

TC97-076

JOURNEY TELECOM
INTERNATIONAL, INC.

6919 Valjean Avenue, Suite A Van Nuys, CA 91406
(818) 902-5077 (Ph.) (818) 909-5801 (Fax)
24 Hour Voice Information Line with Fax On Demand: (512) 505-6846

www.journeytelecard.com

June 5, 1997

RECEIVED

JUN 13 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

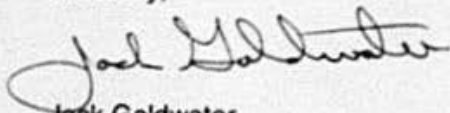
RE: Application for Certificate of Public Convenience and Authority to resell intrastate and Interstate South Dakota long distance telecommunications services.

To whom it may concern:

Journey Telecom International, Inc. hereby submits the enclosed Application, seeking Authority to operate as a reseller of interexchange telecommunications services within the State of South Dakota.

Should there be any questions or additional information required, please do not hesitate to Contact me at the indicated phone number. Thank you.

Sincerely,



Jack Goldwater
CEO, Journey Telecom International, Inc.

Encl.

JG/sa

Journey Telecom International, Inc.

South Dakota
Tariff Sheet

Journey Telecom International, Inc., a network marketing company, will be re-selling pre-paid phone cards for intrastate and interstate use as well as offer, as an agent, long distance service to residents and businesses of the State of South Dakota. (Note: We are currently filing Certification of Authority in all states throughout the Union.)

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions and rates applicable to the furnishing of service for telecommunications services provided by Journey Telecom International, Inc. with principal offices at 6919 Valjean Avenue Van Nuys, CA 91406. This tariff applies for services furnished within the state of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued:

Effective: _____

By:

Jack Goldwater, President, and CEO
6919 Valjean Avenue
Van Nuys, CA 91406

1) PRE-PAID PHONE CARDS

The pre-paid phone cards allows the customer to prepay for intrastate and interstate long distance calling time within the State of South Dakota. The cards are initially sold with 60-minutes of calling time set for each card. The cardholder accesses the pre-paid time by dialing an 888 number identified on the back of the phone card. The cards are not rechargeable (*NOTE: For the future, we will have a Custom Card Program. The sole purpose will be fundraising for different organizations, schools...etc., and those cards sold will be rechargeable at a cost to be determined. Part of those proceeds will go directly back to the organization.) The cost for a pre-paid phone card will be \$20.00 for a 60-minute phone card, which amounts to 33.33 cents per minute.

2) LONG DISTANCE SERVICE

The long distance service allows intrastate and interstate access for residents and businesses with the State of South Dakota. There is no sign-up fee, and no monthly service fee. The rates are 24 hours a day, 7-days a week. The rate for long distance service will be 11.9 cents per minute interstate, and 11.55 cents per minute intrastate.

LIABILITIES OF THE COMPANY

Journey Telecom International, Inc.'s liability for damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in transmission occurring during the course of furnishing service, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the charge to the customer for the service during which the aforementioned faults in transmission occur. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service which are caused by or contributed to, by the negligence or willful act of the customer, shall not result in the imposition of any liability whatsoever upon the Company.

Carrier is not liable for the quality of service provided by any local exchange carrier. Carrier is not liable for any act, omission, or negligence of any local exchange carrier or other provider whose facilities are used in furnishing any portion of their service received by Customer.

Carrier shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to civil disorders; labor problems; and fire, flood atmospheric conditions or other phenomena of nature, such as radiation. In addition, Carrier shall not be liable for any failure of performance hereunder due to necessary network reconfigurations; system modifications due to technical upgrades; or regulations established or actions taken by any court or government agency having jurisdiction over the Company.

Issued:

Effective: _____

By: Jack Goldwater, President and CEO
6919 Valjean Avenue
Van Nuys, CA 91406

ASSETS			LIABILITIES AND SHAREHOLDERS' EQUITY		
	AMOUNT	TOTAL		AMOUNT	TOTAL
1. Cash		\$ 228,197	15. Accounts payable	\$ 209,600	
2. Trade notes & accounts receivable			16. Mortgages, notes, bonds payable in less than 1 year		
- Less allowance for bad debts			17. Other current liabilities		
3. Inventories		\$ 171,624	18. Loans from shareholders		
4. Government obligations			19. Mortgages, notes, bonds payable in 1 year or more		
- U.S. and instrumentales			20. Other liabilities	\$ 74,000	
- State subdivisions thereof etc			21. Total liabilities		
5. Other current assets			22. Capital stock:		
6. Loans to shareholders			- Preferred stock		
7. Mortgage and real estate loans			- Common stock		
8. Other investments			23. Paid-in or capital surplus		
9. Buildings and other fixed depreciable assets			24. Retained earnings - appropriated		
- Less accumulated depreciation			25. Retained earnings income fund - unappropriated		
10. Depletable assets			26. Less cost of treasury stock	()	
- Less accumulated depreciation			27. Net worth (total shareholders' equity)		\$ 134,721
11. Land (net of any amortization)			28. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 418,321
12. Intangible assets (Amortizable only)					
- Less accumulated amortization					
13. Other assets		\$ 18,500			
14. TOTAL ASSETS		\$ 418,321			

(Items 14, and 28, must be identical)

State of California

1995097

SECRETARY OF STATE

CORPORATION DIVISION

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

DEC 6 1996



Bill Jones

Secretary of State

ARTICLES OF INCORPORATION
OF
JOURNEY TELECOM INTERNATIONAL, INC.

1995097

ENDORSED - FILE
In the office of the Secretary of State
of the State of California

DEC 04 1996

BILL JONES, Secretary of State

I

The name of this corporation is JOURNEY TELECOM INTERNATIONAL, INC.

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Mr. Jack Goldwater
15236 Burbank Boulevard * 220
Van Nuys, California 91411-3505

IV

The corporation is authorized to issue one class of shares. The class shall be designated as common stock, no par value. The total number of common shares which this corporation is authorized to issue is 10,000,000.

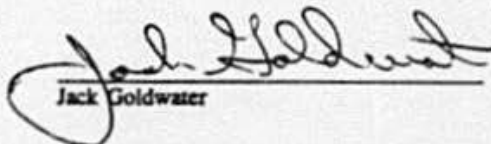
V

The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

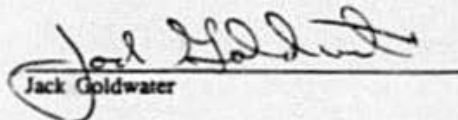
VI

The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) for breach of duty to the corporation and its stockholders through bylaw provisions or through agreements with the agents, or both, in excess of the indemnification otherwise permitted by Section 317 of the Corporations Code, subject to the limits on such excess indemnification set forth in Section 204 of the Corporations Code.

Dated: October 30, 1996


Jack Goldwater

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.


Jack Goldwater

B
L
A
N
K
P
A
G
E

NEXT

DOCUMENT (S)

DISREGARD

BACKGROUND

JOURNEY TELECOM INTERNATIONAL, INC.

ACCOUNT #1
6919 VALJEAN AVE. 818-906-5805
VAN NUYS, CA 91406

WESTWOOD OFFICE
WESTERN BANK
LOS ANGELES, CALIFORNIA 90024
16-3327-1222

1639

06/06/97

PAY TO THE ORDER OF S. Dakota Public Utilities Commission

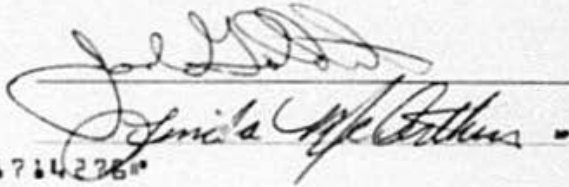
\$**250.00

Two Hundred Fifty and 00/100*****

DOLLARS

S. Dakota Public Utilities Commission
State Capitol
Pierre, South Dakota
57501-5070

MEMO



⑈00⑆1639⑆ ⑆⑆⑆2233276⑆ 69⑆7⑆4226⑈

JOURNEY TELECOM INTERNATIONAL, INC.

S. Dakota Public Utilities Commission

06/06/97

1639

250.00

TC97-076

JTI #1

250.00

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (800) 332-1782
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

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

06/13/97 through 06/19/97

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			
TC97-076	Application by Journey Telecom International, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ)	06/13/97	07/07/97
TC97-091	Application by Calls for Less, Inc. d/b/a CFL for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) Applicant seeks authority to originate and terminate "intrastate, intraLATA and interLATA calls of business and residential customers, to operate as a Travel and Debit (Prepaid Calling) Card reseller, and to provide COCOT/COPT service."	06/17/97	07/07/97
TC97-103	Application by Crystal Communications, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) Applicant seeks authority to provide local telecommunications services and interexchange telecommunications services. The Applicant will not offer any local telecommunications services within a Rural Telephone Company service area without seeking separate Commission authority.	06/19/97	07/07/97
TC97-104	Application by Quintelco, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) Applicant "intends to subscribe to and resell all forms of inter-exchange and intra-exchange telecommunications services in the state of South Dakota, including local dial tone services, Message Telephone Service, Wide Area Telephone Service, WATS-like services, foreign exchange service, private lines, tie lines, access service, cellular service, local switched service and other services and facilities of communications common carriers and other entities."	06/19/97	07/07/97
REQUEST FOR ELIGIBLE TELECOMMUNICATIONS COMPANY STATUS			
TC97-077	Intrastate Telephone Company, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Intrastate Telephone Company is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Bradley (784), Castlewood (793), Clark (532), Florence (758), Hayti (783), Lake Norden (785), Waubay (947), Webster (345), Willow Lake (825) and Bryant (628). Intrastate Telephone Company, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/13/97	07/07/97

TC97-078	Interstate Telecommunications Cooperative, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Interstate Telecommunications Cooperative is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Goodwin (795), Clear Lake (874), Gary (272), Estelline (873), Brandt (876), Astoria (832), Toronto (794), West Hendricks (479), Elkton (542), White (629), Brookings Rural (693), Sinai (826), Nunda/Rutland (586), Wentworth (483) and Chesler (489). Interstate Telecommunications Cooperative, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/13/97	07/07/97
TC97-080	West River Cooperative Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. West River Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Bson (244), Buffalo (375), Camp Crook (605-797) and (406-972), Meadow (788) and Sorum (866). West River Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/16/97	07/07/97
TC97-081	Stateline Telecommunications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Stateline is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Newell (456), Nisland (257) and Lemmon (605-374) and (701-376). Stateline, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/16/97	07/07/97
TC97-083	Accent Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Accent is the facilities-based exchange carrier presently providing local exchange telecommunications services in the following exchanges: Bristol (492), Doland (635), Frederick (329), Hecla (994), North Hecla (701-992) and Melleite (887). Accent, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/17/97	07/07/97
TC97-084	James Valley Cooperative Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. James Valley Cooperative Telephone Company is the facilities-based exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Andover (298), Claremont (294), Columbia (396), Conde (382), Ferney (395), Groton (397), Houghton (885) and Turton (897). James Valley Cooperative Telephone Company, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/17/97	07/07/97
TC97-085	Heartland Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Heartland Communications is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Platte/Geddes (337). Heartland Communications, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/17/97	07/07/97

TC97-086	Midstate Telephone Company, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Midstate Telephone Company is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Academy (726), Delmont (779), Ft. Thompson (245), Gann Valley (293), Kimball (778), New Holland (243), Pukwana (894), Stickney (732) and White Lake (249). Midstate Telephone Company, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/17/97	07/07/97
TC97-087	Baltic Telecom Cooperative pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Baltic Telecom Cooperative is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Baltic (529) and Crooks (543). Baltic Telecom Cooperative, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/17/97	07/07/97
TC97-088	East Plains Telecom, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. East Plains Telecom, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Alcester (934), Hudson (984), and East Hudson (712-982). East Plains Telecom, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/17/97	07/07/97
TC97-089	Western Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Western Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Cresbard (324), Faulkton (598) and Orient (392). Western Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/17/97	07/07/97
TC97-090	Stockholm-Strandburg Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Stockholm is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Stockholm-Strandburg (676, Revillo (623) and South Shore (756). Stockholm, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/17/97	07/07/97
TC97-092	Kennebec Telephone Co. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Kennebec Telephone Co. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Kennebec (869) and Presho (895). Kennebec Telephone Co., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/18/97	07/07/97
TC97-093	Jefferson Telephone Co., Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Jefferson Telephone Co., Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchange: Jefferson (966). Jefferson Telephone Co., Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/18/97	07/07/97

TC97-094	Sully Buttes Telephone Cooperative, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Sully Buttes Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: West Onida (264), Hitchcock (266), Seneca (436), Tolstoy (442), Onaka (447), Wessington (458), Langford (493), Rosholt (537), Tulare (596), Highmore (852), Harrold (875), Ree Heights (943), Hoven (948), Blunt (962) and East Onida (973). Sully Buttes Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/19/97	07/07/97
TC97-095	Venture Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Venture Communications is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Onida (258), Bowdle (285), Roscoe (287), Pierpont (325), Britton (448), Britton, ND (701-443), Roslyn (486), Wessington Springs (539), Selby (649), Gettysburg (765) and Lebanon (768). Venture Communications, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/19/97	07/07/97
TC97-096	SANCOM, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. SANCOM is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Wolsey (883), Parkston (928) and Tripp (935). SANCOM, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/19/97	07/07/97
TC97-097	Sanborn Telephone Cooperative pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Sanborn Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Ethan (227), Mt. Vernon (236), Letcher (248), Forestburg (495), Artesian (527), Woonsocket (796) and Alpena (849). Sanborn Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/19/97	07/07/97
TC97-098	Beresford Municipal Telephone Co. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Beresford Tel. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchange: Beresford (763). Beresford Tel., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/19/97	07/07/97
TC97-099	Roberts County Telephone Cooperative Association pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Roberts County Telephone Cooperative Association is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: North New Effington, ND (701-634), New Effington (637) and Claire City (652). Roberts County Telephone Cooperative Association, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/19/97	07/07/97

TC97-100	RC Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. RC Communications is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: North Veblen, ND (701-634), Wilmot (938), Peever (932), Veblen (738) and Summit (398). RC Communications, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/19/97	07/07/97
TC97-101	Splitrock Properties, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Splitrock Properties, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Howard/Carthage (772) and Oldham/Ramona (482). Splitrock Properties, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/19/97	07/07/97
TC97-102	Splitrock Telecom Cooperative, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Splitrock Telecom Cooperative, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Brandon (582) and Garretson (605-594) and (507-597). Splitrock Telecom Cooperative, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC)	06/19/97	07/07/97
TC97-105	Tri-County Telecom, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Tri-County Telecom, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Clayton (825) and Emery (443). Tri-County Telecom, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH)	06/19/97	07/07/97
FILING OF TYPE 1 PAGING AGREEMENT			
TC97-079	U S WEST Communications, Inc. filed for approval by the Commission the Type 1 Paging Agreement between KJAM Mobile Paging and U S WEST. "This Agreement was reached through voluntary negotiations without resort to mediation or arbitration and is submitted for approval pursuant to Section 252(e) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996...KJAM Mobile Paging and U S WEST further request that the Commission approve this Agreement without a hearing and without allowing the intervention of other parties. Because this Agreement was reached through voluntary negotiations, it does not raise issues requiring a hearing and does not concern other parties not a part of the negotiations. Expedient approval would further the public interest"	06/16/97	07/07/97
NONCOMPETITIVE TELECOMMUNICATIONS FILINGS			
TC97-082	U S WEST Communications filed tariff sheets that remove references to exchanges that have been sold by U S WEST. The sale was effective June 1, 1997. In addition, this filing includes some text changes and clean-up items. U S WEST has requested an effective date of June 1, 1997, for this filing. (Staff: DJ/CH)	06/17/97	NA

FILING OF INFORMATIONAL INTRASTATE PAYPHONE TARIFFS

NA	East Plains Telecom, Inc. on June 13, 1997	NA	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 Neuman at terryn@pac.state.sd.us. Faxing the address to the Commission at 605-773-3809

*Amendment from Original filing dated June 5, 1997

July 15, 1997

RECEIVED

JUL 28 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

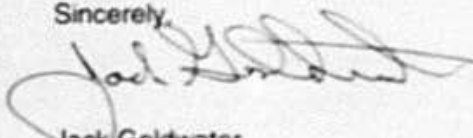
RE: Application for Certificate of Public Convenience and Authority to resell intrastate and Interstate South Dakota long distance telecommunications services.

To whom it may concern:

Journey Telecom International, Inc. hereby submits the enclosed Application, seeking Authority to operate as a reseller of interexchange telecommunications services within the State of South Dakota.

Should there be any questions or additional information required, please do not hesitate to Contact me at the indicated phone number. Thank you.

Sincerely,



Jack Goldwater
CEO, Journey Telecom International, Inc.

Encl.

JG/sa

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF SOUTH DAKOTA**

In the Matter of the Application of
Journey Telecom International, Inc.
For a Certificate of Convenience and
Authority to transact the business
Of interexchange Services Provider
Within the State of South Dakota.

Docket No. _____

**APPLICATION FOR CERTIFICATE OF AUTHORITY
(Interexchange Carrier Only)**

Comes now Jack Goldwater of Journey Telecom International, Inc. a Corporation representing its intentions to engage in the business of an Interexchange Service Provider in the State of South Dakota under the business name of Journey Telecom International, Inc. in the State of South Dakota, and making claim that public convenience will be thereby promoted. Said applicant, for purposes of verification and in evidence of fitness to operate, offer the following information in support of the application.

1. Contact person and address of Corporate Office:

Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406
(818) 902-5077

*The name under which the corporation intends to business within the State of South Dakota is: Journey Telecom International, Inc. (Journey Telecom International, Inc. is incorporated within the State of California - Articles of Incorporation are attached. And, the date of incorporation was December 6, 1996). Certification as a Foreign Corporation within the State of South Dakota is pending. Once certified, we will forward a copy to the Public Utilities Commission's Office.

Contact person / legal Counsel:
David Urman, Attorney-At-Law
610 SW Alder, #1103
Portland, OR 97205
(503) 227-6222

2. List of Corporate Officers of Journey Telecom:
(These Officers are also the top Stockholders of the Corporation)
- A) Jack Goldwater – CEO/President - (Common Stock 28%)
 - B) Roland Carroll – Vice President - (Common Stock 28%)
 - C) Ryan Carroll – Vice President/Secretary – (Common Stock 28%)
 - D) Steve Leff – Vice President – (Common Stock 10%)
 - E) Paul Miller – Vice President – (Common Stock 6%)

The address for all Officers is:

6919 Valjean Avenue
Van Nuys, CA 91406
(818) 902-5077

3. Journey Telecom will act as a reseller of pre-paid phone cards intrastate and Interstate for both residents and businesses within the State of South Dakota. Also, Journey Telecom will act as an agent for long distance services. Journey Telecom will operate as a switchless reseller. Calls originate over LDDS WorldCom facilities, which is Journey's underlying carrier. Certification of Journey Telecom International, Inc. will increase the level of long distance competition within the State of South Dakota. Competition increases the options available to consumers and places downward pressure on rates while exerting more pressure on carriers to deliver high quality services. In addition, competition provides consumers with a wider selection of products and services in telecommunications services.
- *Journey Telecom is currently filing for Certification of Authority in every state.

Journey Telecom is a telecommunications marketing company which features pre-paid phone cards, and offers residential and commercial long distance service, as an agent of WorldCom, Inc. Journey Telecom utilizes network marketing as its primary marketing method.

Plan 1, Pre-Paid Phone Cards. The pre-paid phone card program compensation is geared to sales made by an Independent Representative (IR) and those representative's sales team. The model is based on what are known as sales "phases" and sales "cycles." A sales cycle occurs when an IR and two downlines in the sales team obtain 50 sales of pre-paid phone cards. You start with first attaining 12 sales (in phase 1), and the IR will receive \$100 commission; at 24 sales (in phase 1), the IR gets an additional \$100 commission; and at 50 sales (in phase 1), an additional \$400 commission. At successive phases, there is a higher commission level. Note, there are three important concepts in this compensation plan. First, unlike some network marketing plans, there is no referral fee in connection with the procurement of an IR. The only result is that the IR obtains the procured representative as part of his or her sales team. Second, the fee structure requires balance between the representatives procured by the IR. The smaller leg cannot be less than one-third of the size of the larger leg. In this manner, there is no incentive merely to recruit representatives for their own sake, regardless of productivity.

Finally, the incentive structure rewards the generation of volume. As phases advance, the rate of compensation increases. In short, the key element of this compensation plan is that it is product driven. It is not geared toward the recruitment of individuals for the incidental generation of fee revenue. In fact, there is no registration fee for new IR's. Rather, the only cost is the actual cost of materials.

Plan 2, Long Distance Revenue. Long Distance commissions are based on a commission percentage for each long distance customer obtained. Different commission levels apply for commercial and fundraising programs. The primary source of revenue is provided by these commissions. There is no fee for training of new IR's. Critically, upon attaining an IR, the top line IR must also obtain two customers who are not IR's. In this manner, the company focuses on more than the recruitment of representatives; it seeks the attainment of customers who use its products. In conclusion, the Journey Telecom compensation and marketing plan focuses on the accumulation of product and service sales. The price points for the products and services are at or below market level. There is no element of tiered agent recruitment.

Attached is a Tariff demonstrating the products and services Journey Telecom International, Inc. intends to offer within the State of South Dakota. Also attached are current financial records indicating the financial support Journey Telecom's ability to financially support the proposed services. Since Journey Telecom International, Inc. is a switchless facilities and is an agent of an interexchange carrier, LDDS WorldCom, Journey Telecom does not perform billings, customer service or any other services typically provided by a telecommunications provider. There is a toll free phone number for customer service. That number is (800) 437-1140, and available 8am - 8pm EST.

As Applicant for a certificate of Public Convenience and Necessity, I certify and agree that intrastate telecommunications services will be provided in compliance with the Rules and Regulations of the Public Utilities Commission.

Respectfully submitted,



President, Journey Telecom International, Inc.

Dated: 7-24-97

Journey Telecom International, Inc., a network marketing company, will be re-selling pre-paid phone cards for intrastate and interstate use as well as offer, as an agent, long distance service to residents and businesses of the State of South Dakota. (Note: We are currently filing Certification of Authority in all states throughout the Union.)

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions and rates applicable to the furnishing of service for telecommunications services provided by Journey Telecom International, Inc. with principal offices at 6919 Valjean Avenue Van Nuys, CA 91406. This tariff applies for services furnished within the state of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued:

Effective: _____

By: Jack Goldwater, President, and CEO
6919 Valjean Avenue
Van Nuys, CA 91406

1) PRE-PAID PHONE CARDS

The pre-paid phone cards allows the customer to prepay for intrastate and interstate long distance calling time. The cards are initially sold with 60-minutes of calling time set for each card. The cardholder accesses the pre-paid time by dialing an 888 number identified on the back of the phone card. The cards are not rechargeable. The cost for a pre-paid phone card will be \$20.00 for a 60-minute phone card, which amounts to 33.33 cents per minute.

2) LONG DISTANCE SERVICE

The long distance service allows intrastate and interstate access for South Dakota residents and businesses. There is no sign-up fee, and no monthly service fee. The rates are 24 hours a day, 7-days a week. The rate for long distance service will be 11.9 cents per minute interstate, and 11.55 cents per minute intrastate. (For customer service, please call (800) 437-1140.)

LIABILITIES OF THE COMPANY

Journey Telecom International, Inc.'s liability for damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in transmission occurring during the course of furnishing service, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the charge to the customer for the service during which the aforementioned faults in transmission occur. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service which are caused by the negligence or willful act of the customer, shall not result in the imposition of any liability whatsoever upon the Company.

Carrier is not liable for the quality of service provided by any local exchange carrier. Carrier is not liable for any act, omission, or negligence of any local exchange carrier or other provider whose facilities are used in furnishing any portion of their service received by Customer.

Carrier shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to civil disorders; labor problems; and fire, flood atmospheric conditions or other phenomena of nature, such as radiation. In addition, Carrier shall not be liable for any failure of performance hereunder due to necessary network reconfigurations; system modifications due to technical upgrades; or regulations established or actions taken by any court or government agency having jurisdiction over the Company.

The included tariff language does not constitute a determination by the Commission that a limitation of liability imposed by the Company should be upheld in a court of law. Acceptance for filing by the Commission recognizes that it is a court's responsibility to adjudicate negligence and consequential damage claims. It is also the court's responsibility to determine the validity of the exculpatory clause.

Issued:

Effective: _____

By: Jack Goldwater, President and CEO
6919 Valjean Avenue
Van Nuys, CA 91406

State of California

1995097

SECRETARY OF STATE

CORPORATION DIVISION

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

DEC 6 1996



Bill Jones

Secretary of State

ARTICLES OF INCORPORATION

1995097

OF

JOURNEY TELECOM INTERNATIONAL, INC.

ENDORSED - FILE
In the office of the Secretary of State
of the State of California

DEC 04 1996

BILL JONES, Secretary of State

I

The name of this corporation is JOURNEY TELECOM INTERNATIONAL, INC.

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Mr. Jack Goldwater
15236 Burbank Boulevard * 220
Van Nuys, California 91411-3505

IV

The corporation is authorized to issue one class of shares. The class shall be designated as common stock, no par value. The total number of common shares which this corporation is authorized to issue is 10,000,000.

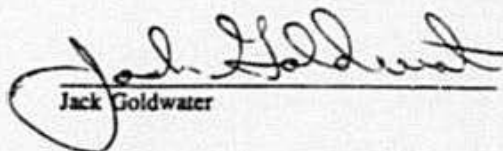
V

The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

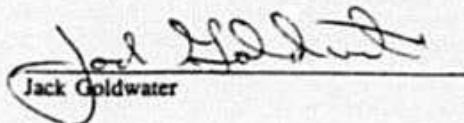
VI

The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) for breach of duty to the corporation and its stockholders through bylaw provisions or through agreements with the agents, or both, in excess of the indemnification otherwise permitted by Section 317 of the Corporations Code, subject to the limits on such excess indemnification set forth in Section 204 of the Corporations Code.

Dated: October 30, 1996


Jack Goldwater

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.


Jack Goldwater

JOURNEY TELECOM INTERNATIONAL, INC.
BALANCE SHEET
JUNE 30, 1997

ASSETS		LIABILITIES AND SHAREHOLDERS' EQUITY		
	AMOUNT	TOTAL	AMOUNT	TOTAL
1. Cash		\$ 228,197	15. Accounts payable	\$ 209,600
2. Trade notes & accounts receivable			16. Mortgages, notes, bonds payable in less than 1 year	
- Less allowance for bad debts			17. Other current liabilities	
3. Inventories		\$ 171,624	18. Loans from shareholders	
4. Government obligations			19. Mortgages, notes, bonds payable in 1 year or more	
- U.S. and instrumentallies			20. Other liabilities	\$ 74,000
- State, subdivisions thereof, etc.			21. Total liabilities	
5. Other current assets			22. Capital stock:	
6. Loans to shareholders			- Preferred stock	
7. Mortgage and real estate loans			- Common stock	
8. Other investments			23. Paid-in or capital surplus	
9. Buildings and other fixed depreciable assets			24. Retained earnings - appropriated	
- Less accumulated depreciation			25. Retained earnings income fund - unappropriated	
10. Depreciable assets			26. Less cost of treasury stock	()
- Less accumulated depreciation			27. Net worth (total shareholders' equity)	\$ 134,721
11. Land (net of any amortization, if)			28. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 418,321
12. Intangible assets (amortizable only)				
- Less accumulated amortization				
13. Other assets		\$ 18,500		
14. TOTAL ASSETS		\$ 418,321		

(Lines 14, and 28, must be identical)

014333121

JOURNEY TELECOM INTERNATIONAL, INC.
PROFIT AND LOSS STATEMENT
April 1, 1997 through June 30, 1997

REVENUE	\$3,010,222
COST OF GOODS	\$2,347,973
	<hr/>
	\$662,249

GENERAL AND ADMINISTRATIVE EXPENSES

Data Processing	\$68,633
Customer Service	\$72,245
Telephone	\$15,532
Rent	\$36,122
Advertising	\$43,347
Postage	\$21,673
Printing	\$14,449
Insurance	\$28,898
Taxes	\$20,589
Accounting	\$18,061
Supplies	\$10,836
Office Expense	\$10,836

TOTAL GENERAL & ADMINISTRATIVE	\$361,221
	<hr/>

Net Profit	\$301,028
------------	-----------

JOURNEY TELECOM INTERNATIONAL, INC.
THREE YEAR PROJECTED INCOME
 1997 through 1999

	1997	1998	1999
Revenue	\$11,037,480.	\$13,244,976.	\$15,893,971.
Cost Of Goods	\$8,609,227.	\$10,331,072.	\$12,397,286.
TOTAL	\$19,646,707.	\$23,576,048.	\$28,291,257.
GENERAL AND ADMINISTRATIVE EXPENSES			
Data Processing	\$251,654.	\$301,984.	\$362,381.
Customer Service	\$264,898.	\$317,877.	\$381,453.
Telephone	\$56,950.	\$68,340.	\$82,008.
Rent	\$132,447.	\$158,936.	\$190,723.
Advertising	\$158,939.	\$190,726.	\$228,872.
Postage	\$79,464.	\$95,356.	\$114,428.
Printing	\$52,979.	\$63,574.	\$76,289.
Insurance	\$105,959.	\$127,150.	\$152,580.
Taxes	\$75,493.	\$90,591.	\$108,709.
Accounting	\$66,223.	\$79,467.	\$95,361.
Supplies	\$39,732.	\$47,678.	\$57,214.
Office Expense	\$39,732.	\$47,678.	\$57,214.
TOTAL	\$1,324,470.	\$1,589,364.	\$1,907,236.

David A. Urman, Attorney at Law
610 SW Alder Street
Suite 1103
Portland, Oregon 97205

phone (503)973-6525
fax (503) 224-2907

October 27, 1997

Ms. Tammi Stango
Utility Analyst
South Dakota Public
Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

RECEIVED

NOV 03 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: Journey Telecom
TC 97-076

Dear Ms. Stango

Pursuant to our prior conversation, attached please find a revised application for certification in behalf of Journey Telecom International, Inc. for authority to provide inter-exchange services on a non-facilities basis.

Please do not hesitate to call me with any questions or comments you might have.

Sincerely,



David A. Urman

cc: Ms. Sheri Altieri (without enclosures)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN RE APPLICATION FOR CERTIFICATION
OF PUBLIC CONVENIENCE AND NECESSITY
FOR JOURNEY TELECOM INTERNATIONAL
TO RESELL INTRASTATE INTEREXCHANGE
TELECOMMUNICATIONS SERVICES

Pursuant to ARSD 20:10:24-02, together with such other applicable rules and regulations, Journey Telecom International ("Journey") hereby applies to the South Dakota Public Utilities Commission for a certificate of public convenience and necessity for authority to resell long distance services.

Journey Telecom International seeks this authority to operate as a switchless reseller planning to resell LDDS WorldCom (WorldCom) throughout the State. Journey Telecom International does not, and does not intend to own, control, manage, or operate any switching equipment, transmission facilities or physical telephone plant and employs the access circuits that are purchased from local exchange companies by WorldCom. All routing, switching, and transmission functions are handled by Journey Telecom's International's underlying carrier, WorldCom. In support of this application, Journey Telecom International shows the following:

Description of the Applicant

Upon certification, Journey Telecom International will act as a reseller of prepaid phone cards intrastate and interstate for both residents and businesses. Journey Telecom will also act as an agent for long distance services operating as a switchless reseller. Journey Telecom's underlying carrier is LDDS WorldCom. Journey Telecom has been an agent for WorldCom since April 1996. Journey Telecom International's terms, conditions, and rates are specified in the enclosed tariff. Journey Telecom International is a corporation incorporated under the laws of the State of California.

The company's principal address and phone are:

Journey Telecom International
6919 Valjean Avenue
Van Nuys, CA 91406
Phone: 818-902-5077

Journey Telecom International's principal officers are named below. Attached are their resumes, which show their competence and experience in management. Journey Telecom International's Corporate Officers are:

Jack Goldwater - CEO /President (Common Stock 28%)
Roland Carroll - Vice President (Common Stock 28%)
Ryan Carroll - Vice President/Secretary (Common Stock 28%)
Steve Leff - Vice President (Common Stock 10%)
Paul Miller - Vice President (Common Stock 6%)

A true copy of Journey's Certificate of Authority to transact business in the State of South Dakota is attached.

Service for Notice

Journey Telecom International authorized representative and the person who should be contacted in connection with the general management of the business is:

Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406
Phone: 818-902-5077

Journey Telecom International's attorney is:

David Urman
610 SW Alder, Suite 1103
Portland, OR 97205
Phone: 503-973-6525
Fax: 503-224-2907

Journey Telecom International's resident agent and local counsel is:

Craig A. Pfeifle, Esq
909 Saint Joseph Street
PO Box 8250
Rapid City, SD 57709

Supporting Exhibits for Financial Resources
And Technical Competence

The following exhibits are submitted in support of this Application:

Financial Statements

- a. Consolidated financial statements since April 1, 1997 through June 30, 1997 are provided. The financial statements including a profit and loss statement reflect that Journey is operating profitably on an accrual basis, reflecting net operating profit of \$301,028. The balance sheet provided reflects a \$134,721 net worth.
- b. Detailed description of Journey Telecom's marketing plan.
- c. Description of the proposed service territory to be served by Journey Telecom International.
- d. Journey Telecom is currently filing for Certification of Authority in every state. Journey Telecom International is certified to do business in the following state:

Arizona	Iowa
Arkansas	Kansas
Colorado	Kentucky
Florida	Montana
Hawaii	North Dakota
Illinois	Oklahoma
Indiana	Oregon

Proposed Rates

A proposed tariff containing the rates to be charged for the provision of the proposed services is attached. Journey Telecom International believes that the rates and the conditions contained in the tariff are competitive and reasonable.

Granting of this Application is in the Public Interest

Journey Telecom International will act as both a reseller of pre-paid phone cards and as an agent for long distance services. The existence of switchless resellers, such as Journey Telecom, will increase the level of long distance competition within the State. Competition increases the options available to consumers and places downward pressure on rates while encouraging the carriers to deliver high quality services. In addition, such businesses as Journey Telecom International provide consumers with a wider selection of products and services in the telecommunications market.

Wherefore, Journey Telecom International respectfully requests the Commission to grant it a Certificate of Public Convenience and Necessity to sell the telecommunications services described in this Application.

Dated this 27th day of October, 1997



David A. Urman

Attorney for Journey Telecom International, Inc.

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

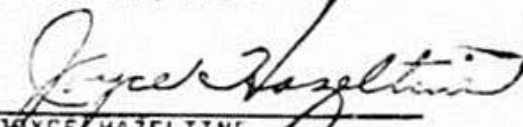
CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of JOURNEY TELECOM INTERNATIONAL, INC. (CA) 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 JOURNEY TELECOM INTERNATIONAL, 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 October 14, 1997.




JOYCE HAZELTINE
Secretary of State

JOURNEY TELECOM INTERNATIONAL, INC.
BALANCE SHEET
JUNE 30, 1997

ASSETS	AMOUNT		LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNT	
	AMOUNT	TOTAL		AMOUNT	TOTAL
1. Cash		\$ 228,197	15. Accounts payable	\$ 209,600	
2. Trade notes & accounts receivable			18. Mortgages, notes, bonds payable in less than 1 year		
- Less allowance for bad debts			17. Other current liabilities		
3. Inventories		\$ 171,624	19. Loans from shareholders		
4. Government obligations			19. Mortgages, notes, bonds payable in 1 year or more		
- U.S. and instrumentals			20. Other liabilities	\$ 74,000	
- State, subdivisions thereof, etc.			21. Total liabilities		
5. Other current assets			22. Capital stock:		
6. Loans to shareholders			- Preferred stock		
7. Mortgage and real estate loans			- Common stock		
8. Other investments			23. Paid-in or capital surplus		
9. Buildings and other fixed depreciable assets			24. Retained earnings - appropriated		
- Less accumulated depreciation			25. Retained earnings income fund - unappropriated		
10. Depletable assets			26. Less cost of treasury stock	()	
- Less accumulated depreciation			27. Net worth (total shareholders' equity)		\$ 134,721
11. Land (net of any amortization)			28. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 418,321
12. Intangible assets (amortizable only)					
- Less accumulated amortization					
13. Other assets		\$ 18,500			
14. TOTAL ASSETS		\$ 418,321			

(Lines 14. and 28. must be identical)

JOURNEY TELECOM INTERNATIONAL, INC.
PROFIT AND LOSS STATEMENT
April 1, 1997 through June 30, 1997

REVENUE	\$3,010,222
COST OF GOODS	\$2,347,973
	<hr/>
	\$662,249

GENERAL AND ADMINISTRATIVE EXPENSES

Data Processing	\$68,633
Customer Service	\$72,245
Telephone	\$15,532
Rent	\$36,122
Advertising	\$43,347
Postage	\$21,673
Printing	\$14,449
Insurance	\$28,898
Taxes	\$20,589
Accounting	\$18,061
Supplies	\$10,836
Office Expense	\$10,836
TOTAL GENERAL & ADMINISTRATIVE	\$361,221
	<hr/>
Net Profit	\$301,028

JOURNEY TELECOM INTERNATIONAL, INC.
THREE YEAR PROJECTED INCOME
1997 through 1999

	1997	1998	1999
Revenue	\$11,037,480.	\$13,244,976.	\$15,893,971.
Cost Of Goods	\$8,609,227.	\$10,331,072.	\$12,397,286.
TOTAL	\$19,646,707.	\$23,576,048.	\$28,291,257.
GENERAL AND ADMINISTRATIVE EXPENSES			
Data Processing	\$251,654.	\$301,984.	\$362,381.
Customer Service	\$264,898.	\$317,877.	\$381,453.
Telephone	\$56,950.	\$68,340.	\$82,008.
Rent	\$132,447.	\$158,936.	\$190,723.
Advertising	\$158,939.	\$190,726.	\$228,872.
Postage	\$79,464.	\$95,356.	\$114,428.
Printing	\$52,979.	\$63,574.	\$76,289.
Insurance	\$105,959.	\$127,150.	\$152,580.
Taxes	\$75,493.	\$90,591.	\$108,709.
Accounting	\$66,223.	\$79,467.	\$95,361.
Supplies	\$39,732.	\$47,678.	\$57,214.
Office Expense	\$39,732.	\$47,678.	\$57,214.
TOTAL	\$1,324,470.	\$1,589,364.	\$1,907,236.

Marketing Plan for Journey Telecom International, Inc.

To get started an IR Application must be completed and the new representative must purchase the Business Development Package for \$49.95 (except in North Dakota). Then they may select the optional Primary Program (\$100 purchase) or the Advanced Program (\$400 purchase), which includes participation in both the Primary and Advanced Programs. This allows them to participate in the Binary and Unilevel compensation plans.

If they choose not to participate in the Primary or Advanced Programs, then they may gather customers and participate in the Unilevel compensation plan only.

Each new representative may be sponsored by one representative and placed under another. Placement locates them in the Binary structure and sponsorship locates them in the Unilevel structure. If placement is not specified, then the computer will place them in the first available location from the left to the right.

Representatives will use a Social Security number or a Federal Tax ID number as their identification number. They are automatically given three Tiers. All three Tiers will include this number with three network extensions (001, 002, 003).

Each Tier must then be activated through the purchase of product to receive commissions in the Binary compensation plan. The qualifications for the Unilevel compensation plan will be outlined in a later section.

The First Tier (001) is activated by either purchasing the Primary Program for \$100 (which equals 100 points) or the Advanced Program for \$400 (which equals 400 points-100 Primary + 300 Advanced). The purchase of the Advanced Program also activates the Primary Program.

The Second Tier (002) is activated by Personal Sales invoiced to the 002. When 100 points are designated to the 002, the Second Tier is activated in the Primary Program.

After 300 additional points (for a total of 400) have accumulated in Personal Sales invoiced to the Second Tier (002), the Advanced Program is activated.

The Third Tier (003) is activated by Personal Sales invoiced to the 003. When 100 points are designated to the 003, the Third Tier is activated in the Primary Program.

After 300 additional points (for a total of 400) have accumulated in Personal Sales invoiced to the Third Tier (003), the Advanced Program is activated.

Marketing Plan for Journey Telecom International, Inc.

This now means all 3 of the Tiers are fully activated and ready to receive commissions. However, 001 can be activated and receive commissions even if 002 and 003 are not activated. Once a Tier is activated, no further qualifications are required to receive commissions in the Binary program.

Primary Program:

\$100 purchase

Step	Sales/Points	1/3 Rule	Commission	100 points = 1 sale in the Primary Program
1	9/900	3/300	\$100	
2	24/2400	8/800	\$100	
3	50/5000	17/1700	\$300	

After completion of Step 3, IR's will also receive 1 prepaid phone card.

Advanced Program:

\$400 purchase (\$100 Primary/\$300 Advanced)

Step	Sales/Points	1/3 Rule	Commission	300 points = 1 sale in the Advanced Program
1	9/2700	3/900	\$200	
2	24/7200	8/2400	\$300	
3	50/15000	17/5100	\$900	

After completion of Step 3, IR's will also receive 3 prepaid phone cards.

Executive Program:

Cannot be purchased, must be earned.

When 10 Tiers in the IR's organization complete the Advanced Program, 1 credit is earned.

Step	Credits	1/3 Rule	Commission	10 Tiers = 1 Credit
1	9	3	\$600	
2	24	8	\$1200	
3	50	17	\$3200	

After completion of Step 3, IR's will also receive 10 prepaid phone cards.

Points system:

Primary Program = 100 points

Advanced Program = 300 points (100 Primary points + 300 Advanced Points)

Executive Program = 1 credit when 10 Tiers in the IR's organization complete the Advanced Program

Personal Sales = assigned points according to values (items available on Personal Sales order form)

Marketing Plan for Journey Telecom International, Inc.

Personal sales are additional items that are assigned points according to values. IR's may purchase these items for resale on a separate form. IR's can designate which Tier (001, 002 or 003) should be credited for personal sales.

Personal Sales Volume can be designated for the activation of Tiers. It also counts as Sales Volume for the upline Tiers.

All Primary Program points are credited to upline Tiers activated in the Primary Program.

Advanced Program points are credited in two portions. 100 points are credited to upline Tiers activated for the Primary Program. 300 points are credited to upline Tiers activated for the Advanced Program.

Additional sales purchases are credited at a percentage. 25% is credited to the upline Tiers activated in the Primary Program and 75% is credited to the upline Tiers activated in the Advanced Program.

All three programs (Primary, Advanced and Executive), may run concurrently. A Tier may cycle through a program a maximum of once per day. Sales volume resets to zero upon completion of each cycle.

Unilevel Compensation Plan

Qualifications:

There is a one-time qualification for each level of compensation.

IR's personal customers:

No qualifications

Level 1:

1 personally sponsored IR and 2 personally accepted long distance customers

Levels 2-6:

2 personally sponsored IR's and 3 personally accepted long distance customers

Level 7:

3 personally sponsored IR's and 6 personally accepted long distance customers

i.e.

for level 1 LOA field must be = to or > than 2 and 1 sponsored rep.

for levels 2-6 LOA field must be = to or > than 3 and 2 sponsored reps.

for level 7 LOA field must be = to or > than 6 and 3 sponsored reps.

Marketing Plan for Journey Telecom International, Inc.

Eligibility:

IR's must maintain the required number of qualifying long distance customers as active/pending.

Pending customers are accepted customers awaiting activation of their long distance service.

Active customers have been confirmed by the LEC (local exchange carrier i.e. GTE, BellSouth) and/or have long distance usage.

If their long distance customers have fallen below on any of the levels, they enter a grace period. They have a grace month (which ends on the last Friday of the month) to either reactivate those customers or submit 2 new long distance customers.

1st column in the Unilevel includes:

Residential Long Distance
Paging
Prepaid Cellular
Virtual Voice (voicemail)

1st column Percentages of Commissions:

Personal Customers	2%
Levels 1-6	1/6%
Level 7	5%

2nd column in the Unilevel includes:

Commercial Long Distance

2nd column Percentages of Commissions:

Personal Customers	5%
Levels 1-6	1/6%
Level 7	2%

3rd column in the Unilevel includes:

Custom Phone Card Recharges

3rd column Percentages of Commissions:

Personal Customers	2%
Levels 1-6	1/6%
Level 7	5%

There is an additional 16% that will be paid to either a fund raiser/business owner or the representative. If it is designated to be paid to a fund raiser/business owner, then they will be entered in the computer by SS#, Fed. Tax ID# or Tax Exempt# and cut a monthly check.

Marketing Plan for Journey Telecom International, Inc.

The initial sale of a Custom Phone Card will release a 5%, 10% or 15% commission. Unilevel commissions are only paid on recharges.

Infinity Bonus currently includes: LDU (residential & commercial), Paging, Prepaid Cellular, Virtual Voice (voicemail) and Custom Card Program.

Percentage of commissions (includes 1st, 2nd & 3rd columns):
½ % paid past the 7th level on all open legs (an open leg has **no** Directors)
¼% paid through two generations of Directors

4th column in the Unilevel includes: Mentor Bonus

There are 2 qualifications a new IR must meet to **release** the Mentor Bonus:

1. Gather 4 customers (i.e. LOA field must be = to or > than 4 for Mentor Bonus to be distributed).
2. Attain Step 2 in the Primary Program (24 sales/2400 points with at least (8 sales/800 points) in each leg).

The Upline must meet the Unilevel qualifications to **receive** the Mentor Bonus (same commission structure used for LDU, Paging, etc.):

Level 1:

1 personally sponsored IR and 2 personally accepted long distance customers

Levels 2-6:

2 personally sponsored IR's and 3 personally accepted long distance customers

Level 7:

3 personally sponsored IR's and 6 personally accepted long distance customers

This bonus regenerates. Each time the qualified IR, who releases the Mentor Bonus, attains Step 2 of the Primary Program this bonus is released to the qualified upline.

Pay Schedule

Binary payout is calculated daily and paid weekly.
Mentor Bonus is calculated daily and paid weekly.

Marketing Plan for Journey Telecom International, Inc.

Unilevel Commissions are calculated monthly and paid monthly.
Custom Card initial sale is calculated weekly and paid monthly.

Glossary of Titles

Unilevel Titles

INDEPENDENT REPRESENTATIVE

Any person who has filled out a Journey Telecom IR application form.

COORDINATOR

Any Consultant who has personally sponsored 3 Consultants and has personally signed 6 customers for long distance service.

MANAGER

Any coordinator who has 2 legs with at least 200 customers in each and a total of 1,000 customers.

DIRECTOR

Any Manager who has personally sponsored 4 Managers.

Binary Titles

SENIOR

Attained when you reach Step 3 in the Primary Program (5000 points with at least 1/3 (1700) in each leg).

REGIONAL

Attained when you reach Step 3 in the Advanced Program (50 sales/15000 points with at least 1/3 (17sales/5100 points) in each leg).

NATIONAL

Attained when you reach Step 1 in the Executive Program (9 credits with at least 1/3 (3) in each leg).

EXECUTIVE

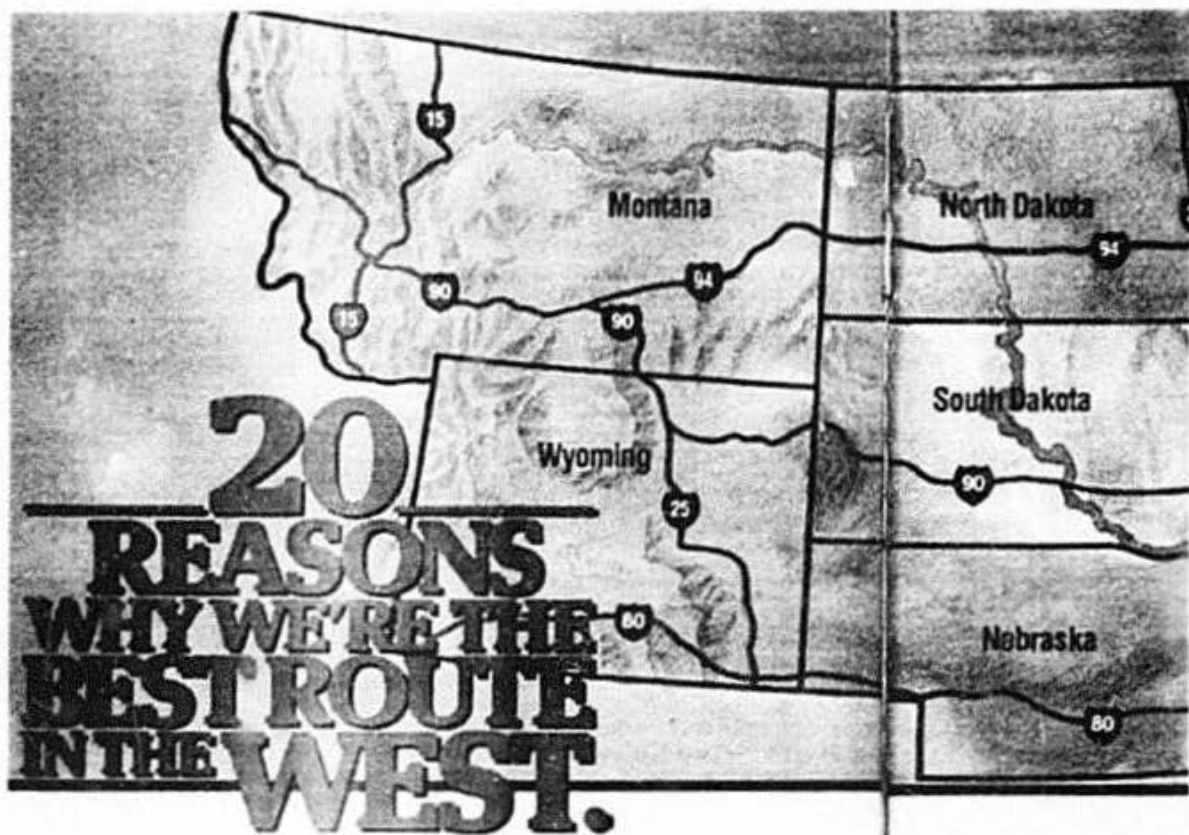
Attained when you reach Step 3 in the Executive Program (50 credits with at least 1/3 (17) in each leg).

NEXT

DOCUMENT (S)

DISREGARD

BACKGROUND



Journey Telecom
International, Inc.

South Dakota 1
Original Sheet 1

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Journey Telecom, with principal offices at 6919 Valjean Avenue, Van Nuys, CA 91406. This tariff applies for services furnished within the state of South Dakota. This tariff is on file with the South Dakota Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: October 27, 1997

0040911.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

CHECK SHEET

The sheets listed below, which are 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 of the bottom of this page.

SHEET	REVISION
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
25	Original

Issued: October 27, 1997

0060931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

TABLE OF CONTENTS

Title Sheet 1
Check Sheet 2
Table of Contents 3
Symbols Sheet 4
Tariff Format Sheets 5
Section 1 - Technical Terms and Abbreviations 7
Section 2 - Rules and Regulations 8
Section 3 - Description of Service 15
Section 4 - Rates 21

Issued: October 27, 1997

0040931.01

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SYMBOLS SHEET

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

- D - Delete Or Discontinue
- I - Change Resulting In An Increase To A Customer's Bill
- M - Moved From Another Tariff Location
- N - New
- R - Change Resulting In A Reduction To A Customer's Bill
- T - Change In Text Or Regulation But No Change In Rate Or Charge

Issued: October 27, 1997

0560931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

TARIFF FORMAT SHEETS

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 between sheets 14 and 15 would be 14.1

B. Sheet Revision Numbers - Revision number 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 SDPUC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc, the SDPUC follows in their 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 its 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).I.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1).

Issued: October 27, 1997

0040931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

Journey Telecom
International, Inc.

South Dakota 1
Original Sheet 6

TARIFF FORMAT SHEETS

D. Check Sheets - When a tariff filing is made with the SDPUC, 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. remains 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 SDPUC.

Issued: October 27, 1997

0060931-01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to a Journey Telecom network switching center.

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 - An individual, organization, or other entity which has been allowed to use the authorization code of a customer by the customer.

Company or Carrier - Journey Telecom International, Inc.

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

Day - From 8:00 AM up to but not including 5:00 PM local time Sunday through Friday.

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

Holidays - Journey Telecom's recognized holidays are New Year's Day, President's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day.

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

Issued: October 27, 1997

0040931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of Journey Telecom

Journey Telecom's services are furnished for communications originating at specified points within the state of South Dakota under terms of this Tariff.

Journey Telecom acts as the customer's agent for ordering access connection facilities provided by its underlying carrier when authorized by the customer, to allow connection of a customer's location to the Journey Telecom network.

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

2.2 Limitations of Service

- 2.2.1 Service is offered subject to the provisions of this tariff.
- 2.2.2 Journey Telecom reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control: or when the customer is using service in violation of the law or the provisions of this Tariff.
- 2.2.3 All services provided under this Tariff are directly controlled by Journey Telecom and its underlying carrier, WorldCom, and the customer may not transfer or assign the use of service.
- 2.2.4 All regulations and conditions contained in this Tariff shall apply to all such permitted assignees as well as all conditions for service.

Issued: October 27, 1997

0040931.01

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

2.3 Liabilities of the Company

- 2.3.1 Journey Telecom's liability for damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in transmission occurring during the course of furnishing service, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the charge to the customer for the service during which the aforementioned faults in transmission occur. However, any such mistakes, omissions, interruptions, delays, errors or defects in transmission or service which are caused by, or contributed to, by the negligence or willful act of the customer, shall not result in the imposition of any liability whatsoever upon The Company.

Carrier is not liable for the quality of service provided by any local exchange carrier. Carrier is not liable for any act, omission or negligence of any local exchange carrier or other provider whose facilities are used in furnishing any portion of their service received by Customer.

Carrier shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to civil disorders; labor problems; and fire, flood, atmospheric conditions or other phenomena of nature, such as radiation. In addition, Carrier shall not be liable for any failure of performance hereunder due to necessary network reconfigurations; system modifications due to technical upgrades; or regulations established or actions taken by any court or government agency having jurisdiction over the Company.

- 2.3.2 Journey Telecom shall be indemnified and held harmless by the customer against:

Issued: October 27, 1997

0040931.01

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

- (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over The Company's facilities.
- (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by Journey Telecom

Issued: October 27, 1997

0040931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SECTION 2 - RULES AND REGULATIONS

2.4 Interruption of Service

2.4.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence of the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the obligation of the customer to notify The Company immediately of any interruption in the service for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his or her control, if any, furnished by the customer and connected to The Company's facilities.

2.4.2 For purposes of credit computation, every month shall be considered to have 720 hours.

2.4.3 No credit shall be allowed for an interruption of a continuous duration of less than two hours.

2.4.4 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. The credit shall be received by the Customer within 45 days of the interruption.

Credit Formula:

Credit = $A/720 \times B$

"A" - outage time in hours

Issued: October 27, 1997

0060931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

Journey Telecom
International, Inc.

South Dakota 1
Original Sheet 12

"B" - total monthly charge for affected facility

Issued: October 27, 1997

0060931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

2.5 Taxes

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

2.6 Billing Procedures

Dedicated access circuits may be provided and billed by the local exchange company (LEC). Dedicated access channels may be purchased from carriers other than the LEC only in accordance with SDPUC rules, or if the special access channel is jurisdictionally interstate. Charges for the dedicated access channel are determined by the access provider.

Issued: October 27, 1997

0060931.01

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

2.7 Overpayment

Carrier shall remit any overpayment to Customers under the following circumstances: (1) through Company's normal internal auditing practices, Company discovers the overpayment; or, (2) Customer submits a written claim, which with substantiating evidence supplied by Customer, the Company is able to verify.

2.8 Disputed Bills

In the case of a billing dispute between the Customer and the Carrier for service furnished to the Customer, which cannot be settled with mutual satisfaction, the Customer can take the following course of action within 60 days of the disputed bill's billing date.

- (a) First, the Customer may request, and the Company will perform, an in-depth review of the disputed amount. (The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnection).
- (b) Second, if there is still disagreement about the disputed amount after the investigation and review by a manager of the Company, the Customer may appeal to the SDPUC's Consumer Affairs Branch for its investigation and decision.
- (c) To avoid disconnection of service, the Customer must submit their claim, and if the bill has not been paid, deposit the amount in dispute with the SDPUC. The disputed amount must be made payable to the SDPUC.

Issued: October 27, 1997

0040931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

- (d) The SDPUC will review the claim of the disputed amount, communicate the results of its review to the Customer and the Company, and make disbursement of the deposited amount.

The address and telephone number of the SDPUC is:

South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

2.9 Customer Complaints and Service Requests

Journey Telecom shall make a full and prompt investigation of all complaints and service requests made by its customers, either directly to it, or through the Commission and respond to the initiating party within fifteen (15) days. A "complaint" is an oral or written report from a subscriber or user of telephone service relating to a physical defect, difficulty, or dissatisfaction with errors in billing, or the quality of service rendered.

Issued: October 27, 1997

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

3.1.1 When Billing Charges Begin and Terminate For Phone Calls

The customer's long distance usage charge is based on the actual usage of Journey Telecom's network. Usage begins when the called party picks up the receiver, (i.e. When 2 way communication, often referred to as "conversation time" is possible.). When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. When software answer supervision is employed, up to 60 seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

Unless otherwise specified in this tariff, the minimum call duration for billing purposes is eighteen (18) seconds for a connected call. Calls beyond eighteen (18) seconds are billed in six (6) second increments.

3.1.3 Uncompleted Calls

There shall be no charge for uncompleted calls.

SECTION 3 - DESCRIPTION OF SERVICE

3.2 Billing of Calls

Issued: October 27, 1997

0060931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

All charges due by the subscriber are payable in person or by mail at the business office of the Company. All charges for service are payable only in United States currency. Payment may be made by cash, check, money order or cashier's check. The total invoiced amount must be paid within 10 days of the invoice date.

3.3 Payment of Calls

3.3.1 Late Payment Fee

Bills not paid within 10 days of receipt of the invoice are subject to interest charges. A late fee will apply if service is not paid for by the 55th day past the billing date.

3.3.2 Return Check Charges

A return check charge of \$50.00 will be assessed for checks returned for insufficient funds.

Issued: October 27, 1997

0040X11.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

3.4 Discontinuance and Restoration of Service

Service continues to be provided until canceled, by the Customer, in writing, or until canceled by the Company as set forth below.

Cancellation for Cause by Journey Telecom and/or WorldCom

Upon nonpayment of any sum owing to WorldCom, or upon violation of the provisions governing the furnishing of service under this tariff, Journey Telecom and /or WorldCom may, upon written notification, without incurring any liability, discontinue the furnishing of such service.

Issued: October 27, 1997

0640831.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

3.5 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA:

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

EXAMPLE: Distance between Miami and New York City -

	V	H
Miami	8,351	529
New York	4,997	1,406
Difference	3,354	-877

Square and add: $11,249,316 + 769,129 = 12,018,445$

Divide by 10 and round: $12,018,445 / 10 = 1,201,844.50$
 $= 1,201,845$

Take square root and round: $1,201,845 = 1096.3$
 $= 1,097 \text{ miles}$

0040311.01

Issued: October 27, 1997

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SECTION 3 - DESCRIPTION OF SERVICE (cont.)

3.6 Minimum Call Completion Rate

A customer can expect a call completion rate of not less than 90% during peak use periods for all FGD services ("1+" dialing).

3.7 Service Offerings

3.7.1 Journey Telecom Pre-Paid Calling Card Service

This service is available currently, and Journey does not directly bill end-users for this service. Rather, it allows end-users to purchase a defined block of long-distance messaging service in advance, and includes enhanced services, including custom designed cards, interactive voice response systems, or basic voice messages by voice prompt.

3.7.2 Journey Telecom Residential Services

All residential service falls under this category. This will also be a flat rate, direct access, inter/intrastate service.

3.7.2 Journey Telecom Commercial Service

This service will be available to non-residential customers. All businesses will qualify. It is a flat rate, direct access, inter/intrastate service.

3.7.3 Journey Telecom 800 Service

This service is available to commercial and residential customers who sign up. It is a direct access, incoming only, offering a switched and

Issued: October 27, 1997

0040931.01

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

dedicated access line for use. This is a service whereby a customer can be billed at reduced rates for calls to his premises.

3.7.4 Journey Telecom Calling Card

This service will be available to commercial and residential customers. There will be a flat rate for the each minute.

3.7.5 Operator Service

Long distance operator service will be provided by LDDS/WorldCom.

3.7.6 Directory Assistance

Directory Assistance calls will be routed to LDDS/WorldCom.

Issued: October 27, 1997

0060931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SECTION 4 - RATES

4.1 Journey Telecom Services

4.1.1 Interstate Rates

The rate for long distance service will be 11.9¢
Per minute, 24 hours a day, 7-days a week.

4.1.2 Pre-Paid Calling Cards

The cost for a pre-paid phone card is \$20.00 per
per 60-minute card, which amounts to \$.33 per
minute. The cards are rechargeable at \$.33 per
minute.

4.1.3 Intrastate Services

The intrastate rate in South Dakota is \$.1155 per
minute for switched services and \$.0716 for
dedicated services.

Issued: October 27, 1997

0060931.01

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

SECTION 4 - RATES

4.2 Operator Service

LDDS/WorldCom's tariffed charges for operator services will be passed through to customer.

4.3 Directory Assistance

LDDS/WorldCom's tariffed charges for directory assistance service will be passed through to customer.

Issued: October 27, 1997

0060931.01

by: Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

Journey Telecom
International, Inc.

South Dakota 1
Original Sheet 24

Issued: October 27, 1997

0060971-02

by:

Journey Telecom
International, Inc.
Jack Goldwater, President
6919 Valjean Avenue
Van Nuys, CA 91406

EFFECTIVE: _____

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

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

ORDER GRANTING
CERTIFICATE OF
AUTHORITY

TC97-076

On June 13, 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 Journey Telecom International, Inc. (Journey)

Journey proposes to act as a reseller of prepaid phone cards for intrastate and interstate for both residents and businesses. A proposed tariff was filed by Journey. The Commission has classified long distance service as fully competitive.

On June 19, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of July 7, 1997, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled March 26, 1998, meeting, the Commission considered Journey's request for a certificate of authority. Commission Staff recommended granting a certificate of authority.

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 Journey has met the legal requirements established for the granting of a certificate of authority. Journey 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 Journey's application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that Journey's application for a certificate of authority is hereby granted. It is

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

Dated at Pierre, South Dakota, this 6th day of April, 1998.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>William Kalbo</i></u>
Date: <u><i>4/8/98</i></u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

407 547 61450

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted March 26, 1998
Docket No. TC97-076

This is to certify that

JOURNEY TELECOM INTERNATIONAL, 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 6th day of April, 1998.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner