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Also Admitted in New York  
and Maryland

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Facsimile: (770) 232-9208

October 23, 2001

VIA OVERNIGHT DELIVERY

Mr. William Bullard  
Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Ave-Pierre, SD 57501-5070  
(605) 773-3201

Re: BAK Communications, LLC

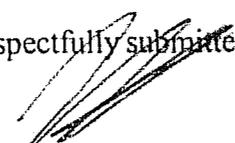
Dear Mr. Bullard:

Enclosed please find one original and ten (10) copies of BAK Communications, LLC's Application for Registration of a Telecommunications Company.

I have also enclosed a check in the amount of \$250.00 payable to the "South Dakota Public Utilities Commission" for the filing fee, and an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,



Lance J.M. Steinhart  
Attorney for BAK Communications, LLC

Enclosures

cc: Fred Kunik

RECEIVED

OC 24 2001

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

2016

BAK COMMUNICATIONS LLC  
GENERAL OPERATING  
1108 EAST 17TH STREET  
SANTA ANA, CA 92701

15-48 498  
128

DATE 09/25/01

PAY  
TO THE  
ORDER OF

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

\$ \*\*250.00\*\*

Handwritten: 250.00

DOLLARS



UNION BANK OF CALIFORNIA

ORANGE COUNTY COMMERCIAL BANKING  
500 SOUTH MAIN STREET, ORANGE, CA 92668-4598

FOR FILING FEES

Handwritten signature

⑈002016⑈ ⑆122000496⑆ 4500162770⑈

APPLICATION FOR REGISTRATION  
OF BAK COMMUNICATIONS, LLC  
FILED WITH THE  
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE )  
APPLICATION OF )  
BAK COMMUNICATIONS, LLC )  
 )  
FOR AN ORDER ) Docket No.  
AUTHORIZING THE REGISTRATION )  
OF APPLICANT AS A )  
TELECOMMUNICATIONS COMPANY )

APPLICATION

Application is hereby made to the South Dakota Public Utilities Commission for an Order authorizing BAK Communications, LLC ("Applicant") to register as a telecommunications company within the State of South Dakota. The following information is furnished in support thereof:

1. Name, Address and Telephone Number of Applicant:

BAK Communications, LLC  
1108 E. 17th Street  
Santa Ana, California 92701  
Telephone: (714) 569-0300  
Toll-Free Customer Service: (877) 407-8538

2. The name under which the Applicant will provide these services if different than in 1. above:

BAK Communications, LLC

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OCT 24 2001

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

1. Applicant's corporate information:

Applicant was organized in the State of California on July 9, 2001. A copy of the Applicant's Articles of Organization is attached hereto as Exhibit A. A copy of Applicant's Certificate of Authority to transact business as a foreign limited liability company in the State of South Dakota is attached hereto as Exhibit B.

The Applicant has no principal office in South Dakota. The name and address of the Applicant's registered agent is:

National Corporate Research, Ltd.  
C/O Marilyn Person  
819 West Third  
Pierre, South Dakota 57501

The names and address of each corporation, association, partnership, cooperative, or individual holding a 20% or greater ownership or management interest in the Applicant corporation and the amount and character of the ownership or management interest are as follows:

Name and Address	Percentage of all Equity Issued and Outstanding and Voting Control
Fred Kunik	50%
Irving Barr	50%

All of the above can be reached through the company as set forth in Section 1 above.

4. Partnership Information:

Not Applicable.

5. Description of Services Applicant intends to offer:

Applicant is a reseller which intends to offer interexchange services, including 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services, travel card service, and prepaid calling card service.

6. Means by which the Applicant intends to provide services:

Applicant does not own or maintain any transmission facilities or switching equipment in the State of South Dakota. The Applicant will provide services through Global Crossing, Qwest and Sprint, its underlying carriers. As a reseller, Applicant has no points of presence in the State of South Dakota, thus Applicant neither owns, leases, nor operates any switching, transmission, or other physical facilities in the State of South Dakota, and no such facilities will be used by Applicant in providing service in the State of South Dakota. Rather, Applicant will be engaged in reselling services provided by facilities-based carriers within the State of South Dakota.

7. Geographic Areas in which services will be offered:

Applicant intends to provide services on a statewide basis.

8. Financial Qualifications:

Applicant is financially qualified to provide intrastate interexchange telecommunications services within South Dakota. In particular, Applicant has adequate access to the capital necessary to fulfill any obligations it may undertake with

respect to the provision of intrastate telecommunications services in the State of South Dakota. See Exhibit C, which is attached hereto, Applicant's Balance Sheet as of September 21, 2001, which demonstrates that Applicant has the financial ability to provide the services that it proposes to offer. Applicant hereby respectfully requests a waiver of ARSD 20:10:24:02(8) to the extent it requires applicant to file a current balance sheet, income statement, and cash flow statements, since it is a start-up company, which was funded on September 21, 2001, and has only prepared a balance sheet.

9. Applicant's complaints and regulatory matters contact and how Applicant handles customer billings and customer service matters.

All inquiries regarding regulatory matters should be addressed to:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701  
Telephone: (714) 569-0300  
Facsimile: (714) 569-0882  
E-Mail: N/A

All inquiries regarding complaints should be addressed to:

John Nickerson, Director of Operations  
1108 E. 17th Street  
Santa Ana, California 92701  
Telephone: (714) 569-0300; (877) 407-8538 (toll-free)  
Facsimile: Director of Operations  
E-Mail: N/A

The Applicant's presubscribed customers will be direct billed utilizing "real-time" completed call detail information from Applicant's underlying carriers. Applicant's toll-free number will be on all invoices and prepaid calling cards and customer service will be provided in-house by the Applicant.

10. Regulatory Status:

Applicant is currently in the process of obtaining all required authorizations from the state regulatory agencies. Applicant is currently authorized to provide service in Arkansas, Indiana, Iowa, Michigan, Montana, New Jersey, Pennsylvania, Texas, Utah, Virginia, and Wyoming.

The Applicant is in good standing with the appropriate regulatory agency in the states where it is registered or certified. The Applicant has never been denied registration or certification nor withdrawn its request for registration or certification in any state.

11. Continuation of Marketing

Applicant intends to market its services to primarily to residential customers and to small to mid-sized businesses. All sales personnel will have telecommunications service experience. Applicant will market through direct sales by employees and agents, primarily through distributors of its prepaid calling cards. Applicant does not intend to engage in multilevel marketing at this time. Applicant's marketing materials are currently being developed and are not available at this time.

12. Cost Support:

Applicant intends to provide services at a price above its cost.

13. Federal Tax Identification Number:

11-0975728

14. The Number and Nature of Complaints filed against the Applicant with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered:

None

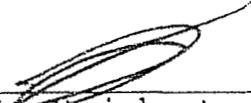
15. Tariff

A copy of Applicant's proposed tariff is attached hereto as Exhibit B.

WHEREFORE, the undersigned Applicant requests that the South  
Dakota Public Utilities Commission enter an order granting this  
application.

DATED this 24 day of October, 2001.

BAK Communications, LLC

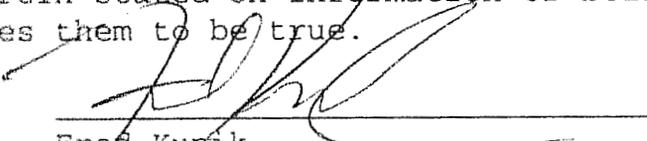
By:   
Lance J.M. Steinhart, Its Counsel

6455 East Johns Crossing  
Suite 285  
Duluth, Georgia 30097  
(770) 232-9200

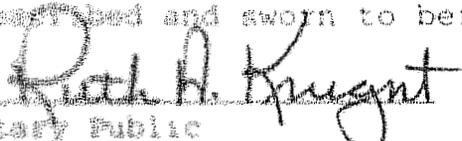
State of California

County of Orange

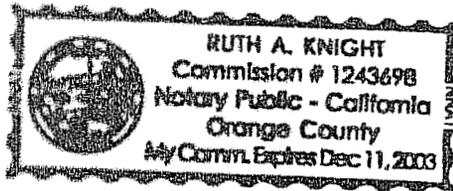
Fred Kunik, being first duly sworn, deposes and says that he/she is the Manager of HAK Communications, LLC, the Applicant in the proceeding entitled above, that he/she has read the foregoing application and knows the contents thereof; that the same are true of his/her knowledge, except as to matters which are therein stated on information or belief, and to those matters he/she believes them to be true.

  
\_\_\_\_\_  
Fred Kunik  
Manager

Subscribed and sworn to before this 24<sup>th</sup> day of September 2001.

  
\_\_\_\_\_  
Ruth A. Knight  
Notary Public

My Commission expires: December 11, 2003



LIST OF EXHIBITS

- A - ARTICLES OF ORGANIZATION
- B - CERTIFICATE OF AUTHORITY
- C - MARKETING MATERIAL
- D - FINANCIAL INFORMATION
- E - PROPOSED TARIFF

EXHIBIT A - ARTICLES OF ORGANIZATION



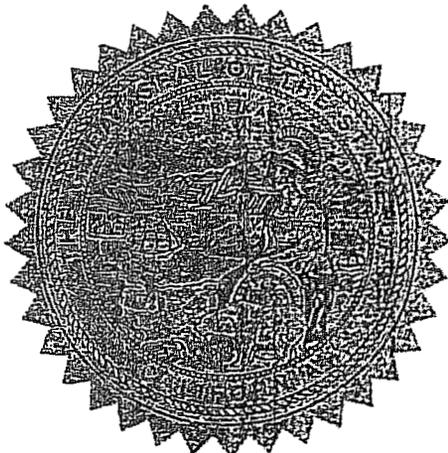
SECRETARY OF STATE

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

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

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

JUL 10 2001



*Bill Jones*

Secretary of State



State of California  
Bill Jones  
Secretary of State

LIMITED LIABILITY COMPANY  
ARTICLES OF ORGANIZATION

A \$70.00 filing fee must accompany this form.  
IMPORTANT - Read instructions before completing this form.

200119110094  
Filed

ENDORSED - FILED  
In the Office of the Secretary of State  
of the State of California

JUL 05 2001

DELL STANER, Secretary of State

This Space For Filing Use Only

1. Name of the limited liability company (and the name with the words "Limited Liability Company," "Ltd. Liability Co.," or the abbreviation "LLC" or "L.L.C.")  
BAK Communications, LLC

2. The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the Beverly-Killea limited liability company act.

3. Name the agent for service of process and check the appropriate provision below:  
Nichole Mongeon  
[x] an individual residing in California. Proceed to item 4.  
[ ] a corporation which has filed a certificate pursuant to section 1505. Proceed to item 6.

4. If an individual, California address of the agent for service of process:  
Address: 1108 E. 17th St.  
City: Santa Ana State: CA Zip Code: 92704

5. The limited liability company will be managed by: (check one)  
[ ] one manager [ ] more than one manager [ ] single member limited liability company [x] all limited liability company members

6. Other matters to be included in this certificate may be set forth on separate attached pages and are made a part of this certificate. Other matters may include the latest date on which the limited liability company is to dissolve.

7. Number of pages attached, if any: 0

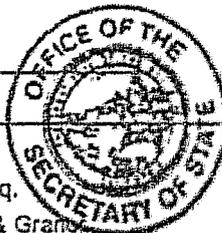
8. Type of business of the limited liability company. (For informational purposes only)  
Telecommunications

9. DECLARATION: It is hereby declared that I am the person who executed this instrument, which execution is my act and deed.

Darin Margules  
Signature of Organizer

Darin Margules  
Type or Print Name of Organizer

July 3, 2001  
Date



10. RETURN TO:  
NAME Darin Margules, Esq.  
FIRM Tyre Kamins Katz & Grand  
ADDRESS 1880 Century Park East, Suite 300  
CITY/STATE Los Angeles, CA  
ZIP CODE 90067

EXHIBIT B - CERTIFICATE OF AUTHORITY

# State of South Dakota



OFFICE OF THE SECRETARY OF STATE

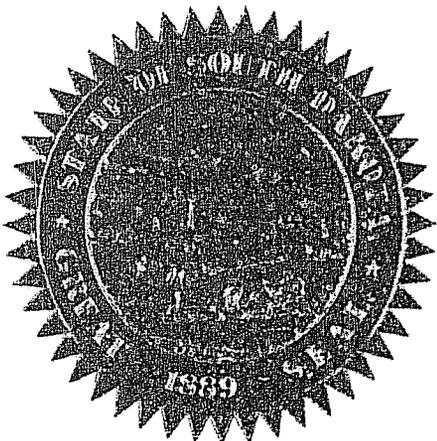
## Certificate of Authority Limited Liability Company

ORGANIZATIONAL ID #: FL001078

I, **JOYCE HAZELTINE**, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of **BAK COMMUNICATIONS, LLC** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Limited Liability Company Act, 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 for certificate of authority.

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 12, 2001.



Joyce Hazeltine  
Secretary of State

SECRETARY OF STATE  
STATE CAPITOL  
500 E. CAPITOL AVE.  
PIERRE, S.D. 57501  
(605)773-4845  
FAX (605)773-4550

**CERTIFICATE OF AUTHORITY APPLICATION  
OF A  
FOREIGN LIMITED LIABILITY COMPANY**

RECEIVED  
OCT 05 01  
NO. 02 RECEIVED  
OCT 12 01  
NO. 02 RECEIVED

1. The name of the foreign Limited Liability Company is: BAK Communications, LLC
2. The name of the state or country under whose law it is organized is: California
3. The street address of its principal office is: 1108 E. 17th Street, Santa Ana, CA 92701
4. The address of its initial designated office in South Dakota is: 819 West Third, Pierre, SD 57501
5. The name and street address of its initial agent for service of process in South Dakota is: National Corporate Research, Ltd.  
819 West Third, Pierre, SD 57501
6. The date of organization is: July 5, 2001, and the period of duration is: Perpetual
7. If the company is manager-managed, rather than member-managed, the name and address of each initial manager:
8. Whether one or more of the members of the company are to be liable for its debts and obligations under a provision similar to SDCL 47-34A-303 (c).

Filed this 12th day of Sept 2001  
C. J. [Signature]  
Secretary of State

The application must be signed by a member if the company is a member-managed company or by a manager if it is a manager-managed company.

Date: Sept. 24, 2001

  
Fred Hunt, Member

**FILING INSTRUCTIONS:**

- The application for authority must be accompanied by the first Annual Report
- One original and one exact or conformed copy must be submitted.
- The application must be accompanied by an original, currently dated Certificate of Good Standing or Evidence from the Secretary of State in the state where it is organized.

RECEIVED  
OCT 12 2001  
S.D. REG. DIV.

SECRETARY OF STATE  
STATE CAPITOL  
500 E. CAPITOL AVE.  
PIERRE, S.D. 57501  
(605)773-4845  
FAX (605)773-4550

FIRST ANNUAL REPORT  
OF A  
LIMITED LIABILITY COMPANY

1. The name of the Limited Liability Company is: BAK Communications, LLC

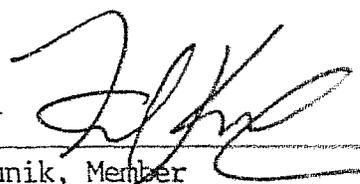
2. The state or country under whose law it is organized is: California

3. The address of its registered office and the name and address of its registered agent for service of process in South Dakota is:  
National Corporate Research, Ltd.  
819 West Third, Pierre, SD 57501

4. The address of its principal office is: 1108 E. 17th Street, Santa Ana, CA 92701

5. The names and business addresses of any managers:

6. The dollar amount of the total agreed contributions to the Limited Liability Company is \$ 500,000.00

Date: Oct. 9, 2001  
  
Fred Kunik, Member

Signature and Title

\* FILING FEE:

AGREED CONTRIBUTION	FEE
Not in excess of \$50,000	\$ 90
\$50,001 to \$100,000	\$150
In excess of \$100,000	\$150 for first \$100,000 plus \$ .50 for each additional \$1,000

The maximum amount charged may not exceed sixteen thousand dollars (\$16,000.)

EXHIBIT C - MARKETING MATERIAL  
Not Available

EXHIBIT D - FINANCIAL INFORMATION

BAK COMMUNICATIONS, LLC  
BALANCE SHEET  
AS OF SEPTEMBER 21, 2001

A S S E T S

CURRENT ASSETS:

Cash in Bank	\$500,000
Cash On Hand	0
Accounts Receivables	<u>0</u>
Total Current Assets	<u>500,000</u>
Property & Equipment, Net	0
Other Assets	<u>0</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$500,000</u></u></b>

L I A B I L I T I E S   &   E Q U I T Y

CURRENT LIABILITIES:

Accounts Payable	\$0
Accrued Expenses	0
Accrued Taxes	<u>0</u>
Total Current Liabilities	<u>0</u>

EQUITY:

Capital	500,000
Retained Earnings, Beg.	0
Current Year Income	<u>0</u>
Total Equity	<u>500,000</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>\$500,000</u></u></b>

EXHIBIT E - PROPOSED TARIFF

TELECOMMUNICATIONS SERVICES TARIFFTITLE SHEETSOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by BAK Communications, LLC ("BAK"), with principal offices at 1108 E. 17th Street, Santa Ana, California 92701. 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: , 2001

EFFECTIVE: , 2001

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

SAE COMMUNICATIONS, LLC

ORIGINAL SHEET 2

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

RESERVED FOR FUTURE USE

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ISSUED: , 2001 EFFECTIVE: , 2001  
PREPARED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701



TELECOMMUNICATIONS SERVICES TARIFF

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TELECOMMUNICATIONS SERVICES TARIFFTARIFF FORMAT

A. Sheet Numbering: Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between pages 11 and 12 would be page 11.1.

B. Sheet Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current page version on file with the Commission. For example, 4th Revised Sheet 13 cancels 3rd Revised Sheet 13. Consult the Check Sheet for the sheets 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)

D. Check Sheets: When a tariff filing is made with the Commission, 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 sheets 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 sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current filed with the Commission.

TELECOMMUNICATIONS SERVICES TARIFF

SYMBOLS

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

- (C) to signify change in regulation
- (D) to signify a deletion
- (I) to signify a rate increase
- (L) to signify material relocated in the tariff
- (N) to signify a new rate or regulation
- (R) to signify a rate reduction
- (T) to signify a change in text, but no change in rate or regulation

ISSUED: , 2001

EFFECTIVE: , 2001

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFFSECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to the Company's location or switching center.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

Commission - Used throughout this tariff to mean the South Dakota Public Utilities Commission.

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

Company or BAK - Used throughout this tariff to mean BAK Communications, LLC, a California Limited Liability Company.

Dedicated Access - The Customer gains entry to the Company's services by a direct path from the Customer's location to the Company's point of presence.

Holiday - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

Prepaid Account - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card.

Prepaid Calling Card - A card issued by the Company, containing an Authorization Code which identifies a specific Prepaid Account of Telecom Units, which enables calls to be processed, account activity to be logged, and balances to be maintained, on a prepayment basis.

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ISSUED: , 2001 EFFECTIVE: , 2001  
ISSUED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

Resp. Org - Responsible Organization or entity identified by an 800 service Customer that manages and administers records in the 800 database and management system.

Switched Access - The Customer gains entry to the Company's services by a transmission line that is switched through the local exchange carrier to reach the Company's point of presence.

Telecom Unit - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of South Dakota.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

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ISSUED: , 2001 EFFECTIVE: , 2001  
ISSUED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701







TELECOMMUNICATIONS SERVICES TARIFF

- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.
- 2.3.4 Reserved for Future Use
- 2.3.5 Reserved for Future Use
- 2.3.6 Reserved for Future Use

---

ISSUED: , 2001 EFFECTIVE: , 2001  
ISSUED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

2.3.7 The remedies set forth herein are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.4 Responsibilities of the Customer

- 2.4.1 The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.
- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by the Company on the Customer's behalf.
- 2.4.3 If required for the provision of the Company's services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to the Company.
- 2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to the Company and the Customer when required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of the Company's services.
- 2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of the Company's equipment to be maintained within the range normally provided for the operation of microcomputers.

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ISSUED: , 2001

EFFECTIVE: , 2001

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with the Company's facilities or services, that the signals emitted into the Company's network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, the Company will permit such equipment to be connected with its channels without the use of protective interface devices. If the Customer fails to maintain the equipment and/or the system properly, with resulting imminent harm to Company equipment, personnel or the quality of service to other Customers, the Company may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, the Company may, upon written notice, terminate the Customer's service.

2.4.7 The Customer must pay the Company for replacement or repair of damage to the equipment or facilities of the Company caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.

2.4.8 The Customer must pay for the loss through theft of any Company equipment installed at Customer's premises.

2.4.9 If the Company installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.

TELECOMMUNICATIONS SERVICES TARIFF

2.4.10 The Customer must use the services offered in this tariff in a manner consistent with the terms of this tariff and the policies and regulations of all state, federal and local authorities having jurisdiction over the service.

2.5 Cancellation or Interruption of Services

2.5.1 Without incurring liability, upon five (5) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, the Company may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:

- 2.5.1.A For nonpayment of any sum due the Company for more than thirty (30) days after issuance of the bill for the amount due, unless the charge is in dispute;
- 2.5.1.B For violation of any of the provisions of this tariff,
- 2.5.1.C For violation of any law, rule, regulation, policy of any governing authority having jurisdiction over the Company's services, or
- 2.5.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.

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ISSUED: , 2001

EFFECTIVE: , 2001

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

- 1.5.2 Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of Customer and the Company's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 2.5.3 Service may be discontinued by the Company without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges, or by blocking calls using certain Customer authorization codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new authorization code to replace the one that has been deactivated.
- 2.5.4 The Customer may terminate service upon thirty (30) days written notice for the Company's standard month to month contract. Customer will be liable for all usage on any of the Company's service offerings until the Customer actually leaves the service. Customers will continue to have Company usage until the Customer notifies its local exchange carrier and changes its long distance carrier. Until the Customer so notifies its local exchange carrier, it shall continue to generate and be responsible for long distance usage.

TELECOMMUNICATIONS SERVICES TARIFF

1.0 Credit Allowance

- 1.0.1 Credit may be given for disputed calls, on a per call basis.

TELECOMMUNICATIONS SERVICES TARIFF

1.7 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

1.8 Deposits

The Company does not require deposits.

1.9 Advance Payments

The Company does not require advance payments.

TELECOMMUNICATIONS SERVICES TARIFF2.10 Payment and Billing

- 2.10.1 Service is provided and billed on a billing cycle basis, beginning on the date that service becomes effective. Billing is payable upon receipt. A late fee will be assessed on unpaid amounts 30 days after rendition of bills.
- 2.10.2 The customer is responsible for payment of all charges for services furnished to the Customer, as well as to all persons using the Customer's codes, exchange lines, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's Authorization Codes, subscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, subscribed exchange lines, or Authorization Codes will be billed to and must be paid by the Customer. Charges based on actual usage during a month and any accrued interest will be billed monthly in arrears.
- 2.10.3 All bills are presumed accurate, and shall be binding on the customer unless objection is received by the Company in writing within 180 days after such bills are rendered. No credits, refunds, or adjustments shall be granted if demand therefore is not received by the Company in writing within such 180 day period.

TELECOMMUNICATIONS SERVICES TARIFF2.11 Collection Costs

In the event Company is required to initiate legal proceedings to collect any amounts due to Company, or to enforce any judgment obtained against a Customer, or for the enforcement of any other provision of this tariff or applicable law, Customer shall, in addition to all amounts due, be liable to Company for all reasonable costs incurred by Company in such proceedings and enforcement actions, including reasonable attorneys' fees, collection agency fees or payments, and court costs. In any such proceeding, the amount of collection costs, including attorneys' fees, due to the Company, will be determined by a court of competent jurisdiction or by the Commission.

2.12 Taxes

All federal, state and local taxes, assessments, surcharges, or fees, including sales taxes, use taxes, gross receipts taxes, and municipal utilities taxes, are billed as separate line items and are not included in the rates quoted herein.

2.13 Late Charge

A late fee of 1.5% per month or the amount otherwise authorized by law, whichever is lower, will be charged on any past due balances.

2.14 Returned Check Charge

A fee of \$20.00 will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.

2.15 Reconnection Charge

A reconnection fee of \$25.00 per occurrence will be charged when service is reestablished for Customers which have been disconnected due to non-payment. Payment of the reconnection fee and any other outstanding amounts will be due in full prior to reconnection of service.

ISSUED: , 2001  
ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

EFFECTIVE: , 2001

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Computation of Charges

3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the call. The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. All calls are measured in increments as set forth in the Rates Section of this tariff. All calls are rounded up to the next whole increment.

3.1.2 Where mileage bands appear in a rate table, rates for all calls are based upon the airline distance between the originating and terminating points of the call, as determined by the vertical and horizontal coordinates associated with the exchange (the area code and three digit central office code) associated with the originating and terminating telephone numbers. If the Customer obtains access to the Company's network by a dedicated access circuit, that circuit will be assigned an exchange for rating purposes based upon the Customer's main telephone number at the location where the dedicated access circuit terminates. The vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.

ISSUED: , 2001

EFFECTIVE: , 2001

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Fred Kunik, Manager  
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 Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

3.1.3 Timing begins when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. Recognition of answer supervision is the responsibility of the Underlying Carrier. Timing for each call ends when either party hangs up. The Company will not bill for uncompleted calls.

3.2 Customer Complaints and/or Billing Disputes

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

1108 E. 17th Street  
 Santa Ana, California 92701  
 (877) 407-8538

An objection to billed charges should be reported promptly to the Company. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

ISSUED: , 2001

EFFECTIVE: , 2001

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Fred Kunik, Manager  
 1108 E. 17th Street  
 Santa Ana, California 92701



TELECOMMUNICATIONS SERVICES TARIFF

3.5 Service Offerings

3.5.1 1+ Dialing

This service permits Customers to originate calls via switched or dedicated access lines, and to terminate intrastate calls. The customer dials "1+" followed by "ten digits" or dials "101XXXX" followed by "1+ ten digits".

3.5.2 Travel Cards

The Customer utilizes an 11 digit "toll-free" access number established by the Company to access a terminal. Upon receiving a voice prompt, the Customer uses push button dialing to enter an identification code assigned by the Company, and the ten digit number of the called party.

3.5.3 800 Service (Toll-Free)

This service is inbound calling only where an 800, 888 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility.

ISSUED: , 2001

EFFECTIVE: , 2001

ISSUED BY: Fred Kunik, Manager  
 1108 E. 17th Street  
 Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

3.5.4 Company Prepaid Calling Cards

This service permits use of Prepaid Calling Cards for placing long distance calls. Customers may purchase Company Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. Company Prepaid Calling Cards are available at a variety of face values ranging from five dollars (\$5.00), in one dollar (\$1.00) increments. Company Prepaid Calling Card service is accessed using the Company toll-free number printed on the card. The caller is prompted by an automated voice response system to enter his/her Authorization Code, and then to enter the terminating telephone number. The Company's processor tracks the call duration on a real time basis to determine the number of Telecom Units consumed. The total consumed Telecom Units and applicable taxes for each call are deducted from the remaining Telecom Unit balance on the Customer's Company Prepaid Calling Card.

All calls must be charged against Prepaid Calling Card that has a sufficient Telecom Unit balance. A Customer's call will be interrupted with an announcement when the balance is about to be depleted.

When the balance is depleted, the Customer can either call the toll-free number on the back of the Company Prepaid Calling Card and "recharge" the balance on the card using a nationally recognized credit card, or the Customer can throw the card away and purchase a new one. Calls in progress will be terminated by the Company if the balance on the Company Prepaid Calling Card is insufficient to continue the call.

ISSUED: , 2001  
 ISSUED BY: Fred Kunik, Manager

EFFECTIVE: , 2001  
 1108 E. 17th Street  
 Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

The expiration date will be printed on all cards. The Company will not refund unused balances.

A credit allowance for Company Prepaid Calling Card Service is applicable to calls that are interrupted due to poor transmission, one-way transmission, or involuntary disconnection of a call. To receive the proper credit, the Customer must notify the Company at the designated toll-free customer service number printed on the Company Prepaid Calling Card and furnish the called number, the trouble experienced (e.g. cut-off, noisy circuit, etc.), and the approximate time that the call was placed.

When a call charged to a Company Prepaid Calling Card is interrupted due to cut-off, one-way transmission, or poor transmission conditions, the Customer will receive a credit equivalent of one Telecom Unit.

Credit allowances for calls pursuant to Company Prepaid Card Service do not apply for interruptions not reported promptly to the Company or interruptions that are due to the failure of power, equipment or systems not provided by the Company.

Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company.

The Company will block all calls beginning with the NPA "900" and NXX "976" calls, therefore such calls can not be completed.

---

ISSUED: , 2001

EFFECTIVE: , 2001

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

## 3.5.5 Directory Assistance.

Access to long distance directory assistance is obtained by dialing 1 + 555-1212 for listings within the originating area code and 1 + (area code) + 555-1212 for other listings. When more than one number is requested in a single call, a charge will apply for each number requested. A charge will be applicable for each number requested, whether or not the number is listed or published.

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Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

3.5.6 Specialized Pricing Arrangements.

Customized service packages and competitive pricing packages at negotiated rates may be furnished on a case-by-case basis in response to requests by Customers to the Company for proposals or for competitive bids. Service offered under this tariff provision will be filed with the Commission. Specialized rates or charges will be made available to similarly situated Customers on a non-discriminatory basis. The Company will notify the Commission of such arrangements as required by Commission rules and regulations.

3.5.7 Emergency Call Handling Procedures

Emergency "911" calls are not routed to company, but are completed through the local network at no charge.

3.5.8 Promotional Offerings

The Company may, from time to time, make promotional offerings to enhance the marketing of its services. These offerings may be limited to certain dates, times and locations. The Company will notify the Commission of such offerings as required by Commission rules and regulations.

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES

4.1 1+ Dialing

\$0.15 per minute

A \$4.95 per month service charge applies.  
Billed in one minute increments.

4.2 Travel Cards

\$.199 per minute

A \$.25 per call service charge applies.  
Billed in one minute increments.

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ISSUED: , 2001 EFFECTIVE: , 2001  
ISSUED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

4.3 Toll Free

\$0.15 per minute

A \$10 per month per number service charge applies.  
Billed in one minute increments.

4.4 Prepaid Calling Cards

Program

A	\$ .015	Per Telecom Unit
B	\$ .019	Per Telecom Unit
C	\$ .025	Per Telecom Unit
D	\$ .029	Per Telecom Unit
E	\$ .032	Per Telecom Unit
F	\$ .035	Per Telecom Unit
G	\$ .039	Per Telecom Unit
H	\$ .049	Per Telecom Unit
I	\$ .05	Per Telecom Unit
J	\$ .059	Per Telecom Unit
K	\$ .06	Per Telecom Unit
L	\$ .08	Per Telecom Unit
M	\$ .09	Per Telecom Unit
N	\$ .10	Per Telecom Unit
O	\$ .11	Per Telecom Unit
P	\$ .12	Per Telecom Unit
Q	\$ .13	Per Telecom Unit
R	\$ .14	Per Telecom Unit
S	\$ .15	Per Telecom Unit
T	\$ .19	Per Telecom Unit
U	\$ .20	Per Telecom Unit
V	\$ .25	Per Telecom Unit
W	\$ .29	Per Telecom Unit
X	\$ .30	Per Telecom Unit
Y	\$ .33	Per Telecom Unit
Z	\$ .35	Per Telecom Unit
AA	\$ .39	Per Telecom Unit
BB	\$ .40	Per Telecom Unit
CC	\$ .50	Per Telecom Unit
DD	\$ .005	Per Telecom Unit
EE	\$ .01	Per Telecom Unit
FF	\$ .07	Per Telecom Unit

A \$.99 per call service charge applies.

A one-time maintenance fee of \$1.00 applies after the 1<sup>st</sup> call.

BAK COMMUNICATIONS, LLC

ORIGINAL SHEET 31

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

4.5 Directory Assistance

\$.95

4.6 Returned Check Charge

\$20.00

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ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

4.7 Rate Periods

	Monday - Friday	Sat.	Sun.
8 a.m. to 5 p.m.*	Daytime Rate Period		
5 p.m. to 11 p.m.*	Evening Rate Period		Evening Rate Period
11 p.m. to 8 a.m.*	Night/Weekend Rate Period		

\* To, but not including

When a message spans more than one rate period, total charges for the minutes in each rate period are calculated and the results for each rate period are totaled to obtain the total message charge. If the calculation results in a fractional charge, the amount will be rounded down to the lower cent.

4.8 Payphone Dial Around Surcharge

A dial around surcharge of \$.50 per call will be added to any completed INTRAstate toll access code and subscriber 800/888 type calls placed from a public or semi-public payphone.

4.9 Universal Service Fund Assessment & Presubscribed Interexchange Carrier Charge

The Customer will be assessed a monthly Universal Service Fund Contribution charge on all telecommunications services, which in no event shall be less than the prevailing contribution percentage rate charged the Company on intrastate traffic by any state agency or its administrator. A Presubscribed Interexchange Carrier Charge ("PICC") applies on a monthly basis to all Customer monthly bills at the prevailing rate.

ISSUED: , 2001

EFFECTIVE: , 2001

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

South Dakota Public Utilities Commission  
WEEKLY FILINGS  
For the Period of October 18, 2001 through October 24, 2001

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

TELECOMMUNICATIONS

**TC01-162      In the Matter of the Application of QX Telecom LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.**

QX Telecom LLC is seeking a Certificate of Authority to provide interexchange telecommunication services in South Dakota. The applicant intends to provide facilities-based and resold interexchange telecommunications services to both residential and business class customers throughout the State of South Dakota.

Staff Analyst: Keith Senger  
Staff Attorney: Kelly Frazier  
Date Docketed: 10/18/01  
Intervention Deadline: 11/09/01

**TC01-163      In the Matter of the Application of BAK Communications, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.**

BAK Communications, LLC has filed an application for a Certificate of Authority to provide resold interexchange telecommunications services in South Dakota. The applicant intends to offer 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services, travel card services, and pre-paid calling card service throughout South Dakota.

Staff Analyst: Michele Farris  
Staff Attorney: Kelly Frazier  
Date Docketed: 10/24/01  
Intervention Deadline: 11/09/01

You may receive this listing and other PUC publications via our website or via internet e-mail. You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc/>

Lance J.M. Steinhart, P.C.  
Attorney At Law  
6455 East Johns Crossing  
Suite 285  
Duluth, Georgia 30097

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JAN 16 2002

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

Also Admitted in New York  
and Maryland

Telephone: (770) 232-9208  
Facsimile: (770) 232-9208

January 15, 2002

**VIA OVERNIGHT DELIVERY**

Ms. Michelle Farris  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Ave-Pierre, SD 57501-5070  
(605) 773-3201

Re: BAK Communications, LLC  
Docket No. TC-01-0163

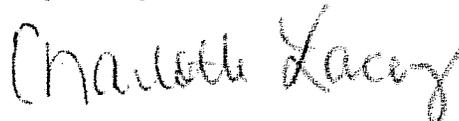
Dear Ms. Farris:

Enclosed please find one original and ten (10) copies of BAK Communications, LLC's revised tariff sheets 7, 8, 25, 26 and 30.

I have also enclosed an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,



Charlotte Lacey  
Legal Assistant to Lance J.M. Steinhart  
Attorney for BAK Communications, LLC

Enclosures

cc: Fred Kunik

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to the Company's location or switching center.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

Commission - Used throughout this tariff to mean the South Dakota Public Utilities Commission.

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

Company or BAK - Used throughout this tariff to mean BAK Communications, LLC, a California Limited Liability Company.

Dedicated Access - The Customer gains entry to the Company's services by a direct path from the Customer's location to the Company's point of presence.

Holiday - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

TELECOMMUNICATIONS SERVICES TARIFF

Resp. Org - Responsible Organization or entity identified by an 800 service Customer that manages and administers records in the 800 database and management system.

Switched Access - The Customer gains entry to the Company's services by a transmission line that is switched through the local exchange carrier to reach the Company's point of presence.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

TELECOMMUNICATIONS SERVICES TARIFF

3.5.4 Reserved for Future Use

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ISSUED: , 2001 EFFECTIVE: , 2001  
ISSUED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

Reserved for Future Use

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ISSUED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

4.3 Toll Free

\$0.15 per minute

A \$10 per month per number service charge applies.  
Billed in one minute increments.

4.4 Reserved for Future Use

---

ISSUED: , 2001

EFFECTIVE: , 2001

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

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

<b>IN THE MATTER OF THE APPLICATION OF )</b>	<b>ORDER GRANTING</b>
<b>BAK COMMUNICATIONS, LLC FOR A )</b>	<b>CERTIFICATE OF</b>
<b>CERTIFICATE OF AUTHORITY TO PROVIDE )</b>	<b>AUTHORITY</b>
<b>INTEREXCHANGE TELECOMMUNICATIONS )</b>	
<b>SERVICES IN SOUTH DAKOTA )</b>	<b>TC01-163</b>

On October 24, 2001, 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 BAK Communications, LLC (BAK).

BAK proposes to offer 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services, travel card services and prepaid calling card services through South Dakota. A proposed tariff was filed by BAK. The Commission has classified long distance service as fully competitive.

On October 25, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of November 9, 2001, to interested individuals and entities. No petitions to intervene or comments were filed and at its January 24, 2002, meeting, the Commission considered BAK's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that BAK not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. Commission Staff further recommended a waiver of ARSD 20:10:24:02(8).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that BAK has met the legal requirements established for the granting of a certificate of authority. BAK has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive ARSD 20:10:24:02(8). The Commission approves BAK's application for a certificate of authority, subject to the condition that BAK not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

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

FURTHER ORDERED, that the Commission finds good cause to waive ARSD 20:10:24:02(8). It is

# SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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## *CERTIFICATE OF AUTHORITY*

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

Authority was Granted as of the date of the  
Order Granting Certificate of Authority  
Docket No. TC01-163

*This is to certify that*

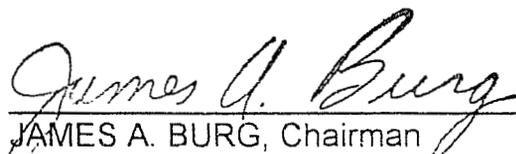
### **BAK COMMUNICATIONS, LLC**

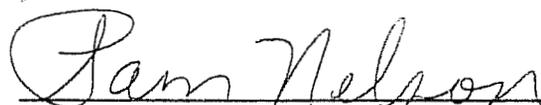
is authorized to provide interexchange telecommunications services in  
South Dakota, subject to the condition that it not offer a prepaid calling  
card or require deposits or advance payments without prior approval of the  
Commission.

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.

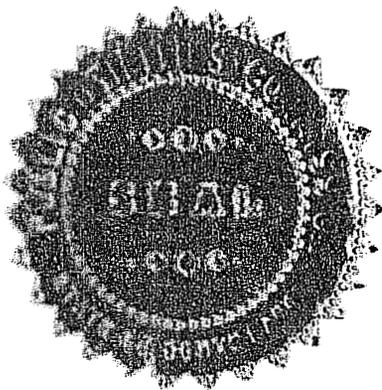
Dated at Pierre, South Dakota, this 31<sup>st</sup> day of January, 2002.

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION:**

  
\_\_\_\_\_  
JAMES A. BURG, Chairman

  
\_\_\_\_\_  
PAM NELSON, Commissioner

  
\_\_\_\_\_  
ROBERT K. SAHR, Commissioner



Lance J.M. Steinhart, P.C.  
Attorney At Law  
1720 Windward Concourse  
Suite 250  
Alpharetta, Georgia 30005

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APR 19 2002

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

Also Admitted in New York  
and Maryland

Telephone: (770) 232-9200  
Facsimile: (770) 232-9208

April 18, 2002

VIA OVERNIGHT DELIVERY

Ms. Michele Farris  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Ave-Pierre, SD 57501-5070  
(605) 773-3201

Re: BAK Communications, LLC  
Docket No. TC-01-0163

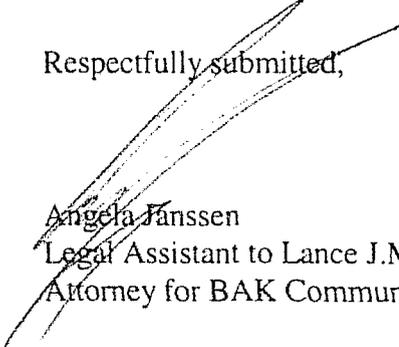
Dear Ms. Farris:

Enclosed please find one original and ten (10) copies of BAK Communications, LLC's ~~Identity Band~~. At this time, the company wishes to provide prepaid calling card services. I am ~~also enclosing~~ one original and ten (10) copies of revised tariff sheets 3, 7, 8, 25, 26 and 30.

I have also enclosed an extra copy of this cover letter to be date stamped and returned to me ~~in the enclosed self-addressed prepaid envelope~~.

If you have any questions or if I may provide you with any additional information, please do ~~not~~ hesitate to contact me.

Respectfully submitted,

  
Angela Janssen  
Legal Assistant to Lance J.M. Steinhart  
Attorney for BAK Communications, LLC

Enclosures

cc: Fred Kunik

**NEXT**

**DOCUMENT (S)**

**BEST IMAGE**

**POSSIBLE**

INDEMNITY BOND  
TO THE  
PEOPLE OF THE STATE OF SOUTH DAKOTA

Bond No. 18 019 739-00

BAK Communications, LLC, the principal and applicant for a CERTIFICATE OF AUTHORITY to resell long distance telecommunications services within the State of South Dakota and Lumbermens Mutual Casualty Company, as an admitted surety insurer, bind ourselves into the Public Utilities Commission of the State of South Dakota and the consumers of South Dakota as Obligees, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota State Law, and reimburse customers of BAK Communications, LLC for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date hereon and shall remain in force and effect until the surety is released from liability by the written order of the Public Utilities Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Utilities Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 21 day of February, 2002,  
To be effective this 21 day of February, 2002

BAK Communications, LLC  
By \_\_\_\_\_  
Lumbermens Mutual Casualty  
Company \_\_\_\_\_ Surety

Countersigned this 21<sup>st</sup> day of  
March, 2002  
Countersigned for South Dakota

By Aklina B. Noorhassan

Roger Larsen By Aklina B. Noorhassan  
Resident Agent Attorney in Fact  
Roger Larsen

# POWER OF ATTORNEY

Page 1 of 1

Know all men that the undersigned, the American Motorists Insurance Company, and the American Automobile Mutual Insurance Company, corporations organized and existing under the laws of the State of Illinois, having their principal office in Long Grove, Illinois (hereinafter collectively referred to as the "Company") do hereby certify:

That the undersigned, Joseph P. Burke, Cynthia Thomas, Adrian Q. Oddi, Thomas A. Long, Thomas J. Mann and Sandra A. Amory of NEW YORK, NY (EACH)

\*\*\*\*\*

That they and each of them, as Attorney-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power of attorney on its behalf as surely and as their act and deed:

They, and all bonds and undertakings

Power of Attorney is granted to make, execute, seal and deliver any bond or undertaking which guarantees the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not require the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

This agreement may be revoked at any time by the Company.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and as much to all intents and purposes, as if the same had been duly executed and acknowledged by their respective proper officers at their principal office in Long Grove, Illinois.

This Power of Attorney is executed by authority of resolutions adopted by the Executive Committees of the Boards of Directors of the Company, on February 23, 1988 at Chicago, Illinois, true and accurate copies of which are attached hereto and are hereby certified to by the undersigned Secretary as being in full force and effect:

That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company to any and all bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature of bonds, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the Executive Committee of the Boards of Directors of the Company at a meeting duly called and held on the 23rd day of February, 1988:

That the signature of the Chairman of the Board, the President, any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and the signature of the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to resolutions adopted by the Executive Committee of the Board of Directors on February 23, 1988 and any such power so executed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company."

to testimony given in the hearing, has caused this instrument to be signed and their corporate seals to be affixed to this instrument on the 4th day of December 4, 2001

Witness and Certified

Lumbermens Mutual Casualty Company  
American Motorists Insurance Company  
American Manufacturers Mutual Insurance Company

*John K. Conway*  
John K. Conway, Corporate Secretary

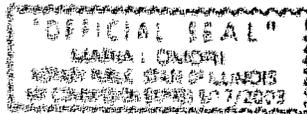


*Gary J. Tully*  
Gary J. Tully, Senior Vice President

STATE OF ILLINOIS

COUNTY OF LAKE

I, Maria I. Omori, a Notary Public, do hereby certify that Gary J. Tully and John K. Conway personally known to me to be the same persons whose names are respectively as Senior Vice President and Corporate Secretary of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company, Corporations organized and existing under the laws of the State of Illinois, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being thereto duly authorized signed, sealed with the corporate seals and delivered the said instrument to the free and voluntary act of said corporations and as their own free and voluntary acts for the uses and purposes therein set forth.



*Maria I. Omori*  
Maria I. Omori, Notary Public  
My commission expires 9-17-03

CERTIFICATE

I, John K. Conway, Corporate Secretary of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company, do hereby certify that the attached Power of Attorney dated December 4, 2001 on behalf of the person(s) as listed above is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect at the date of this certificate, and I do further certify that the said Gary J. Tully, who executed the Power of Attorney as Senior Vice President was on the date of execution of the attached Power of Attorney the duly elected Senior Vice President of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company on the 21st day of February, 2002.



*John K. Conway*  
John K. Conway, Corporate Secretary

This Power of Attorney binds the acts of those named therein to the bonds and undertakings specifically named therein and they have no authority to bind the Company except in the manner and to the extent herein stated.

My office: Long Grove, IL 60040

Notary Public (No. 00 01)

LUMBERMENS MUTUAL CASUALTY COMPANY  
 FINANCIAL STATEMENT  
 DECEMBER 31, 2000

**ASSETS**

Cash on hand	\$ 46,584,372
Stock owned	4,122,240,197
Receivables	1,016,096,061
Real estate	113,789,891
Prepayments in course of collection	1,235,138,986
Accrued interest and other assets	<u>953,565,619</u>
<b>Total</b>	<b><u>\$7,487,415,126</u></b>

**LIABILITIES**

Reserve for losses and adjusting expenses	\$3,149,872,476
Reserve for unearned premiums	1,009,504,613
Reserve for taxes, expenses and other liabilities	<u>1,514,767,706</u>
<b>Total</b>	<b><u>\$5,674,144,795</u></b>

Surplus in respect to policyholders	<u>1,813,270,331</u>
<b>Total</b>	<b><u>\$7,487,415,126</u></b>

*Bob L. Lamb*  
 Vice President of Accounting Services

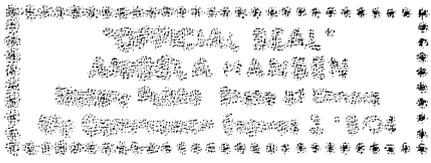
Attest *L. E. Carway*  
 Secretary

State of Illinois )  
 County of Cook

B. A. Lamb and L. E. Carway, being duly sworn, say that they are Vice President of Accounting Services and Secretary, respectively, of LUMBERMENS MUTUAL CASUALTY COMPANY, Illinois; that the foregoing is a true and correct statement of the financial condition of said company, as of December 31, 2000.

Subscribed and sworn to before me  
 this 31<sup>st</sup> day of February, 2001

*Angela Hansen*  
 Notary Public



TELECOMMUNICATIONS, LLC

FIRST REVISED SHEET 3  
CANCELS ORIGINAL SHEET 3  
SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

The Sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as noted below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

SHEET

REVISION

1	Original
2	Original
3	First Revised *
4	Original
5	Original
6	Original
7	First Revised *
8	First Revised *
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100	Original

\* New or Revised Sheet

APPROVED: April 19, 2002

EFFECTIVE: April 20, 2002

APPROVED BY: Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to the Company's location or switching center.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

Commission - Used throughout this tariff to mean the South Dakota Public Utilities Commission.

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

Company or BAK - Used throughout this tariff to mean BAK Communications, LLC, a California Limited Liability Company.

Dedicated Access - The Customer gains entry to the Company's services by a direct path from the Customer's location to the Company's point of presence.

Holiday - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

Prepaid Account - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card. (N)

Prepaid Calling Card - A card issued by the Company, containing an Authorization Code which identifies a specific Prepaid Account of Telecom Units, which enables calls to be processed, account activity to be logged, and balances to be maintained, on a prepayment basis. (N)

ISSUED: April 19, 2002

EFFECTIVE: April 20, 2002

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

Resp. Org - Responsible Organization or entity identified by an 800 service Customer that manages and administers records in the 800 database and management system.

Switched Access - The Customer gains entry to the Company's services by a transmission line that is switched through the local exchange carrier to reach the Company's point of presence.

Telecom Unit - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of South Dakota.

(M)  
|  
(M)

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

ISSUED: April 19, 2002

EFFECTIVE: April 20, 2002

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

## 3.5.4 Company Prepaid Calling Cards

This service permits use of Prepaid Calling Cards for placing long distance calls. Customers may purchase Company Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. Company Prepaid Calling Cards are available at a variety of face values ranging from five dollars (\$5.00), in one dollar (\$1.00) increments. Company Prepaid Calling Card service is accessed using the Company toll-free number printed on the card. The caller is prompted by an automated voice response system to enter his/her Authorization Code, and then to enter the terminating telephone number. The Company's processor tracks the call duration on a real time basis to determine the number of Telecom Units consumed. The total consumed Telecom Units and applicable taxes for each call are deducted from the remaining Telecom Unit balance on the Customer's Company Prepaid Calling Card.

All calls must be charged against Prepaid Calling Card that has a sufficient Telecom Unit balance. A Customer's call will be interrupted with an announcement when the balance is about to be depleted.

When the balance is depleted, the Customer can either call the toll-free number on the back of the Company Prepaid Calling Card and "recharge" the balance on the card using a nationally recognized credit card, or the Customer can throw the card away and purchase a new one. Calls in progress will be terminated by the Company if the balance on the Company Prepaid Calling Card is insufficient to continue the call.

ISSUED: April 19, 2002

EFFECTIVE: April 20, 2002

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

The expiration date will be printed on all cards. The Company will not refund unused balances.

A credit allowance for Company Prepaid Calling Card Service is applicable to calls that are interrupted due to poor transmission, one-way transmission, or involuntary disconnection of a call. To receive the proper credit, the Customer must notify the Company at the designated toll-free customer service number printed on the Company Prepaid Calling Card and furnish the called number, the trouble experienced (e.g. cut-off, noisy circuit, etc.), and the approximate time that the call was placed.

When a call charged to a Company Prepaid Calling Card is interrupted due to cut-off, one-way transmission, or poor transmission conditions, the Customer will receive a credit equivalent of one Telecom Unit.

Credit allowances for calls pursuant to Company Prepaid Card Service do not apply for interruptions not reported promptly to the Company or interruptions that are due to the failure of power, equipment or systems not provided by the Company.

Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company.

The Company will block all calls beginning with the NPA "900" and NXX "976" calls, therefore such calls can not be completed.

ISSUED: April 19, 2002

EFFECTIVE: April 20, 2002

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701

TELECOMMUNICATIONS SERVICES TARIFF

**4.3 Toll Free**

\$0.15 per minute

A \$10 per month per number service charge applies.  
Billed in one minute increments.

**4.4 Prepaid Calling Cards**

Program

A	\$.015	Per Telecom Unit
B	\$.019	Per Telecom Unit
C	\$.025	Per Telecom Unit
D	\$.029	Per Telecom Unit
E	\$.032	Per Telecom Unit
F	\$.035	Per Telecom Unit
G	\$.039	Per Telecom Unit
H	\$.049	Per Telecom Unit
I	\$.05	Per Telecom Unit
J	\$.059	Per Telecom Unit
K	\$.06	Per Telecom Unit
L	\$.08	Per Telecom Unit
M	\$.09	Per Telecom Unit
N	\$.10	Per Telecom Unit
O	\$.11	Per Telecom Unit
P	\$.12	Per Telecom Unit
Q	\$.13	Per Telecom Unit
R	\$.14	Per Telecom Unit
S	\$.15	Per Telecom Unit
T	\$.19	Per Telecom Unit
U	\$.20	Per Telecom Unit
V	\$.25	Per Telecom Unit
W	\$.29	Per Telecom Unit
X	\$.30	Per Telecom Unit
Y	\$.33	Per Telecom Unit
Z	\$.35	Per Telecom Unit
AA	\$.39	Per Telecom Unit
BB	\$.40	Per Telecom Unit
CC	\$.50	Per Telecom Unit
DD	\$.005	Per Telecom Unit
EE	\$.01	Per Telecom Unit
FF	\$.07	Per Telecom Unit

A \$.99 per call service charge applies.

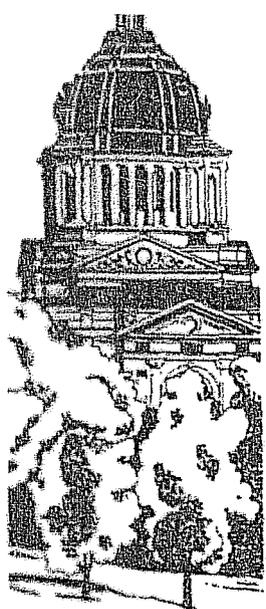
A one-time maintenance fee of \$1.00 applies after the 1<sup>st</sup> call.

ISSUED: April 19, 2002

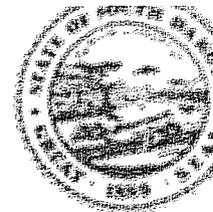
EFFECTIVE: April 20, 2002

ISSUED BY:

Fred Kunik, Manager  
1108 E. 17th Street  
Santa Ana, California 92701



# South Dakota Public Utilities Commission



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

April 23, 2002

Ms. Angela Janssen  
Lance J.M. Steinhart, P.C.  
1720 Windward Concourse, Suite 250  
Alpharetta, GA 30005

Capitol Office  
Telephone (605)773-3201  
FAX (605)773-3809

Transportation/  
Warehouse Division  
Telephone (605)773-5280  
FAX (605)773-3225

Consumer Hotline  
1-800-332-1782

TTY Through  
Relay South Dakota  
1-800-877-1113

Internet Website  
[www.state.sd.us/puc](http://www.state.sd.us/puc)

♦  
Jim Burg  
Chairman  
Pam Nelson  
Vice-Chairman  
Bob Sahr  
Commissioner

Debra Elofson  
Executive Director

Harlan Best  
Martin C. Bettmann  
Suz Cichos  
Karen E. Cremer  
Christopher W. Downs  
Terry Emerson  
Michele M. Farris  
Mariette Fischbach  
Heather K. Forney  
Kelly D. Frazier  
Mary Giddings  
Mary A. Healy  
Lisa Hull  
Dave Jacobson  
Amy Kayser  
Bob Knadle  
Delaine Kolbo  
Gregory A. Rislov  
Keith Senger  
John Smith  
Rolayne Ailts Wiest  
♦

Re: BAK Communications, LLC  
Docket TC01-163

Dear Ms. Janssen:

Enclosed you will find the original Indemnity Bond with reference to the above captioned matter. Please have someone from BAK Communications sign it and return it to us.

Thank you.

Very truly yours,

Delaine Kolbo  
Legal Secretary

Enc.

**Lance J.M. Steinhart, P.C.**  
Attorney At Law  
1720 Windward Concourse  
Suite 250  
Alpharetta, Georgia 30005

Also Admitted in New York  
and Maryland

Telephone: (770) 232-9200  
Facsimile: (770) 232-9208

June 13, 2002

**VIA OVERNIGHT DELIVERY**

**RECEIVED**

**JUN 14 2002**

Mr. William Bullard  
Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, SD 57501-5070  
(605) 773-3201

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

Re: BAK Communications, LLC  
Docket No. TC01-163

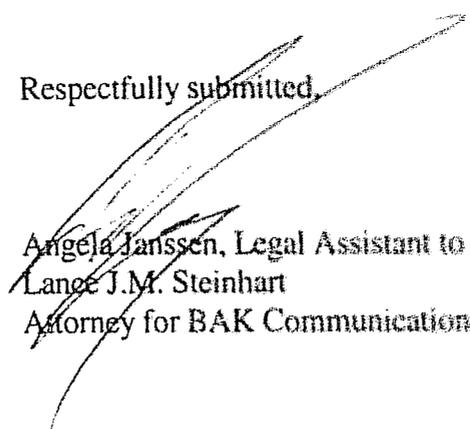
Dear Mr. Bullard:

Pursuant to a letter from Delaine Kolbo, enclosed please find an original and ten (10) copies of the signed Indemnity Bond in the amount of \$25,000.

I have enclosed an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,

  
Angela Janssen, Legal Assistant to  
Lance J.M. Steinhart  
Attorney for BAK Communications, LLC

Enclosures  
cc: Fred Kunik

**NEXT**

**DOCUMENT (S)**

**BEST IMAGE**

**POSSIBLE**

INDEMNITY BOND  
TO THE

PEOPLE OF THE STATE OF SOUTH DAKOTA A SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

RECEIVED

Bond No. 35 029 739-00

BAK Communications,  
We, LLC

the principal and applicant for a CERTIFICATE OF AUTHORITY to resell long distance telecommunications services within the State of South Dakota, and Lumbermens Mutual Casualty Company, as an admitted surety insurer, that ourselves unto the Public Utilities Commission of the State of South Dakota and the consumers of South Dakota as Obligor, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota State Law, and reimburse customers of BAK Communications for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date hereon and shall remain in force and effect until the surety is released from liability by the written order of the Public Utilities Commission, provided that the surety may cancel this Bond and be released of further liability hereunder by delivering thirty (30) days written notice to the Public Utilities Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 21st day of February, 2002  
To be effective this 21 day of February, 2002

BAK Communications, LLC

By

~~Lumbermens Mutual Casualty Company~~  
~~Surety Company~~

By

~~William B. Northman~~

Countersigned for South Dakota

Countersigned this 21<sup>st</sup> day of March 2002

Resident Agent  
Roger Larsen

Attorney in Fact

William B. Northman

By

~~William B. Northman~~

## POWER OF ATTORNEY

Know All Men By These Presents:

That the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company, corporations organized and existing under the laws of the State of Illinois, having their principal office in Long Grove, Illinois (hereinafter collectively referred to as the "Company") do hereby appoint

Brian St. Clair , Kathleen Caporicci , Joyce P. Burks , Cynthia Thomas , Adrian Q. Oddo ,  
Aklima B. Noorhassan , Maria A. Eng , Thomas J. Henn and Sandra A. Amory of NEW YORK , NY (EACH)

\*\*\*\*\*

their true and lawful agent(s) and Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as their act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver any bond or undertaking which guarantees the payment or collection of any promissory note, check, draft or letter of credit

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

This appointment may be revoked at any time by the Company.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal office in Long Grove, Illinois.

This Power of Attorney is executed by authority of resolutions adopted by the Executive Committees of the Boards of Directors of the Company on February 23, 1988 at Chicago, Illinois, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the Executive Committee of the Boards of Directors of the Company at a meeting duly called and held on the 23rd day of February, 1988:

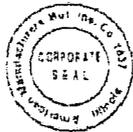
"VOTED, That the signature of the Chairman of the Board, the President, any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to resolution adopted by the Executive Committee of the Board of Directors on February 23, 1988 and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company."

IN TESTIMONY WHEREOF the Company has caused this instrument to be signed and their corporate seals to be affixed by their authorized officers, this December 4, 2001.

Lumbermens Mutual Casualty Company  
American Motorists Insurance Company  
American Manufacturers Mutual Insurance Company

Attended and Certified

*John K. Conway*  
John K. Conway, Corporate Secretary

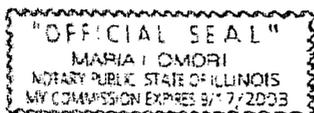


*Gary J. Tully*  
Gary J. Tully, Senior Vice President

STATE OF ILLINOIS    §§

COUNTY OF LAKE       §§

I, Maria I. Omori, a Notary Public, do hereby certify that Gary J. Tully and John K. Conway personally known to me to be the same persons whose names are respectively as Senior Vice President and Corporate Secretary of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company, Corporations organized and existing under the laws of the State of Illinois, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being therunto duly authorized signed, sealed with the corporate seals and delivered the said instrument as the free and voluntary act of said corporations and as their own free and voluntary acts for the uses and purposes therein set forth.



*Maria I. Omori*

Maria I. Omori, Notary Public  
My commission expires 9-17-03

**CERTIFICATION**

I, J. K. Conway, Corporate Secretary of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company, do hereby certify that the attached Power of Attorney dated December 4, 2001 on behalf of the person(s) as listed above is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said Gary J. Tully, who executed the Power of Attorney as Senior Vice President, was on the date of execution of the attached Power of Attorney the duly elected Senior Vice President of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the Lumbermens Mutual Casualty Company, the American Motorists Insurance Company, and the American Manufacturers Mutual Insurance Company on this 21st day of February, 2002.



*John K. Conway*  
John K. Conway, Corporate Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein and they have no authority to bind the Company except in the manner and to the extent herein stated.

Home Office: Long Grove, IL 60049

PK 00 75 (Ed. 09 01)

Page 2 of 2

Printed in U.S.A.

LUMBERMENS MUTUAL CASUALTY COMPANY  
 FINANCIAL STATEMENT  
 DECEMBER 31, 2000

<b>Assets</b>	
Cash in banks	\$ 46,584,372
Funds owned	4,122,240,197
Stocks	1,016,096,061
Real estate	113,789,891
Premiums in course of collection	1,235,138,986
Accrued interest and other assets	<u>953,565,619</u>
<b>Total</b>	<b><u>\$7,487,415,126</u></b>

<b>Liabilities</b>	
Reserve for losses and adjusting expenses	\$3,149,872,476
Reserve for unearned premiums	1,009,504,613
Reserve for taxes, expenses and other liabilities	<u>1,514,767,706</u>
<b>Total</b>	<b><u>\$5,674,144,795</u></b>

Surplus as regards policyholders	1,813,270,331
<b>Total</b>	<b><u>\$7,487,415,126</u></b>

Paul A. Condit  
 Vice President of Accounting Services

Attest J. K. Conway  
 Secretary

State of Illinois )  
 ) SS  
 County of Lake )

B. A. Condit and J. K. Conway, being duly sworn, say that they are Vice President of Accounting Services and Secretary, respectively, of LUMBERMENS MUTUAL CASUALTY COMPANY, Illinois; that the foregoing is a true and correct statement of the financial condition of said company, as of December 31, 2000.

Subscribed and sworn to before me  
 This 28<sup>th</sup> day of February, 2001

Angela Hansen  
 Notary Public



LUMBERMENS MUTUAL CASUALTY COMPANY  
 FINANCIAL STATEMENT  
 DECEMBER 31, 2000

Assets

Cash in banks	\$ 46,584,372
Bonds owned	4,122,240,197
Stocks	1,016,096,061
Real estate	113,789,891
Premiums in course of collection	1,238,158,996
Accrued interest and other assets	<u>953,465,619</u>
 Total	 <u>\$7,487,415,126</u>

Liabilities

Reserve for losses and adjusting expenses	\$3,149,872,476
Reserve for unearned premiums	1,009,504,613
Reserve for taxes, expenses and other liabilities	<u>1,514,767,706</u>
 Total	 <u>\$5,674,144,795</u>

Surplus as regards policyholders	<u>1,813,270,331</u>
 Total	 <u>\$7,487,415,126</u>

By Bret A. Conklin  
 Vice President of Accounting Services

Attest J. K. Conway  
 Secretary

State of Illinois)  
 ) SS  
 County of Lake)

B. A. Conklin and J. K. Conway, being duly sworn, say that they are Vice President of Accounting Services and Secretary, respectively, of LUMBERMENS MUTUAL CASUALTY COMPANY, Illinois; that the foregoing is a true and correct statement of the financial condition of said company, as of December 31, 2000.

Subscribed and sworn to before me

This 28<sup>th</sup> day of February, 2001

Angela Hansen  
 Notary Public

\*\*\*\*\*  
 "OFFICIAL SEAL"  
 ANGELA HANSEN  
 Notary Public, State of Illinois  
 My Commission Expires 2/18/04  
 \*\*\*\*\*

# WEEKLY FILINGS

For the Period of June 13, 2002 through June 19, 2002

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this report. Phone: 605-773-3705 Fax: 605-773-3809

## CONSUMER COMPLAINTS

**CT02-019** In the Matter of the Complaint filed by Eileen Nelson, Sioux Falls, South Dakota, against McLeodUSA Telecommunications Services, Inc. Regarding a Billing Dispute.

Complainant states that she signed up for McLeod service but the service was not connected in a timely manner and she was billed for monthly service when McLeod was not her provider. McLeod informed her that she would be receiving a \$20.00 check for the connection fee. Complainant never received the check. Complainant also states that her long distance rates are incorrect. Complainant feels McLeod owes her compensation for all the stress she has had to endure over this situation and that she has not been compensated for the billing mistakes.

Staff Analyst: Mary Healy  
Staff Attorney: Kelly Frazier  
Date Docketed: 06/14/02  
Intervention Deadline: N/A

**CT02-020** In the Matter of the Complaint filed by Bruce Olson, Rapid City, South Dakota, against AT&T Communications of the Midwest, Inc. Regarding Unauthorized Billing for Services.

Complainant states that he is being billed for collect calls that were not accepted in his home. Complainant requests that all charges be removed and that he receive a letter of apology from AT&T admitting to the billing error.

Staff Analyst: Mary Healy  
Staff Attorney: Karen Cremer  
Date Docketed: 06/14/02  
Intervention Deadline: N/A

**CT02-021** In the Matter of the Complaint filed by Christopher A. Cutler on behalf of Recreational Adventures Co., Hill City, South Dakota, against AT&T Communications of the Midwest, Inc. Regarding Failure to Provide Service.

Christopher Cutler states that in March 2002, Complainant entered into an agreement with AT&T to receive Fragmented T1 service. On more than one occasion, the AT&T representative assured the Complainant that AT&T could provide this service. Complainant has now been informed that AT&T can not provide the Fragmented T1 service. Complainant states that they have invested more than \$150,000.00 in their business to utilize the Fragmented T1 service. Complainant requests that AT&T provide the Fragmented T1 service that it stated it could provide. If the service cannot be provided, Complainant would be willing to negotiate a settlement with AT&T for the expenses the Complainant has incurred. Complainant feels that AT&T should put forth some form of effort to resolve this complaint.

Staff Analyst: Mary Healy  
Staff Attorney: Karen Cremer  
Date Docketed: 06/17/02  
Intervention Deadline: N/A

**CT02-022** In the Matter of the Complaint filed by Mark & Sue Cichos, Pierre, South Dakota, against UKI Communications, Inc. Regarding Unauthorized Switching of Services.

Staff Attorney: Kelly Frazier  
Date Docketed: 06/17/02  
Initial Comments Due: 07/08/02

**TC02-061 In the Matter of the Filing for Approval of a Resale Agreement between Qwest Corporation and Houlton Enterprises, Inc. d/b/a Guaranteed Phone Service**

On June 17, 2002, the Commission received a filing for approval of a Resale Agreement between Qwest Corporation (Qwest) and Houlton Enterprises, Inc. d/b/a Guaranteed Phone Service. According to the parties, the Agreement is a negotiate agreement which sets forth the terms, conditions and prices under which Qwest agrees to provide unbundled network element platform and/or services for resale to Guaranteed Phone Service for the sole purpose of providing telecommunications services. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than July 8, 2002. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 06/17/02  
Initial Comments Due: 07/08/02

**TC02-062 In the Matter of the Petition of Dakota Community Telephone, Inc. and McLeodUSA Telecom Development, Inc. for Approval of the Transfer of its Stock to PrairieWave Communications, Inc.**

On June 17, 2002, Dakota Community Telephone, Inc. and McLeodUSA Telecom Development, Inc. (collectively, Petitioners), request Commission approval of a transaction whereby the stock of the Petitioners will be acquired by PrairieWave Communications, Inc. Contemporaneous with the closing of this transaction, Petitioners will file with the Secretary of State to change the names of Dakota Community Telephone, Inc. to PrairieWave Community Telephone, Inc. and McLeodUSA Telecom Development, Inc. to PrairieWave Telecommunications, Inc.

Staff Analyst: Harlan Best  
Staff Attorney: Karen Cremer  
Date Docketed: 06/17/02  
Intervention Deadline: 07/05/02

**TC02-063 In the Matter of the Filing by Essex Communications, Inc. d/b/a eLEC Communications for Approval of Relief of Certification Requirement to Post Surety Bond.**

In an Order dated January 10, 2001, the Commission granted Essex Communications, Inc. d/b/a eLEC Communications (Essex) authority to provided interexchange and local exchange telecommunications services in South Dakota, subject to a continuous \$25,000 surety bond. On June 15, 2002, the Commission received a filing from Essex requesting relief from the Commission's bond requirement.

Staff Analyst: Keith Senger  
Staff Attorney: Kelly Frazier  
Date Docketed: 06/18/02  
Intervention Deadline: 07/05/02

**TC02-064 In the Matter of the Establishment of Switched Access Revenue Requirement for Sully Buttes Telephone Cooperative, Inc.**

On June 18, 2002, Sully Buttes Telephone Cooperative, Inc., filed a switched access cost study developing a revenue requirement and minutes of use that are included in the revenue requirement and minutes of use used to determine the switched access rates for the Local Exchange Carrier Association

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

IN THE MATTER OF THE APPLICATION OF )	ORDER GRANTING
BAK COMMUNICATIONS, LLC FOR A )	AMENDED CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE )	AUTHORITY
INTEREXCHANGE TELECOMMUNICATIONS )	
SERVICES IN SOUTH DAKOTA )	TC01-163

On October 24, 2001, 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 BAK Communications, LLC (BAK)

BAK sought authority to provide interexchange telecommunications services throughout South Dakota. A proposed tariff was filed by BAK. The Commission has classified long distance service as fully competitive

On October 25, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of November 9, 2001, to interested individuals and entities. No petitions to intervene or comments were filed and at its January 24, 2002, meeting, the Commission considered BAK's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that BAK not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission, and a waiver of ARSD 20:10 24 02(8)

On June 14, 2002, the Commission received a \$25,000 surety bond from BAK and was notified that BAK wished to provide prepaid calling card services. BAK requested that it be permitted to post a \$25,000 surety bond and that the restrictions be removed from its certificate of authority.

At its regularly scheduled July 23, 2002, meeting, Staff recommended that the Commission reconsider the terms and conditions of BAK's certificate of authority to permit BAK to post a continuous \$25,000 surety bond and remove the restriction that BAK not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20:10 24 02 and 20:10 24 03. The Commission finds that BAK has met the legal requirements established for the granting of an amended certificate of authority. BAK 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 BAK's application for an amended certificate of authority, subject to a continuous \$25,000 surety bond, it is therefore

ORDERED, that BAK's application for an amended certificate of authority to provide interexchange telecommunications services is hereby granted, subject to a continuous \$25,000 surety bond.

Dated at Pierre, South Dakota, this 7<sup>th</sup> day of August, 2002.

<b>CERTIFICATE OF SERVICE</b>	
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>Melaine Kalbs</u>
Date	<u>8/8/02</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg  
JAMES A. BURG, Chairman

Pam Nelson  
PAM NELSON, Commissioner

Robert K. Sahr  
ROBERT K. SAHR, Commissioner *by sk*

# SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

---

## AMENDED CERTIFICATE OF AUTHORITY

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

Authority was Granted as of the date of the  
Original Order Granting Certificate of Authority  
Docket No. TC01-163

*This is to certify that*

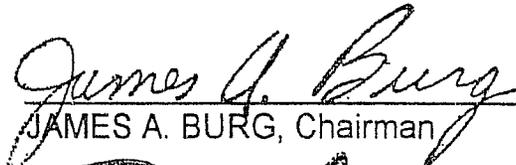
### BAK COMMUNICATIONS, LLC

is authorized to provide interexchange telecommunications services in  
South Dakota.

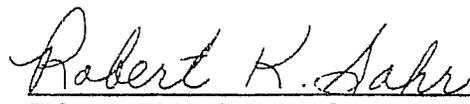
This certificate is issued in accordance with SDCL 49-31-3 and ARSD  
20:10:24:02, and is subject to all of the conditions and limitations contained in the  
rules and statutes governing its conduct of offering telecommunications services.

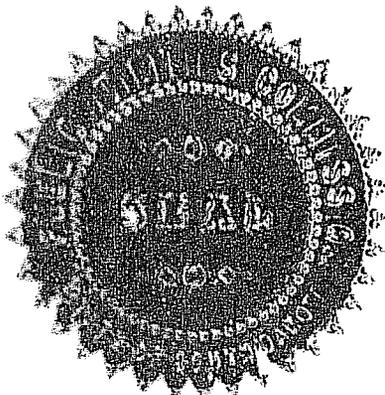
Dated at Pierre, South Dakota, this 7<sup>th</sup> day of August, 2002.

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION:**

  
\_\_\_\_\_  
JAMES A. BURG, Chairman

  
\_\_\_\_\_  
PAM NELSON, Commissioner

  
\_\_\_\_\_  
ROBERT K. SAHR, Commissioner *by*  
*dk*



RECEIVED

APR 08 2003

Lance J.M. Steinhart, P.C.  
Attorney At Law  
1720 Windward Concourse  
Suite 250  
Alpharetta, Georgia 30005

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

Also Admitted in New York  
and Maryland

Telephone: (770) 232-9200  
Facsimile: (770) 232-9208

April 7, 2003

VIA FEDERAL EXPRESS

Mr. William Bullard  
Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, SD 57501-5070  
(605) 773-3201

FAX Received 3/26/03

Re: BAK Communications, LLC  
Docket No. TC01-163

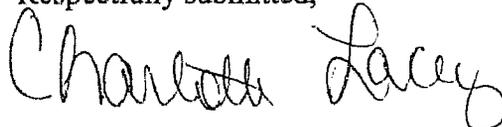
Dear Mr. Bullard:

Enclosed please find one original and ten (10) copies of BAK Communications, LLC's Indemnity Bond in the amount of Twenty Five Thousand Dollars (\$25,000).

I have enclosed an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,



Charlotte Lacey  
Legal Assistant to Lance J.M. Steinhart  
Attorney for LD Exchange.com

Enclosures

cc: Yvette Madison

INDEMNITY BOND  
TO THE  
PEOPLE OF THE STATE OF SOUTH DAKOTA

Bond No. 08627132

We, BAK\*, the principal and applicant for a CERTIFICATE OF AUTHORITY to resell long distance telecommunications services within the State of South Dakota, and FIDELITY AND\*\*, as an admitted surety insurer, bind ourselves unto the Public Utilities Commission of the State of South Dakota and the consumers of South Dakota as Obligees, in the sum of \$25,000.00

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota State Law, and reimburse customers of BAK\* for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date hereon and shall remain in force and effect until the surety is released from liability by the written order of the Public Utilities Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Utilities Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 18TH day of MARCH,  
To be effective this \*\* day of MARCH, 2003

BAK COMMUNICATIONS, LLC

By: [Signature]

William J. Nolan III  
CEO/Secretary

FIDELITY AND DEPOSIT  
COMPANY OF MARYLAND Surety

By: [Signature]

J.W. JOHNSON,  
ATTORNEY-IN-FACT

Countersigned this 19TH day of  
MARCH, 2003  
Countersigned for South Dakota

By: [Signature]  
Resident Agent

By: \_\_\_\_\_  
Attorney-in-Fact

\* COMMUNICATIONS, LLC  
\*\* DEPOSIT COMPANY OF MARYLAND  
\*\*\* 18TH

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
County of Orange }

ss.

On March 18, 2003, before me, Brad L. Settgast, Notary Public  
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

Personally appeared J.W. Johnson

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

*[Handwritten Signature]*  
\_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

<input type="checkbox"/> Individual <input type="checkbox"/> Corporate Officer - Title(s): _____ <input type="checkbox"/> Partner -- <input type="checkbox"/> Limited <input type="checkbox"/> General <input type="checkbox"/> Attorney-in-Fact <input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator <input type="checkbox"/> Other: _____	Right Reserved Notary Seal
--	-------------------------------

Signer is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Orange

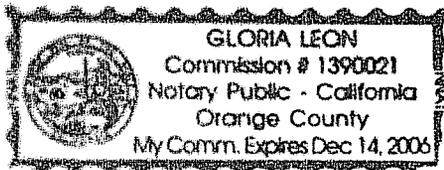
} ss.

On March 25, 2003, before me, Gloria Leon, Notary Public,  
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared William J. Nolan III,  
Name(s) of Signer(s)

personally known to me  
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Gloria Leon  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Indemity Bond/ State of South Dakota  
Bond # 08627132

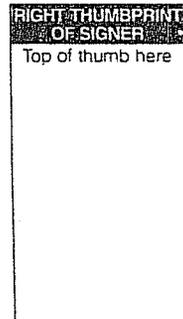
Document Date: March 18, 2003 Number of Pages: 3

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: William J. Nolan III

- Individual
- Corporate Officer — Title(s): Chief Financial Officer/Secretary
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer is Representing: BAK Communications, LLC

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by PAUL C. ROGERS, Vice President, and T. E. SMITH, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **J. W. JOHNSON, of Fullerton, California**, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed, ~~any and all bonds and undertakings~~ and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md. in their own proper persons. This power of attorney revokes that issued on behalf of J. W. Johnson, dated November 19, 1999.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 19th day of February, A.D. 2003.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



*T. E. Smith*

T. E. Smith Assistant Secretary

*Paul C. Rogers*

By: Paul C. Rogers Vice President

State of Maryland }  
City of Baltimore } ss:

On this 19th day of February, A.D. 2003, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came PAUL C. ROGERS, Vice President, and T. E. SMITH, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Sandra Lynn Mooney*

Sandra Lynn Mooney Notary Public  
My Commission Expires: January 1, 2004