minimum call duration for billing purposes is eighteen seconds.
- 3.1.3 Unless otherwise specified in this tariff, usage is measured and rounded to the next higher six second increment for billing purposes.
- 3.1.4 There is no billing applied for incomplete calls.
- 3.1.5 The Company service is Accessed by dialing "1".

3.2 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between the servicing wire center locations associated with the originating and terminating points of the call.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the serving wire centers as defined by BellCore (Bell Communications Research), in the following manner:

Step 1 - Obtain the "V" and "H" coordinates for the serving wire center of the Customer's switch and the destination point.

Step 2 - Obtain the difference between the "V" coordinates of each of the Rate Centers. Obtain the Difference between the "H" coordinates.

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE, CONT'D.

3.2 Calculation of Distance, cont'd.

Step 3 - Square the differences obtained in Step 2.

Step 4 - Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5 - Divide the sum of the square obtained in Step 4 by ten. Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating serving wire centers of the call.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

3.3 Minimum Call Completion Rate

Customers can expect a call completion rate of not less than 90% during peak use periods for all 1+ services. The call completion rate is calculated as the number of call completed (including calls completed to a busy line or to a line which remains unanswered by the called party) divided by the number of calls attempted.

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE, CONT'D.

3.4 Service Offerings

- 3.4.1 **Long Distance Calling Service** - is offered through LDDS and is a direct access dial "1" service.
- 3.4.2 **Telephone Calling Card Service** - is offered either alone or in conjunction with LDCS service as an optional feature. Remote Access to LDCS service is utilized by Customers when off the network by dialing a 1-800 number and entering an authorization code and dialing the number for which the Customer desires to be connected.
- 3.4.3 **Prepaid Telephone Cards** ("Prepaid Calling Cards"). The Company offers Prepaid Calling Cards which are sold to Customers by retail outlets and utilized on any non-restricted telephone to place calls by dialing a 1-800 number and utilizing a pin number. The Company sells its prepaid cards under the names Oasis Telecom and AIT. In addition, the Company provides services to other companies that offer limited series, collectors edition prepaid cards or premiums.

SECTION 4 - RATES

4.0 Rates

4.1 General

Each Customer is charged individually for each call placed through the Carrier at rates not exceeding those set forth below.

Customers are billed based on their use of the long distance service.

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES, CONT'D.

4.2 Rates and Charges

LDCS Usage Rates

Usage rates apply per time of day and day of week, including Holidays, as shown in the following chart.

Rate Period Chart

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM to 5:00 PM*	DAY RATE PERIOD					EVENING RATE PERIOD	
5:00 PM to 11:00 PM*	EVENING RATE PERIOD						
11:00 PM* to 8:00 AM*	NIGHT RATE PERIOD						

* To, but not including. The rate for a call between stations whose access lines are associated with the same Central Office is the zero mileage rate.

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TELECOMMUNICATIONS SERVICES TARIFF

4.3. Schedule of Rates

1. Schedule A (switched)

This schedule applies to calls between two on-network stations which use local exchange service access lines or between an on-network station which uses a local exchange service access line and an off-network station or between two off-network stations within the State of South Dakota.

<u>Dollar volume of calls</u>	<u>Rates</u>
	<u>Each</u>
	<u>6 Seconds or Fraction</u>
	<u>Day</u>
\$ 0 - \$200	\$.0179
\$201 - \$750	\$.0159
\$751 - \$1,300	\$.0143
\$1,301 - and above	\$.0131

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES, CONT'D.

2. Schedule B (dedicated)

This schedule applies to calls between an on-network station which uses a special access line (dedicated lines) and either an on-network station that uses a local exchange service access line or an off-network station in South Dakota.

Rates	
Each	
6 Seconds or Fraction	
<u>Dollar volume of calls</u>	<u>Day</u>
\$ 0 - \$200	\$.0140
\$201 - \$750	\$.0130
\$751 - and above	\$.0114

3. a) 800 Inbound (Switched) This schedule applies to calls between two on-network stations which use local exchange service access lines or between an on-network station which uses a local exchange service access line and an off-network station or between two off-network stations within the State of South Dakota via a 1-800 number:

Rates	
Each	
6 Seconds or Fraction	
<u>Dollar volume of calls</u>	<u>Day</u>
\$ 0 - \$200	\$.0179
\$201 - \$750	\$.0159
\$751 - \$1,300	\$.0143
\$1,301 - and above	\$.0131

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES, CONT'D.

b) 800 Inbound (Dedicated) This schedule applies to calls between an on-network station which uses a special access line (dedicated lines) and either an on-network station that uses a local exchange service access line or an off-network station in South Dakota via a 1-800 number:

Rates	
Each	
6 Seconds or Fraction	
<u>Dollar volume of calls</u>	<u>Day</u>
\$ 0 - \$200	\$.0140
\$201 - \$750	\$.0130
\$751 - and above	\$.0114

4. Schedule C

Remote Access (AIT Travel Card)

From an off-network station a caller dials a 1-800 telephone number associated which gives the caller access to the LDCS network, the caller then enters an authorization code which allows the dialing of the desired number.

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES, CONT'D.

Rates

Usage charges for intrastate calls are charged at a rate specified below per minute based upon the amount of monthly usage and are billed in 6-second increments with the exception of the first 30 seconds which is billed in 30-second increments:

<u>Rate</u>	<u>Monthly Dollar Commitment</u>
\$.26	\$ 0 - 50
\$.25	\$51 - 100
\$.24	\$101 - 200
\$.23	\$201 - 300
\$.22	\$301 - 400
\$.21	\$401 - 500
\$.20	\$501 - 600
\$.19	\$601 - and above

5. Prepaid Card Service Rates

The intrastate rate for prepaid calling cards is set forth below. Charges for Prepaid Card Calling Service are in 60-second increments for completed calls. There are no charges for incomplete intrastate calls. The Company also provides promotional prepaid telephone card service to third parties.

<u>Card</u>	<u>Rate Per Minute</u>
Oasis Telecom	\$.21
AIT Prepaid	For \$20 Card \$.25
	For \$10 Card \$.30
	For \$2 Card \$.35
Promotional Card #1	\$1.12
Promotional Card #2	\$.35
Promotional Card #3	\$.60

ait-tariff-nd

Issued: December 30, 1996
By: H. Bruce Bronson, Jr., Chairman
American International Telephone, Inc.
287 Bowman Avenue
Purchase, NY 10577

Effective: _____

EXHIBIT D

Balance Sheet and Financial Statement

AMERICAN INTERNATIONAL TELEPHONE, INC.
BALANCE SHEET
SEPTEMBER 30, 1996

UNAUDITED

ASSETS

Current Assets	
Cash	140,946
Accounts Receivable	1,140,166
Stock Subscription Receivable	25,000
Total Current Assets	<u>1,306,112</u>
Property & Equipment:	
Computer & Software	28,986
Furniture & Fixtures	17,347
Telephone Equipment	138,129
Total	<u>184,462</u>
Less Accumulated Depreciation	<u>26,071</u>
Book Value of Property & Equipment	<u>158,391</u>
Other Assets	
Deposits	1,235
Deferred Costs (net of amortization)	168,180
Total Other Assets	<u>169,415</u>
TOTAL ASSETS	<u>1,833,916</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	
Accounts Payable	1,284,484
Payroll Taxes Payable	20,688
Interest Payable	2,702
Excise, Sales & Telecommunication Taxes Payable	53,345
Total Current Liabilities	<u>1,361,219</u>
Other Liabilities	
Notes Payable - Investor Funds	999,913
Stockholders' Equity	
Capital Stock	127
Paid in Capital	13,120
Preferred Stock	25,000
Retained Earnings	<u>(565,463)</u>
Total Stockholders' Equity	<u>(527,216)</u>
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	<u>1,833,916</u>

AMERICAN INTERNATIONAL TELEPHONE, INC.
 PROFIT & LOSS STATEMENT
 FOR THE NINE MONTHS ENDING SEPTEMBER 30, 1996

UNAUDITED

Sales	\$	4,044,337
Cost of Sales		<u>3,585,912</u>
Gross Profit		458,425
Operating Expenses		
Advertising		46,499
Auto Expenses		10,254
Bank Charges		1,000
Brochures & Catalogs		2,618
Collection Expenses		50,387
Commissions		62,944
Consulting		14,700
Filing Fees		30,193
Insurance		9,852
Marketing		40,055
Miscellaneous		11,697
Office Expense		18,814
Outside Billing		20,277
Outside Labor		4,326
Payroll & Related Costs		413,184
Professional Fees		32,617
Rent		17,185
Shipping & Delivery		15,903
Telephone		60,076
Travel		<u>13,858</u>
Total Operating Expenses		<u>876,439</u>
Operating Profit / (Loss)		(418,014)
Other (Income)- Interest Income	(2,223)	
Other Expenses		
Depreciation	25,887	
Amortization	37,294	
Interest Expense - Investors	<u>54,523</u>	
Total Other (Income)/Expenses		<u>115,481</u>
Net Profit / (Loss)		<u><u>(533,493)</u></u>

BRONSON & MIGLIACCIO
ATTORNEYS AT LAW
PROFESSIONAL ACCOUNT
287 BOWMAN AVENUE 914-251-1212
PURCHASE, NY 10577-2517

CITIBANK, N.A. BR. #160
1040 BOSTON POST ROAD
RYE, NY 10580
1-8/210 100

3866

12/27/96

PAY TO THE ORDER OF South Dakota Public Utilities Commission

\$ 250.00

Two Hundred Fifty-----00/100

DOLLARS



AIT

MEMO

⑈003866⑈ ⑆021000089⑆ 11416722⑈

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (800) 332-1782
Fax: (605) 773-3829

TELECOMMUNICATIONS SERVICE FILINGS

These are the telecommunications service filings that the Commission has received for the period of:

12/27/96 through 01/02/97

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC97-001	Application by American International Telephone, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TH/KC) Applicant seeks to provide 1+ service, calling card service, and prepaid telephone cards.	01/02/97	01/17/97
FULLY COMPETITIVE TELECOMMUNICATIONS FILINGS			
NA	Tel-Save, Inc. d/b/a The Phone Company filed to add a new product, to change a long distance rate, and to inform the Commission of a company name and address change. These changes are effective December 31, 1996.	12/30/96	NA
NA	LCI International Telecom Corp. filed to change the WorldCard billing increments associated with Simply Business and LCI Alternative, to increase the All America Plan usage rates, to increase the WorldCard surcharge associated with Simply business and LCI Alternative, and to increase the Evening and Night/Weekend usage rates and surcharge rate for WorldCard Plus Calling Card. The revisions are effective January 1, 1997.	12/30/96	NA
NA	U S WEST Communications filed to restructure the Business Voice Mail product in its Exchange and Network Services Catalog. The revisions are effective January 1, 1997.	12/31/96	NA

Important Notice: The Commission is compiling a list of internet addresses. If you have an internet address please notify the Commission by E-mailing it to Terry Norum at: terryn@puc.state.sd.us. Faxing the address to the Commission at: 605-773-3829.

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF)
AMERICAN INTERNATIONAL TELEPHONE,)
INC. FOR A CERTIFICATE OF AUTHORITY TO)
PROVIDE TELECOMMUNICATIONS)
SERVICES IN SOUTH DAKOTA)

ORDER GRANTING
CERTIFICATE OF
AUTHORITY

TC97-001

On January 2, 1997, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, received an application for a certificate of authority from American International Telephone, Inc. (AIT).

AIT seeks to provide 1+ service, calling card service, and prepaid telephone cards. A proposed tariff was filed by AIT. The Commission has classified long distance service as fully competitive.

On January 2, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of January 17, 1997, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled February 11, 1997, meeting, the Commission considered AIT's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that AIT not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that AIT has met the legal requirements established for the granting of a certificate of authority. AIT has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves AIT's application for a certificate of authority, subject to the condition that AIT not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

ORDERED, that AIT's application for a certificate of authority is hereby granted, effective March 2, 1997, subject to the condition that AIT not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

FURTHER ORDERED, that AIT shall file informational copies of tariff changes with the Commission as the changes occur.

Dated at Pierre, South Dakota, this 20th day of February, 1997.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in the docket, as listed on the docket service list by first class mail in properly addressed envelopes, with charges prepaid thereon.

By Alicia Kalkb

Date 2/24/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

NA. A. NANG
NEXT

DOCUMENT (S)

DISREGARD

BACKGROUND

0142443

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company
Within The State Of South Dakota

Authority was Granted February 11, 1997, effective March 2, 1997
Docket No. TC97-001

This is to certify that

AMERICAN INTERNATIONAL TELEPHONE, INC.

is authorized to provide telecommunications services in South Dakota.

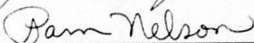
This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20 10 24 02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 26th day of February, 1997.

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner