KCIOS

7010-		DOCKET NO.		
In the Matter of	IN THE MATTER OF THE APPLICATION OF ILOKA INC. D/B/A MICROTECH-TEL FOR A CERTIFICATE OF AUTHORITY TO PROVIDE IN TERES OF AND LOCAL EXCHANGE SERVICES IN SOUTH DAKOTA			
Pu	ıblic Utilities Commission of the Sta	ate of South Dakota		
DATE	MEMORANDA	EMORANDA		
8/13/02/	Filed and Nocketed; Vækly Filing; Der Granting COA; Nachet Clased.			

AUG 1 3 5002 Lance J.M. Steinhart, P.C.

SOUTH DAKOTA PUBLIC

Attorney At Law

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Alpharetta, Georgia 30005

UTILITIES COMMISSION

Also Admitted in New York and Maryland

Telephone: (770) 232-9200

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August 12, 2002

VIA FEDERAL EXPRESS

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

Re:

iLOKA Inc. d/b/a Microtech-tel

Dear Mr. Bullard:

Enclosed please find one original and ten (10) copies of iLOKA Inc. d/b/a Microtech-tel's Application for Registration of a Telecommunications Company to Provide Local Exchange and Interexchange Service.

APPLICANT HAS ALSO ENCLOSED ONE COPY OF FINANCIAL STATEMENTS IN A SEPARATE ENVELOPE MARKED "CONFIDENTIAL AND PROPRIETARY" AND RESPECTFULLY REQUESTS CONFIDENTIAL TREATMENT OF THE ENCLOSED FINANCIAL INFORMATION. APPLICANT EXPECTS THAT THIS INFORMATION WILL BE RESTRICTED TO COUNSEL, AGENTS AND EMPLOYEES WHO ARE SPECIFICALLY ASSIGNED TO THIS APPLICATION BY THE COMMISSION.

Mr. William Bullard Executive Director South Dakota Public Utilities Commission August 12, 2002 Page 2

The information which is the subject of this request is Balance Sheets as of December 31, 2000 and December 31, 2001; Statement of Operations, Stockholder's Equity & Cash Flow for year ended December 31, 2000 and Income Statement for year ended December 31, 2001. As a privately-held corporation, the Applicant's financial statements are not made publicly available, and Applicant takes reasonable precautions to maintain and protect the confidentiality of such information. Public disclosure of Applicant's financial information for which this request is made could place Applicant at a competitive disadvantage. For these reasons, iLOKA Inc. d/b/a Microtech-tel hereby respectfully requests that its financial statements be treated as confidential information and not made a part of the public record in this Docket.

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, please do not hesitate to contact me.

Respectfully submitted

Lance J.M. Steinhart

Attorney for iLOKA Inc. d/b/a Microtech-tel

Enclosures

cc: Freddi Pennington (w/enc)

APPLICATION FOR REGISTRATION OF ILOKA INC. D/B/A MICROTECH-TEL FILED WITH THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF ILOKA INC.)))		
D/B/A MICROTECH-TEL FOR AN ORDER AUTHORIZING THE REGISTRATION)))	Docket No.	
OF APPLICANT AS A TELECOMMUNICATIONS COMPANY TO PROVIDE INTEREXCHANGE)		AUG 1 3 2002
AND LOCAL EXCHANGE SERVICE)		SOUTH DAKOTA PUBLIC

APPLICATION

Application is hereby made to the South Dakota Public
Utilities Commission for an Order authorizing iLOKA Inc. d/b/a
Microtech-tel ("iLOKA" or "Applicant") to register as a
telecommunications company to provide resold and facilities-based
local exchange and interexchange service within the State of
South Dakota. The following information is furnished in support
thereof:

1. Name, Address, Telephone Number, and e-mail of Applicant

iLOKA Inc. d/b/a Microtech-tel 4985 Ironton Street Denver, Colorado 80239 (303) 373-4444 (Phone) (303) 373-1077 (Fax) support@microtech-tel.com(e-mail)

Applicant has no local office in South Dakota at this time.

All inquiries regarding customer complaints and other regulatory matters should be addressed to:

Freddi Pennington
4985 Ironton Street
Denver, Colorado 80239
(303) 373-4444 (Phone)
(303) 373-1077 (Fax)
support@microtech-tel.com(e-mail)

2. Registered Agent

The name and address of the Applicant's registered agent are:

TCS Corporate Services, Inc. c/o Marilyn Person 819 West Third Pierre, South Dakota 57501

3. Description of the Applicant

Applicant is incorporated in the State of Delaware and is in good standing under the laws of that state. The Company was incorporated on March 23, 2000 as iLOKA Inc. d/b/a Microtech-tel. A copy of the Company's Certificate of Incorporation is attached to this Application as Exhibit A. In addition, the Company is authorized to do business as a foreign corporation in the State of South Dakota. Attached as Exhibit B to this Application is a copy of the Company's certificate of qualification to transact business issued by the South Dakota Secretary of State.

Applicant is a wholly-owned operating subsidiary of iLOKA.

Applicant is authorized to provide local exchange and interexchange telecommunications services in Colorado, and is in good standing with the appropriate regulatory agency each such state. Applicant is in the process of applying for authorization to provide competitive local exchange and interexchange services in 12 additional states. Applicant has not been denied authority for any of the services for which it seeks authority in this Application. Applicant is not currently providing service.

The senior management of iLOKA has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to iLOKA. Since iLOKA will be providing resold and facilities-based service, iLOKA will also rely upon the managerial and technical expertise of the incumbent local exchange carriers and facilities-based interexchange carriers which have been certified and deemed technically and managerially able to provide exchange service by the Commission. The relevant operational experience of Applicant's key management employees is set forth in Exhibit C which is attached hereto.

The Applicant's customers will primarily be small and mediumsized businesses that need local exchange, access, private line, long distance, data, and other telecommunication services.

4. Facilities

When Applicant installs facilities, it will probably use the following or a similar configuration of equipment: Applicant will provide voice and high speed data services through a combination of the latest technology switching and transport media comprised of the Lucent Technology 5 ESS Generic 13 switch module, ADSL/SDSL transport and Internet service equipment and the latest Optical multiplexer DAC's configurations. The switching system consists of a central processing and control complex capable of interconnection as a peer to the incumbent as well as competitive local exchange companies. The hub portion of the switch will

interconnect with the public switched network on Signaling System 7 ("SS7") or Feature Group D ("FGD") facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in with network standards and specifications. accordance Additionally, these services will be delivered over a combination delivery mechanisms through incumbent local carriers' of unbundled loop network, both copper and fiber and transport networks, as well as via iLOKA constructed facilities. Applicant's equipment is capable of providing local number portability, and is compliant and compatible with existing 911 systems. At the time of the filing of this application, none of this equipment has been installed in the State of South Dakota.

5. Stockholders

The names and address of the each stockholder of Applicant owning 20% or more of the interest in the business are as follows:

Name and Address	Shares Owned	Percentage of all Shares Issued and Outstanding and Voting Control
Satish V. Kumar	23,250,000	95.74%

4985 Ironton Street Denver, Colorado 80239

6. Officers and Directors

The names and addresses of the officers and directors of iLOKA Inc. d/b/a Microtech-tel are:

Officers:

Satish V. Kumar President, Chief Executive Offiver and Secretary

William Marshall Ellison II Senior Vice President & Operations and Chief Financial Officer

Directors:

Dan Bannister Tushar Kothari

All of the above-named individuals can be reached at:

iLOKA Inc. d/b/a Microtech-tel 4985 Ironton Street Denver, Colorado 80239

7. Corporate Ownership

The name and address of any corporation, association or similar organization holding a five percent (5%) or greater ownership in the Applicant is as follows:

Satish V. Kumar

23,250,000

95.74%

4985 Ironton Street Denver, Colorado 80239

8. Subsidiaries owned or controlled by Applicant

None

9. Description of Services

When Applicant constructs facilities in this state,
Applicant will provide services through a combination of its own
facilities and unbundled network elements purchased from
incumbent local exchange providers. iLOKA will rely upon the
incumbent local exchange companies (LEC) and other carriers for
the provision and access to emergency services (911 or E911),
operator services, interexchange services, directory assistance,
and telecommunications relay services. iLOKA seeks authority to
resell and provide facilities-based UNE-P local exchange services
throughout the State of South Dakota in the areas served by any
LECs in South Dakota that are not eligible for a small or rural
carrier exemption pursuant to Section 251(f)(1) of the Federal

Act. iLOKA does not seek to provide resold or facilities-based services to customer in those small or rural territories at this time. Such services will be provided by utilizing its own facilities as well as the facilities of incumbent local exchange carriers ("LECs") and facilities-based interexchange carriers, such as Qwest, WorldCom, and Frontier/Global Crossing. iLOKA intends to provide all forms of intrastate interexchange and local exchange telecommunications services including:

Interexchange (switched and dedicated services):

- A. 1+ and 101XXXX outbound dialing;
- B. 800/888 toll-free inbound dialing;
- C. Calling cards; and
- D. Data Services.

Local Exchange:

- A. Local Exchange Services for business and residence customers that will enable customers to originate and terminate local calls in the local calling area served by other LECs.
- B. Switched local exchange services, including basic service, trunks, carrier access, and any other switched local services that currently exist or will exist in the future.
- C. Non-switched local services (e.g., private line) that currently exist or will exist in the future.
- D. Centrex and/or Centrex-like services that currently exist or will exist in the future.
- E. Digital subscriber line, ISDN, and other high capacity line services.

10. Financial Qualifications

Applicant is financially qualified to provide intrastate local exchange 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 local exchange telecommunications services in the State of South Dakota. See Applicant's Balance Sheets as of December 31, 2000 and December 31, 2001; Statement of Operations, Stockholder's Equity & Cash Flow for year ended December 31, 2000 and Income Statement for year ended December 31, 2001, Exhibit D, which are marked and filed as "Confidential" under separate cover. The company will not require prepayments, advance payments or deposits.

11. Service Area Map

iLOKA will concur in the exchange area boundaries established by the incumbent LECs.

12. Tariff

Attached hereto as Exhibit E is a copy of iLOKA's proposed interexchange tariff. Also attached as Exhibit E is a copy of iLOKA's local exchange tariff which is being filed for informational purposes only since Applicant intends to serve less than 50,000 local exchange subscribers in South Dakota.

13. Billing

Applicant will direct bill interexchange and local exchange customers utilizing completed call detail information from its underlying carriers.

14. Solicitation of Customers

iLOKA will not submit a change order for local exchange or intrastate toll service until iLOKA has obtained the customer's written authorization to submit the order which includes the following information from the customer:(1) The customer billing name, billing telephone number and billing address and each telephone number to be covered by the change order; 2) The decision to change; and (3) The customer's understanding of the change fee, if any.

15. Description of Marketing

Applicant intends to market its services to primarily small to mid-sized businesses and residential telecommuters. Applicant will market through direct sales by employees and agents.

Applicant does not intend to engage in multilevel marketing.

Applicant's marketing materials for South Dakota have not yet been developed and are not available at this time.

16. Cost Support:

Applicant intends to provide services at a price above its cost. Applicant intends to serve less than 50,000 local exchange subscribers in South Dakota, therefore, is not required to file cost support information.

17. Federal Tax Identification Number:

84-111-0972

18. 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

19. Customer Service

Applicant's customer service department may be contacted nationwide via a toll-free number, (866) 531-6012. The Company will maintain a Customer Service Department in Colorado exclusively for Customers' questions, requests for service, complaints and trouble handling. The Company's Customer Service address and local or toll free number(s) will be printed on the Customer's bill. The Customer Service Department will be located at 4985 Ironton Street, Denver, Colorado 80239. The Company also intends to have a locally staffed office at one or more hub site locations in each state and will provide its customers with a local Customer Service number which will be available 24 hours per day, 7 days per week.

Office Hours- Excluding holidays, Customer Service Representatives will be available 8:00 AM to 5:00 PM standard time Monday through Friday. After hours, Sundays and on holidays, Customers will automatically be forwarded to an answering service or operations center.

Complaint Procedures- The Customer shall pose any inquiries or disputes directly to the Company for resolution. Written communications should be directed to the Company's Customer Service department. All undisputed portions of any outstanding balance due are to be paid while resolution of the inquiry or dispute is pending. The Company will investigate a Customer inquiry or dispute and report the findings to the Customer. If the Company finds its actions to be consistent with its Tariff, the Company will inform the Customer of its no fault finding and require full payment of any outstanding balance due. If the Customer is not satisfied with the Company's resolution of an inquiry or dispute, the Customer may refer the matter to the South Dakota Public Utilities Commission for final determination.

When Applicant installs facilities in the State of South Dakota, facility and equipment maintenance will be performed by the company, either directly or through contract, in order to ensure compliance with any commission quality of service requirements.

20. Interconnection

Applicant initially intends to interconnect with Qwest. Negotiations for interconnection will start at an as yet determined time following certification. Interconnection service is likely to be initiated within 180 days of completion of interconnection negotiations. Applicant has not requested interconnection with any local exchange carrier in South Dakota at this time.

WHEREFORE, the undersigned Applicant requests that the South Dakota Public Utilities Commission enter an order granting this application for a Certificate of Authority authorizing Applicant to provide resold and facilities-based interexchange and local exchange services.

DATED this \mathcal{M} day of \mathcal{M} , 2002.

iLOKA Inc. d/b/a Microtech-tel

State of Colorado

County of Denver

Satish V. Kumar, being first duly sworn, deposes and says that he/she is the President & CEO of iLOKA Inc. d/b/a Microtech-tel, 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.

Satish V. Kumar President & CEO

Subscribed and sworn to before this // day of

20(02.)

Notary Public

My Commission expires:_

My Commission Expires 06-30-2004

LIST OF EXHIBITS

- A CERTIFICATE OF AUTHORITY
- B CERTIFICATE OF INCORPORATION
- C BIOGRAPHIES OF THE MANAGEMENT TEAM
- D FINANCIAL STATEMENTS
- E PROPOSED TARIFFS

EXHIBIT A - CERTIFICATE OF AUTHORITY

State of South Bakota



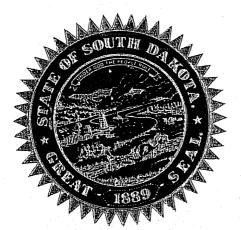
OFFICE OF THE SECRETARY OF STATE

Certificate of Authority

ORGANIZATIONAL ID #: FB026468

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

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



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 July 25, 2002.

Joyce Hazeltine Secretary of State

EXHIBIT B - CERTIFICATE OF INCORPORATION

RESTATED CERTIFICATE OF INCORPORATION OF ILOKA INC.

FIRST: The name of the corporation (herein referred to as the "Company") is: iLOKA Inc.

SECOND: The address of the registered office of the Company in the State of Delaware is 1013 Centre Road, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

THIRD: The purposes of the Company are to engage in, promote, conduct and carry on any lawful acts or activities for which corporations may be organized under the Delaware General Corporation Law (the "DGCL").

FOURTH: The total number of shares of stock which the Company shall have authority to issue is Sixty Three Million (63,000,000) shares, of which Sixty Million (60,000,000) shares, par value \$0.01 per share, shall be of a class designated as "Common Stock," and Three Million (3,000,000) shares, par value \$0.01 per share, shall be of a class designated "Preferred Stock".

The designations, preferences, privileges and powers and relative, participating, optional or other special rights and qualifications, limitations or restrictions of the above classes of capital stock shall be as follows:

SECTION A

Preferred Stock

1. Definitions

- (a) "Board" shall mean the Company's Board of Directors.
- (b) "Conversion Price" shall mean the price applicable to the conversion of Series A Preferred Stock into Common Stock as defined in Section 6(b) herein.
- (c) "<u>Dividend Rate</u>" shall mean \$0.08 per share, which is eight percent (8.0%) of the Original Issue Price per share per annum for the Series A Preferred Stock.

- (d) "Original Issue Date" for any share of the Series A Preferred Stock shall mean the date on which such share of the Series A Preferred Stock was originally issued.
- (e) "Original Issue Price" shall mean \$1.00 per share for the Series A Preferred Stock.
- (f) "Qualified Public Offering" shall mean an underwritten public offering of Common Stock registered under the Securities Act, the aggregate proceeds of which to the Company and/or the selling stockholders (if any) exceeds Thirty Million Dollars (\$30,000,000) and in which the public offering price per share (before deducting any underwriting fees or selling commissions) is not less than two and one-half (2.5) times the Conversion Price per share of the Series A Preferred Stock (as appropriately adjusted for any stock splits, stock dividends and similar transactions after the date hereof).
 - (g) "Securities Act" shall mean the Securities Act of 1933, as amended.
- (h) "Subsidiary" shall mean any corporation at least fifty percent (50%) of whose outstanding voting stock shall at the time be owned directly or indirectly by the Company or by one or more Subsidiaries.
- 2. <u>Designation of Series</u>. Three Million (3,000,000) shares of the Preferred Stock of the Company shall constitute a series of Preferred Stock designated as Series A Preferred Stock (the "Series A Preferred Stock").

3. Dividends.

(a) The holders of the then outstanding Series A Preferred Stock shall be entitled to receive, out of any funds and assets of the Company legally available therefor, annual, non-compounding dividends at the Dividend Rate for the Series A Preferred Stock, which dividends shall be payable in accordance with paragraph 3(b). No dividends (other than those payable solely in Common Stock) shall be declared or paid with respect to the Common Stock until all previously accumulated but unpaid dividends on the Series A Preferred Stock shall have been paid as provided herein, and in accordance with paragraph 8(a)(3), only upon the approval of a majority of the holders of the then outstanding shares of Series A Preferred Stock. Such dividends shall accrue on each share of Series A Preferred Stock from its Original Issue Date, and shall accrue from day to day, whether or not earned or declared and whether or not there shall be net assets or profits of the Company legally available for the payment of such dividends. Such dividends shall be cumulative so that, if such dividends in respect of any previous or current annual dividend period, at the Dividend Rate, shall not have been paid, the deficiency shall first be fully paid before any dividend or other distribution shall be paid on or declared and set apart for the Common Stock. Dividends on shares of Series A Preferred Stock shall no longer

accrue upon the earliest to occur of (i) a Qualified Public Offering, (ii) the conversion of such shares of Series A Preferred Stock into Common Stock or (iii) the redemption of such shares of Series A Preferred Stock. Any accumulation of dividends on the Series A Preferred Stock shall not bear interest.

(b) All accrued and unpaid dividends on shares of Series A Preferred Stock will be payable in cash or in shares of capital stock of the Company at the option of the holder upon the earlier of (i) the consummation of a Liquidation Transaction (as defined in paragraph 4(c) below) and (ii) the seventh (7th) anniversary of the Original Issue Date; provided, however, that such accrued and unpaid dividends shall not be payable upon a Liquidation Transaction, if, in connection therewith, the holders of Series A Preferred Stock will have received an aggregate amount per share equal to five (5) times the Original Issue Price (as appropriately adjusted for stock dividends, stock splits and similar transactions), including all accrued and previously paid dividends and including any amounts paid pursuant to paragraph 4(a).

4. Liquidation Rights.

- In the event of any liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, after payment or provision for payment of the debts and other liabilities and obligations of the Company, the holders of each share of Series A Preferred Stock then outstanding shall be entitled to be paid out of the net assets of the Company available for distribution to its stockholders, before any payment or declaration and setting apart for payment of any amount shall be made in respect of the Common Stock, an amount equal to the greater of (1) the Original Issue Price (as appropriately adjusted for stock splits, stock dividends and similar transactions), plus an amount equal to any accumulated but unpaid dividends thereon, if any, to and including the date full payment shall be tendered to the holders of the Series A Preferred Stock with respect to such liquidation, dissolution or winding up, or (2) the amount that such holders would have been payable had such shares been converted, immediately prior to such liquidation, dissolution or winding up, into Common Stock pursuant to paragraph 6 below (the "Series A Liquidation Preference"). If the amount available for such distribution is insufficient to pay the full Series A Liquidation Preference, then no amount shall be distributed to the holders of shares of Common Stock and the assets available for distribution shall be distributed ratably among the holders of the Series A Preferred Stock in proportion to the full Series A Liquidation Preference each holder is otherwise entitled to receive.
- (b) After payment in full of the Series A Liquidation Preference, the holders of shares of Common Stock then outstanding shall be entitled to receive the remaining assets and funds of the Company legally available for distribution to the stockholders.
- (c) . A (i) consolidation or merger of the Company with or into any other entity in which the holders of the Company's outstanding capital stock immediately before such consolidation or merger do not, immediately after such consolidation or merger, retain stock or

other equity interests representing a majority of the voting power of the surviving entity of such consolidation or merger or (ii) sale of all or substantially all of the assets of the Company (any of the foregoing events referred to in items (i) or (ii) above are herein referred to as a "Liquidation Transaction"), shall each be deemed to be a liquidation, dissolution or winding up of the Company as those terms are used in this paragraph 4. Notwithstanding the foregoing, by vote or written consent of the holders of a majority of the Series A Preferred Stock then outstanding, such holders may elect on behalf of all of the holders of Series A Preferred Stock (A) to waive the right to treat any of the foregoing events as a deemed liquidation or (B) to receive the benefits of the provisions of paragraph 6(i) in lieu of a deemed liquidation pursuant to this paragraph 4, which election shall be binding upon all holders of Series A Preferred Stock.

- (d) On the effective date of any Liquidation Transaction, the Company shall pay all cash and other consideration to which the holders of the Series A Preferred Stock shall be entitled under this paragraph 4. Upon receipt of such payment, each holder of shares of Series A Preferred Stock shall surrender the certificate or certificates representing such shares, duly endorsed, at the office of the Company or any transfer agent for the Common Stock or Series A Preferred Stock, or shall notify the Company or such transfer agent that such certificates have been lost, stolen or destroyed and execute an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection therewith, and each surrendered certificate shall be cancelled and retired.
- (e) If any assets of the Company distributed to stockholders in connection with any liquidation, dissolution, or winding up of the Company are other than cash, then the value of such assets, if not otherwise fixed by the terms of any agreement governing any such liquidation, dissolution or winding up of the Company, shall be their fair market value as determined in good faith by the Board, except that any securities to be distributed to stockholders in a liquidation, dissolution, or winding up of the Company shall be valued as follows:
 - (1) The method of valuation of securities not subject to investment letter or other similar restrictions on free marketability shall be as follows:
 - (A) if the securities are then traded on a national securities exchange, the NASDAQ National Market System (or a similar national quotation system) or the NASDAQ SmallCap Market, then the value shall be deemed to be the average of the closing prices of the securities on such exchange or system over the 30-day period ending three (3) days prior to the distribution; and
 - (B) if actively traded over-the-counter, then the value shall be deemed to be the average of the closing bid prices over the 30-day period ending three (3) days prior to the closing of such merger, consolidation or sale; and

- (C): if there is no active public market, then the value shall be the fair market value thereof, as determined in good faith by the Board of Directors of the Company (with the consent of at least one Series A Designee which shall not be unreasonably withheld).
- (2) The method of valuation of securities subject to investment letter or other similar restrictions on free marketability shall be to make an appropriate discount from the market value determined as above in (A), (B) or (C) of paragraph (1) to reflect the approximate fair market value thereof, as determined in good faith by the Board.

5. Voting Rights.

- (a) Series A Preferred Stock. Except as otherwise expressly provided herein or as required by law, the holders of each share of Series A Preferred Stock shall be entitled to vote on all matters upon which holders of Common Stock have the right to vote, and with respect to such vote shall be entitled to notice of any stockholders' meeting in accordance with the Bylaws of the Company, and shall be entitled to a number of votes equal to the largest number of full shares of Common Stock into which such shares of Series A Preferred Stock could be converted, pursuant to the provisions of paragraph 6 hereof, at the record date for the determination of stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited.
- (b) <u>General</u>. Except as otherwise expressly provided herein or to the extent class or series voting is otherwise required by law or agreement, the holders of shares of the Series A Preferred Stock and Common Stock shall vote together as a single class and not as separate classes on all matters.
- (c) <u>Board Size</u>. The authorized number of directors of the Board of Directors shall be five (5). The Company shall not alter the authorized number of directors in its Certification of Incorporation, Bylaws or otherwise, without first obtaining the written consent, or an affirmative vote at a meeting, of the holders of at least a majority of the then outstanding shares of the Series A Preferred Stock, consenting or voting (as the case may be) separately as a class.
- (d) <u>Election of Directors</u>. The holders of the Series A Preferred Stock, voting as a separate class, exclusive of all other stockholders, shall be entitled to elect one (1) director of the Company and to fill any vacancy with respect thereto. The holders of the Common Stock, voting as a separate class, exclusive of all other stockholders, shall be entitled to elect all remaining directors and to fill any vacancies with respect thereto.

6. Conversion.

The holders of the Series A Preferred Stock shall have the following conversion rights:

- (a) Right to Convert. Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such shares, at the office of the Company or any transfer agent for the Common Stock or Series A Preferred Stock, into fully paid and nonassessable shares of Common Stock, at the Conversion Price (as hereafter defined) therefor in effect at the time of conversion determined as provided herein.
- (b) <u>Conversion Price</u>. Each share of Series A Preferred Stock shall be convertible into the number of shares of Common Stock that results from dividing the Original Issue Price by the Conversion Price applicable to such share, in effect at the time of conversion. The initial Conversion Price per share for the Series A Preferred Stock shall be the Original Issue Price for the Series A Preferred Stock. The Conversion Price shall be subject to adjustment from time to time as provided herein.
- Automatic Conversion. Each share of Series A Preferred Stock which remains outstanding on the closing date (a "Closing Date") for a Qualified Public Offering shall automatically, and without any action on the part of the holder thereof or the Company, be converted on the same basis and at the same Conversion Price as if each holder thereof had properly exercised such holder's right to convert on the day preceding the Closing Date; provided that (1) such conversion shall be effective at the close of business on the Closing Date and (2) the Company shall have no obligation to issue and deliver to any such holder of Series A Preferred Stock on such date a certificate for the number of shares of Common Stock to which such holder shall be entitled until such time as such holder has surrendered such holder's certificate or certificates for such holder's Series A Preferred Stock, duly endorsed, at the office of the Company or any transfer agent for the Common Stock or the holder notifies the Company that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection therewith. All rights with respect to shares of Series A Preferred Stock outstanding on the Closing Date shall forthwith after the Closing Date terminate, except only the right of the holders of such shares to receive Common Stock upon surrender of their certificates for the Series A Preferred Stock.
- holder of Series A Preferred Stock shall be entitled to convert the same into shares of Common Stock, the holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent for the Common Stock or Series A Preferred Stock and shall give written notice by mail, postage prepaid, to the Company at such office that such holder elects to convert the same and shall state therein the number of shares of Series A Preferred Stock being converted and the name or names in which the certificate or certificates for shares of Common Stock are to be issued. Thereupon the Company shall promptly issue and deliver at such office to such holder of Series A Preferred Stock or to the nominee or nominees

of such holder a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled.

Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or accumulated holders of such shares of Common Stock on such date. Upon such conversion, all dividends on converted shares of Series A Preferred Stock will cease to accrue and any accrued but unpaid dividends on such shares shall be cancelled.

- (e) Adjustment for Stock Splits and Combinations. If the Company shall at any time or from time to time after the Original Issue Date effect a subdivision of the outstanding Common Stock, the Conversion Price then in effect immediately before that subdivision shall be proportionately decreased; conversely, if the Company shall at any time or from time to time after the Original Issue Date reduce the outstanding shares of Common Stock by combination or otherwise, the Conversion Price then in effect immediately before the combination shall be proportionately increased. Any adjustment under this paragraph 6(e) shall become effective at the close of business on the date the subdivision or combination becomes effective.
- (f) Adjustment for Certain Dividends and Distributions. In the event the Company at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock, then and in each such event the Conversion Price for the Series A Preferred Stock then in effect shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Conversion Price for the Series A Preferred Stock then in effect by a fraction;
 - (1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date; and
 - (2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, plus the number of shares of Common Stock issuable in payment of such dividend or distribution;

provided, however, if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Conversion Price for the Series A Preferred Stock shall be recomputed accordingly as of the close of business on such record date and thereafter the Conversion Price for the Series A Preferred Stock shall be adjusted

pursuant to this paragraph 6(f) as of the time of actual payment of such dividends or distributions.

- (g) Adjustments for Other Dividends and Distributions. In the event the Company at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Company other than shares of Common Stock, then and in each such event provision shall be made so that the holders of Series A Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the amount of securities of the Company that they would have received had their Series A Preferred Stock been converted into Common Stock on the date of such event and had thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period giving application to all adjustments called for during such period under this paragraph 6 with respect to the rights of the holders of the Series A Preferred Stock.
- (h) Adjustment for Reclassification. Exchange or Substitution. If the Common Stock issuable upon the conversion of the Series A Preferred Stock shall be changed into the same or different number of shares of any class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for above, or a reorganization, merger, consolidation or sale of assets provided for elsewhere in this paragraph 6), then and in each such event the holder of each share of Series A Preferred Stock shall have the right thereafter to convert such share into the kind and amounts of shares of stock and other securities and property receivable upon such reorganization, reclassification or other change, by holders of the numbers of shares of Common Stock into which such shares of Series A Preferred Stock might have been converted immediately prior to such reorganization, reclassification or change, all subject to further adjustment as provided herein.
- (i) Adjustment for Reorganization, Mergers, Consolidations or Sales of Assets. If at any time or from time to time there shall be a capital reorganization of the Common Stock (other than a subdivision, combination, reclassification or exchange of shares provided for elsewhere in this paragraph 6) or a merger or consolidation of the Company with or into another corporation, or the sale of all or substantially all the Company's properties and assets to any other person, and if as a part of such reorganization, merger, consolidation or sale, the Series A Preferred Stock is not cancelled, exchanged, redeemed or otherwise retired, then provision shall be made so that the holders of the Series A Preferred Stock shall thereafter be entitled to receive upon conversion of the Series A Preferred Stock the number of shares of stock or other securities or property, to which a holder of that number of shares of Common Stock deliverable upon conversion of the Series A Preferred Stock would have been entitled on such capital reorganization, merger, consolidation or sale. In any such case, appropriate adjustment shall be made in the application of the provisions of this paragraph 6 with respect to the rights of the

holders of the Series A Preferred Stock after the reorganization, merger, consolidation or sale to the end that the provisions of this paragraph 6 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of the Series A Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable. In the event of the occurrence of a capital reorganization, merger or consolidation of the Company or the sale of all or substantially all its assets and properties as such events are more fully set forth in this paragraph 6(i), the holders of at least a majority of the Series A Preferred Stock shall have the option of electing, on behalf of all of the holders of Series A Preferred Stock, treatment of all shares of Series A Preferred Stock under either this paragraph 6(i) or paragraph 4 hereof, notice of which election shall be submitted in writing to the Company at its principal office no later than ten (10) days before the effective date of such event. Such election shall be binding upon all holders of Series A Preferred Stock.

(i) Sale of Shares Below Conversion Price.

- If at any time or from time to time after the Original Issue Date the Company shall issue or sell Additional Shares of Common Stock (as hereinafter defined), other than as a dividend as provided in paragraph 6(f) above, and other than upon a subdivision or combination of shares of Common Stock as provided in paragraph 6(e) above, for a consideration per share less than the initial Conversion Price for the Series A Preferred Stock, then the Conversion Price then in effect for the Series A Preferred Stock shall be reduced as of the opening of business on the date of such issue or sale, to a price determined as follows: the new Conversion Price shall be determined by multiplying the old Conversion Price by a fraction (A) the numerator of which shall be (i) the total number of shares of Common Stock issued and outstanding immediately prior to such issue or sale, plus (ii) the total number of shares of Common Stock issuable upon conversion of all outstanding convertible shares, options, warrants or other rights to receive shares of Common Stock (the shares reflected in (i) and (ii), collectively, "Outstanding Stock"), plus (iii) the total number of shares of Common Stock that the aggregate consideration received by the Company for the total number of Additional Shares of Common Stock so issued would purchase at the Conversion Price applicable before this adjustment, and (B) the denominator of which shall be (i) the total number of shares of Outstanding Stock immediately prior to such issue or sale, plus (ii) the number of such Additional Shares of Common Stock so issued.
- (2) For the purpose of making any adjustment in the Conversion Price or number of shares of Common Stock purchasable on conversion of Series A Preferred Stock as provided above, the consideration received by the Company for any issue or sale of securities shall:

- (A) to the extent it consists of cash, be computed at the net amount of cash received by the Company after deduction of any underwriting or similar commissions, concessions or compensation paid or allowed by the Company in connection with such issue or sale;
- (B) to the extent it consists of services or property other than cash, be computed at the fair value of such services or property as determined in good faith by the Board; and
- (C) if Additional Shares of Common Stock, Convertible Securities (as hereinafter defined), or rights or options to purchase either Additional Shares of Common Stock or Convertible Securities are issued or sold together with other stock or securities or other assets of the Company for a consideration that covers both, be computed as the portion of the consideration so received that may be reasonably determined in good faith by the Board to be allocable to such Additional Shares of Common Stock, Convertible Securities, rights or options.
- (3) For the purpose of the adjustment provided in subsection (1) of this paragraph 6(j), if at any time or from time to time after the Original Issue Date the Company shall issue any warrants, options or other rights for the purchase of, or stock or other securities convertible into, Additional Shares of Common Stock (such convertible stock or securities being hereinafter referred to as "Convertible Securities"), then in each case, if the Effective Price (as hereinafter defined) of such warrants, options, rights or Convertible Securities shall be less than the then existing Conversion Price for the Series A Preferred Stock, the Company shall be deemed to have issued at the time of the issuance of such warrants, options, rights or Convertible Securities the maximum number of Additional Shares of Common Stock issuable upon exercise or conversion thereof and to have received as consideration for the issuance of such shares an amount equal to the total amount of the consideration, if any, received by the Company for the issuance of such warrants, options, rights or Convertible Securities, plus, in the case of such warrants, options, or rights, the minimum amounts of consideration, if any, payable to the Company upon exercise or conversion of such warrants, options, or rights. For purposes of the foregoing, "Effective Price" shall mean the quotient determined by dividing the total of all such consideration by such maximum number of Additional Shares of Common Stock. No further adjustment of the Conversion Price adjusted upon the issuance of such warrants, options, rights or Convertible Securities shall be made as a result of the actual issuance of Additional Shares of Common Stock on the exercise of any such warrants, options, or rights or the conversion of any such Convertible Securities.

If any such warrants, options, or rights or the conversion privilege represented by any such Convertible Securities shall expire without having been exercised, the Conversion Price adjusted upon the issuance of such warrants, options, rights or Convertible Securities shall be readjusted to the Conversion Price that would have been in effect had an adjustment been made on the basis that the only Additional Shares of Common Stock so issued were the Additional Shares of Common Stock, if any, actually issued or sold on the exercise of such warrants, options, or rights, or rights of conversion of such Convertible Securities, and such Additional Shares of Common Stock, if any, were issued or sold for the consideration actually received by the Company upon such exercise, plus the consideration, if any, actually received by the Company for the granting of all such warrants, options, and rights, whether or not exercised, plus the consideration received for issuing or selling the Convertible Securities actually converted plus the consideration, if any, actually received by the Company on the conversion of such Convertible Securities.

For the purpose of the adjustment provided for in subsection (1) of this paragraph 6(j), if at any time or from time to time after the Original Issue Date the Company shall issue any rights or options for the purchase of Convertible Securities, then in each such case, if the Effective Price thereof is less than the current Conversion Price, the Company shall be deemed to have issued at the time of the issuance of such rights or options the maximum number of Additional Shares of Common Stock issuable upon conversion of the total amount of Convertible Securities covered by such rights or options and to have received as consideration for the issuance of such Additional Shares of Common Stock an amount equal to the amount of consideration, if any, received by the Company for the issuance of such rights or options, plus the minimum amounts of consideration, if any, payable to the Company upon the conversion of such Convertible Securities. For the purposes of the foregoing, "Effective Price" shall mean the quotient determined by dividing the total amount of such consideration by such maximum number of Additional Shares of Common Stock. No further adjustment of such Conversion Price adjusted upon the issuance of such rights or options shall be made as a result of the actual issuance of the Convertible Securities upon the exercise of such rights or options or upon the actual issuance of Additional Shares of Common Stock upon the conversion of such Convertible Securities.

The provisions of subsection (3) above for the readjustment of such Conversion Price upon the expiration of rights or options or the rights of conversion of Convertible Securities, shall apply *mutatis mutandis* to the rights, options and Convertible Securities referred to in this subsection (4).

- (k) <u>Definition</u>. The term "<u>Additional Shares of Common Stock</u>" as used herein shall mean all shares of Common Stock issued or deemed issued by the Company after the Original Issue Date, whether or not subsequently reacquired or retired by the Company, other than:
 - (1) shares of Common Stock issued upon conversion of the Series A Preferred Stock;
 - (2) up to Twelve Million (12,000,000) shares of Common Stock (as appropriately adjusted for all stock dividends, stock splits and similar transactions) issued to employees, officers, directors, consultants or other persons performing services for the Company (if issued solely because of any such person's status as an officer, director, employee, consultant or other person performing services for the Company and not as part of any offering of the Company's securities) pursuant to any stock option plan, stock purchase plan, management incentive plan, consulting agreement or arrangement or other contract or undertaking approved by the Board;
 - (3) shares of Common Stock issued in connection with a merger, consolidation, acquisition or similar business combination approved by the Board;
 - (4) shares of Common Stock issued pursuant to any equipment leasing or loan arrangement, or debt financing from a bank or similar financial institution approved by the Board; and
 - (5) shares of Common Stock issued in connection with strategic transactions involving the Company and other entities, including joint venture, marketing or distribution arrangements or technology transfer or development arrangements, provided that such strategic transactions and the issuance of securities therein have been approved by the Board.
- (1) Certificate of Adjustment. In each case of an adjustment or readjustment of the Conversion Price for the number of shares of Common Stock or other securities issuable upon conversion of the Series A Preferred Stock, the Company shall compute such adjustment or readjustment in accordance herewith and prepare a certificate showing such adjustment or readjustment, and shall mail such certificate, by first class mail, postage prepaid, to each registered holder of the Series A Preferred Stock at the holder's address as shown in the Company's books. The certificate shall set forth such adjustment or readjustment, showing in detail the facts upon which adjustment or readjustment is based including a statement of (1) the consideration received or to be received by the Company for any Additional Shares of Common Stock issued or sold or deemed to have been issued or sold, (2) the Conversion Price at the time in effect for each series of the Series A Preferred Stock and (3) the number of Additional Shares

of Common Stock and the type and amount, if any, or other property which at the time would be received upon conversion of the Series A Preferred Stock.

- (m) Notices of Record Date. In the event of (1) any taking by the Company of a record of the holders of any class or series of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution or (2) any reclassification or recapitalization of the capital stock of the Company, any merger or consolidation of the Company, or any transfer of all or substantially all the assets of the Company to any other corporation, entity or person, or any voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, the Company shall mail to each holder of Series A Preferred Stock at least thirty (30) days prior to the record date specified therein, a notice specifying (A) the date on which any such record is to be taken for the purpose of such dividend or distribution, (B) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up is expected to become effective and (C) the time, if any is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up.
- (n) Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of shares of Series A Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Company shall pay cash equal to the product of such fraction multiplied by the fair market value of one share of the Company's Common Stock on the date of conversion, as determined in good faith by the Board. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock usable upon such aggregate conversion.
- (o) Reservation of Stock Issuable Upon Conversion. The Company shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Preferred Stock. As a condition precedent to the taking of any action which would cause an adjustment to the Conversion Price, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient in order that it may validly and legally issue the shares of its Common Stock issuable based upon such adjusted Conversion Price.
- (p) Notices. Any notice required by the provisions of this paragraph 6 to be given to the holder of shares of the Series A Preferred Stock shall be deemed given when received by such holder after the same has been sent by means of certified or registered mail, return receipt

requested, postage prepaid, by a reputable overnight courier or messenger for hand delivery and addressed to each holder of record at such holder's address appearing on the books of the Company.

- (q) <u>Payment of Taxes</u>. The Company will pay all taxes and other governmental charges (other than taxes measured by the revenue or income of the holders of the Series A Preferred Stock) that may be imposed in respect of the issue or delivery of shares of Common Stock upon conversion of the shares of the Series A Preferred Stock.
- (r) No Dilution or Impairment. The Company shall not amend its Certificate of Incorporation or participate in any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, for the purpose of avoiding or seeking to avoid the observance or performance of any of the terms to be observed or performed under this paragraph 6 by the Company, but will at all times in good faith assist in carrying out all such action as may be reasonably necessary or appropriate in order to protect the conversion rights of the holders of the Series A Preferred Stock against dilution or other impairment.

7. Redemption.

- (a) Subject to the terms and conditions of this paragraph 7, to the extent that any outstanding shares of Series A Preferred Stock have not been redeemed or converted into Common Stock upon the fifth (5th) anniversary of the Original Issue Date, the Company shall, upon receiving at any time thereafter a written request for the redemption of all or part of the Series A Preferred Stock under this paragraph 7 signed by the holders of at least a majority of the then outstanding shares of Series A Preferred Stock (such date upon which the holders of Series A Preferred Stock provide notice to the Company shall be referred to herein as the "Redemption Notice Date"), redeem on the date or dates set forth below (the "Redemption Date") such shares of Series A Preferred Stock as are specified in such written request from any source of funds legally available therefor at the redemption price therefor described in this paragraph 7, until all outstanding shares of Series A Preferred Stock have been redeemed (or converted to Common Stock as provided in paragraph 6).
- (b) <u>Redemption Price</u>. The redemption price for each share of Series A Preferred Stock shall be the Original Issue Price (as appropriately adjusted for stock dividends, stock splits and similar transactions), plus all accrued and unpaid dividends through the date of payment for the redeemed shares (the "<u>Redemption Price</u>").
- (c) Redemption Payment. If on the Redemption Date the funds of the Company legally available for redemption of the Series A Preferred Stock shall be insufficient to discharge such redemption requirement in full, such funds as are so available for such purpose shall be set aside and used to redeem as many shares as possible. The shares of Series A Preferred Stock required to be redeemed but not so redeemed shall remain outstanding and entitled to all rights

and preferences provided herein. As additional funds become available they shall be set aside and applied to redeem as many shares as possible in accordance with this paragraph 7 on the first day of each month after the Redemption Date until the redemption requirement has been fully discharged.

- (d) Redemption Funds. In case of any partial redemption, the shares of Series A Preferred Stock to be redeemed shall be selected *pro rata* such that there shall be redeemed from each holder surrendering shares for redemption in whole shares, as nearly as practicable to the nearest share, that number of shares equal to the product of the number of shares to be redeemed multiplied by a fraction, the numerator of which is the number of shares held by such holder divided by the total number of shares surrendered for redemption. Any holder of shares of Series A Preferred Stock may rescind the redemption with respect to any shares of Series A Preferred Stock at any time after the Redemption Notice Date up until any Redemption Closing Date (as defined below).
- (e) Redemption Notice. At least twenty (20), but no more than sixty (60), days prior to the date fixed for any redemption of Series A Preferred Stock (a "Redemption Closing Date"), written notice (the "Redemption Notice") shall be mailed by the Company, postage prepaid, to each holder of record (at the close of business on the business day next preceding the day on which notice is given) of the Series A Preferred Stock to be redeemed, at the address last shown on the records of the Company for such holder or given by the holder to the Company for the purpose of notice or, if no such address appears or is given, at the place where the principal executive office of the Company is located, notifying such holder of the redemption to be effected, specifying the subsection hereof under which such redemption is being effected, the Redemption Closing Date, the applicable Redemption Price, the number of such holder's shares of Series A Preferred Stock to be redeemed and the place at which payment may be obtained and calling upon such holder to surrender to the Company, in the manner and at the place designated, the certificates representing the shares to be redeemed.
- On or before each designated Redemption Closing Date, each holder of Series A Preferred Stock to be redeemed shall (unless such holder has previously exercised such holder's right to convert such shares of Series A Preferred Stock into Common Stock as provided in paragraph 6), surrender the certificate(s) representing such shares of Series A Preferred Stock to be redeemed to the Company, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate(s) as the owner thereof, and each surrendered certificate shall be cancelled and retired. If less than all of the shares represented by such certificate are redeemed, then the Company shall promptly issue a new certificate representing the unredeemed shares.
- (g) <u>Effect of Redemption</u>. Notwithstanding that the certificates evidencing any of the shares of Series A Preferred Stock so called for redemption shall not have been surrendered,

all dividends with respect to such shares shall cease to accrue after the Redemption Closing Date, such shares shall not thereafter be transferred on the Company's books and all rights of the holders of such shares with respect to such shares shall terminate after the Redemption Closing Date, except only the right of the holders to receive the Redemption Price without interest upon surrender of their certificate(s) therefor.

8. Restrictions and Limitations.

- (a) So long as any shares of Series A Preferred Stock remain outstanding, the Company shall not, and shall not permit any Subsidiary to, without the vote or written consent of the holders of at least a majority of the then outstanding shares of Series A Preferred Stock voting as a single class:
 - (1) Authorize or issue or obligate itself to issue any capital stock senior to or on a parity with rights and preferences of the Series A Preferred Stock;
 - (2) Authorize an acquisition of a corporation or business concern, if such acquisition would involve a payment or other commitment by the Company in excess of Ten Million Dollars (\$10,000,000); or
 - (3) Declare or pay dividends or make any distributions of cash, property or securities of the Company with respect to any shares of its Common Stock or any other capital stock of the Company or repurchase, redeem or otherwise acquire any of the outstanding capital stock of the Company, except for (A) the repurchase of unvested shares from employees, directors or consultants pursuant to the terms of agreements providing for the original issuance of such capital stock (or options to purchase capital stock) or (B) the redemption of the Series A Preferred Stock pursuant to and as provided in paragraph 7.
- 9. No Reissuance of Preferred Stock. No share or shares of Series A Preferred Stock acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares which the Company shall be authorized to issue.

SECTION B

Common Stock

Each share of Common Stock shall have one vote upon all matters to be voted on by the holders of the Common Stock, and shall be entitled to participate equally in all dividends payable with respect to the Common Stock and to share ratably, subject to the rights and preferences of any series of Preferred Stock, in all assets of the Company in the event of any voluntary or

involuntary liquidation, dissolution or winding up of the affairs of the Company, or upon any distribution of the assets of the Company.

FIFTH: The Company is to have perpetual existence.

SIXTH: Stockholders of the Company shall only have those preemptive or preferential rights to acquire shares or securities of the Company as are specifically provided for in the Certificate of Incorporation of the Company.

SEVENTH: The private property or assets of the stockholders of the Company shall not to any extent whatsoever be subject to the payment of the debts of the Company.

<u>EIGHTH:</u> Elections of directors need not be by written ballot unless otherwise provided in the Bylaws of the Company.

<u>NINTH:</u> The number of directors of the Company shall be fixed in the manner provided in the Certificate of Incorporation of the Company. None of the directors need be a stockholder or a resident of the State of Delaware.

TENTH: No director shall be personally liable to the Company or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law (i) for breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL or (iv) for any transaction from which the director directly or indirectly derived an improper personal benefit. All references in this paragraph to a director shall also be deemed to refer to any other person who, pursuant to a provision of the certificate of incorporation in accordance with subsection (2) of Section 141 of the DGCL, exercises or performs any of the powers or duties otherwise conferred or imposed upon the board of directors by the DGCL. No amendment to or repeal of this Article TENTH shall apply to or have any effect on the liability or alleged liability of any director of the Company for or with respect to any acts or omissions of such director occurring prior to such amendment.

<u>ELEVENTH:</u> The following actions require the approval of each voting group of the Company's stockholders entitled to vote separately by a majority of all votes entitled to be cast by that voting group:

A. To make, amend, alter or repeal the Certificate of Incorporation of the Company;

- B. To approve a plan of merger or a plan of share exchange;
- C. To approve a transaction involving a sale, lease, exchange or other disposition of all, or substantially all, of the Company's property other than in the usual and regular course of business; or
- D. To approve a proposal to dissolve the Company, or a proposal to revoke the dissolution of the Company.
- <u>TWELFTH:</u> In furtherance and not in limitation of the rights, powers, privileges and discretionary authority granted or conferred by the DGCL or other statutes or laws of the State of Delaware, the Board of Directors is expressly authorized:
 - A. To make, amend, alter or repeal the Bylaws of the Company;
- B. To authorize and cause to be executed mortgages and liens upon the real and personal property of the Company;
- C. To set apart out of any funds of the Company available for dividends, a reserve or reserves for any proper purpose and to reduce any such reserve in the manner in which it was created; and
- D. To adopt from time to time Bylaw provisions with respect to indemnification of directors, officers, employees, agents and other persons as it shall deem expedient and in the best interests of the Company and to the extent permitted by law.
- THIRTEENTH: The books of the Company may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Company.
- FOURTEENTH: The Company reserves the right to amend, alter, change or repeal any provisions herein contained, in the manner now or hereafter prescribed by statute, and all rights, powers, privileges and discretionary authority granted or conferred herein upon stockholders or directors are granted subject to this reservation.

[Signatures on following page]

IN WITNESS WHEREOF, the Company has caused this Restated Certificate of Incorporation to be signed and executed in its corporate name Satish V. Kumar, its President, and attested to by Adil H. Khan, its Secretary, who declare, affirm, acknowledge and certify under the penalties of perjury, that this is their free act and deed and that the facts stated herein are true and its corporate seal to be hereunto affixed, as of the 29 day of Change 2000.

iLOKA Inc.

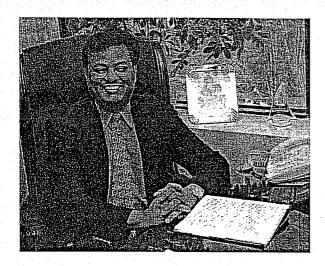
Sarich V tumor One

[CORPORATE SEAL]

ATTEST:

Adil H. Khan, Secretary

EXHIBIT C - BIOGRAPHIES OF THE MANAGEMENT TEAM



Resume for Satish V. Kumar President and CEO



8618 West wood Center Drive ◆ Suite 310 ◆ Vienna, VA+22181

Tel: 701 714 2345 Fax 703 356 6220

Email: skumar@iloka.com

Satish Kumar is currently President and CEO of iloka, Inc. He is widely traveled all over the world and brings an international perspective to the company. iloka's strategic vision is to become a premier Network Professional Services and Consulting company for the 21st century, focusing on good customer service, state of the art solutions, and top notch engineering. Mr. Kumar is also a charter member of the Indian High Tech Council (TIE DC Chapter) and on its Board of Director. Mr. Kumar has been profiled in the Denver Post, Washingtonian Magazine, India Abroad, Deccan Harold and quoted in Forbes, Washington Post.

Experience

10/88 - Present

President and CEO of iloka, Inc. Sales, engineering, marketing, general administration, personnel, finance, and other executive functions.

02/88 - 10/88

Director of Marketing

Telecom Equipment Corporation

Responsibilities were marketing, sales, system design, coordination

with installation, and public relations.

06/85 - 02/88

Member of Technical Staff

GTE/Siemens

Design, research and development of multiplexers in the telecommunications

area. Engineering coordination with manufacturing and marketing.

08/83 - 05/85

Teaching Assistant/Research Assistant

Arizona State University (Part Time - 20 hours per week)

Responsibilities: teaching undergraduate students in the micro computer lab

and student data base management. Research assistant in the Arizona Department of

Education.

1978 - 1982

Worked in India as an electrical engineer and entrepreneur

EDUCATION

M.S. Degree in Electrical Engineering

Arizona State University August 1983 - May, 1985

Completed 4 graduate courses in MBA at Arizona State University.

B.S. Degree in Electrical Engineering

University of Mysore

August, 1978

Resume

Jerry Young 23 Wood Sorrel Littleton, CO 80127 303-932-8274

Summary

Diversified background in datacommunications, telecommunications and videoconferencing involving: Engineering, Quality Assurance, Sales and Management.

Responsibilities have included working in large corporate structures, and running a one man sales office responsible for a large territory.

Experience:

Microtech-Tel / iloka - Denver, CO

January 2002 - Present

Agent for US West/Qwest, and Sprint, Sales manager for all network services in the Colorado branch. Responsible for Direct Sales and Sub-Agent channel. My charter is to build a viable alternate sales channel while managing the existing direct sales staff. Responsibilities include setting quota requirements, training in technology and sales techniques, and assisting in sales calls for our core clients.

Access Communications / PentaStar Communications - Englewood, CO

March 1997 - October 2001

Agent for US West/Qwest, and the major IXC providers, focusing on provisioning wide area network services for commercial clients with data and voice requirements. Sales manager for the Rocky Mountain Region. Responsible for Direct Sales and Sub-Agent channel. Worked with sales staff designing and implementing integrated networks with the best cost / performance solutions in mind. Provided project management for the implementation of large wide area networks.

PictureTel Corporation - Englewood CO

Systems Engineer - June 1995 to May 1997.

Responsible for pre-sales presentations on equipment performance and functionality, network design and product configuration.

Territorial coverage included the Western U. S., frequency of travel averaged 2 trips per month.

Support all direct sales, VARs and resellers in the region including US West, MCI, Sprint, Rolm and several small resellers.

ILV Enterprises / Random Access - Littleton CO - May 1992 to June 1995

Agent for US West, the Regional Bell Operating Company, providing network for multiple applications including: Sync and Async data, LAN traffic, voice and video. In many of the applications those services were multiplexed on a single circuit and re-distributed at the far end.

Provided network design, sales and implementation of the circuit offerings with associated equipment applicable to customer requirements.

I worked in sales and management positions, the latest of which was Strategic Business Unit Manager for videoconferencing, primarily PictureTel products. .

Four Corners Technology - Englewood CO - March 1990 to May 1992

Maintained remote office in Colorado. Provided sales and technical support for LAN based equipment and test equipment associated with the networks. Products were Token Ring and Ethernet hubs, routers, bridges and associated test equipment for those networks.

The companies represented were Andrew, 3Com, Novell, Phoenix, David Systems, Microm, Microcom and others.

PAR Associates Inc. - Denver CO - Sept. 1980 to March 1990

Provided peripheral products to the large minicomputer and main frame market.

Worked as territorial salesman, then to Sales Manager and finally to VP of Sales. As VP of Sales I had direct supervision of sales staff in Denver, Salt Lake City, Phoenix and Albuquerque. Provided business plan and forecasts based on that plan for all office.

Earlier work history available on request.

Education / Associated Professional Training

US Navy - Electronic Tech School

Foothills College, Palo Alto CA. - Engineering

BS Industrial Technology - Santa Clara Technical College

ASPE - Sunnyvale Chapter

US West

Basic Telecommunications

Data Communications

DS1 Services DS3 Services

Frame Relay / ATM

DSS Services

ISDN / Switchnet 56

Variety of Sales and Management training, Including:

Dale Carnage, Sales and WFIP courses, Permanent Group Leader AMA, Sandler, 3M, Storage Technology (Mgmt and Technical Services)

Phyllis "Freddi" Pennington 7420 W. 8th Place #103 Lakewood, Colorado 80215 (303) 205-1943 » freddip@msn.com

 University of Colorado at Denver MBA with 20 years business experience in the telecommunications, software, hardware, consulting services, construction and banking industries.

TELECOMMUNICATIONS EXPERIENCE

Managed wholesale line of telecommunications services including resale and unbundled network element platform products for a Regional Bell Operating Company (RBOC) in a 14 state territory. Managed products include: Basic Local Exchange Service (POTS), Centrex, Private Branch Exchange (PBX), Private Line Transport Service (PLTS), Digital Switched Service (DSS), Integrated Services Digital Network (ISDN-BRI, ISDN-PRI), Digital Subscriber Line Service (DSL) and Public Access Lines (PAL). Managed wholesale market-unit planning and strategy for resale, UNE-P, and PAL to ensure achievement of annual revenue and performance targets. Analyzed telecommunications marketplace and competitive trends and provided financial and forecast information. Acted as contact point for policy and legal personnel to ensure regulatory and contractual compliance.

FINANCIAL EXPERIENCE

Managed corporate cash position for an international broadcast software / hardware / consulting services firm. Experience includes domestic and international customer accounts, collection activities, banking relations, operating lines of credit, and short-term investments. Extensive background in billing, credit and collections including bill issuance, payment posting, lockbox, deposit reconciliation, account receivable, accounts payable, payroll, general ledger, bankruptcy actions, repossession, credit rating and reporting, as well as procurement and purchase approval.

OPERATIONS EXPERIENCE

Developed numerous business plans, developed business strategies, identified goals and objectives, created operating plans, and analyzed performance results for wholesale telecommunications product sets at Incumbent Local Exchange Carrier (ILEC). Negotiated vendor contracts and customer agreements and managed system implementation. Managed cross functional implementation teams to ensure flow-through process was established within established time-lines.

Phyllis "Freddi" Pennington 7420 W. 8th Place #103 Lakewood, Colorado 80215

(303) 205-1943 » <u>freddip@msn.com</u>

EDUCATION

MBA in International Business, University of Colorado at Denver, 1997 BS with honors, Business Management, Metropolitan State College, 1993

WORK HISTORY

General Manager Colorado Operations	2002 – Presen
QWEST COMMUNICATIONS • Group Manager Resale/PAL/UNE-P	2001 - 2002
 US WEST COMMUNICATIONS Resale Product Manager Billing and Collections Product Manager Service Assurance Manager 	1998 - 2001
COLUMBINE JDS SYSTEMS • Treasury & Business Relations Supervisor • Treasury Analyst • Accountant	1986 - 1998
HOWARD SYSTEMS • Accounting	1985 – 1986
JACK DEPEW PLUMBING • Office Manager	1980 – 1985
GOODYEAR • Collections	1980 – 1980
FIRST NATIONAL BANK-FT. COLLINS • Credit and Collections	1979 – 1980
ROCKY MOUNTAIN BANKCARD • Credit Authorization	1979 – 1979

WM. MARSHALL ELLISON II 6107 FOX RUN FAIRFAX, VIRGINIA 22030

(703) 968-3281 Email: mellison@onweb.com

Wharton MBA and CPA. Twenty years in progressively key financial management positions, primarily with information technology companies.

Financial Experience

Experience in Mergers and Acquisitions, Business Development, Financial Accounting and Analysis, and SEC Compliance and Reporting. Background has incorporated significant participation in both the fund-raising process (business plans, private placement memorandums) and the development of internal infrastructure in companies. Involvement with Public Stock Offerings through a reverse merger, secondary offering, and small business IPO. Other significant experience includes Systems Selection and Implementation, Corporate Income Taxes, International Business, and Manufacturing Operations.

Operations Experience

Experience in the development of business strategies; translation of those strategies into operating plans; determination of sales and cost objectives; identification and mobilization of corporate resources; and evaluation of performance in the execution of plans. Extensive exposure to administrative functions such as Human Resources and MIS.

EDUCATION

MBA in Finance, The Wharton School, University of Pennsylvania, 1981 BA with Distinction, Mathematics, The University of Virginia, 1977

EXPERIENCE

ILOKA INC. (Data and Voice Solutions)

2001-Present

Senior Vice President of Finance and Operations

FINANCIAL BUSINESS CONSULTING

1997-2001

Acting Chief Financial Officer - Start-Up/Early Stage Companies

- External
- Business plans
- Private placement memorandums (over \$3 million in equity raised)
- Small Business IPO (SB-2)
- Market analysis and sizing
- Financial projections and valuation modeling
- Tax-free spin-off strategy
- Internal
- Operating plans
- Accounting operations

- External audit
- Operational/financial policies and procedures
- Companies
 - Iomai Corporation (Biotech Trans Immuno Modulation Therapy)
 - ViaGate Technologies (ATM Over VDSL)
 - Nascent Technologies (Scalable Software Applications)
 - IoWave, Inc. (Wireless Telecommunications)
 - Amorous Andi's (Bakery)
 - Dynamac Corporation (Environmental Services Biological Bioluminescent Integrated Circuit)

Business Development

- Business Partnering
 - ISoft, Inc. (Convergent Billing Software)
 - Glacier Communications (Novell OEM)
- New Product Strategy
 - Cable & Wireless (Telecommunications Inter-Exchange Carrier)
 - o Caribbean Basin prepaid card introduction
 - o Multi-tier discount algorithm for prepaid card activation software

MICRODYNE CORPORATION (Networking Products, Telemetry) 1990-1997 Controller, Assistant Treasurer and SEC Compliance Officer

Responsibilities:

- Directed corporate financial reporting function in this publicly-held international data communications company (1995 revenue: \$160 million).
- Supervised twelve member accounting staff in a highly automated manufacturing environment while serving as primary interface with the outside auditors.
- As the SEC Compliance Officer, directed company-wide adherence to regulations and filing requirements of the Securities Acts of 1933 and 1934.
- Prepared Federal and nine state income tax returns.

Accomplishments:

- Performed due-diligence analysis on four successful acquisitions in five years, developing an in-depth understanding of pooling versus purchase, tax-free exchange and other acquisition-related rules.
- Successfully effected merger of Microdyne with Federal Technology Corporation (a private company) in June 1991 and integrated the financial reporting and manufacturing activities of these differing companies.
- Established a Foreign Sales Corporation and other aggressive tax strategies, saving the Company over \$3.0 million in taxes and 6 cents per share through reduced tax provisions.

INTERCAP GRAPHICS SYSTEMS, INC. (Illus Vice President of Finance	tration Software)	1988-1989
SYSTEM PLANNING CORPORATION (Gover Director of Financial Planning and Analysis	nment Services)	1986-1988
ENERGY CAPITAL DEVELOPMENT CORP. Controller	(Oil and Gas)	1984-1986
BOOZ, ALLEN & HAMILTON (Consulting) Senior Financial Consultant		1981-1984

PROFESSIONAL CERTIFICATION AND AFFILIATIONS

Certified Public Accountant, District of Columbia, 1982
Member, American Institute of Certified Public Accountants
Member, The Wharton School Club of Washington
Adjunct Instructor, George Mason University School of Management

EXHIBIT D - FINANCIAL STATEMENTS

EXHIBIT E - PROPOSED TARIFF

ORIGINAL SHEET 1
-TEL SOUTH DAKOTA PUC TARIFF NO. 1
TELECOMMUNICATIONS SERVICES TARIFF

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by iLOKA Inc. d/b/a
Microtech-tel ("iLOKA"), with principal offices at 4985 Ironton Street, Denver, Colorado 80239. 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.

ILOKA INC. D/B/A MICROTECH-TEL ORIGINAL SHEET 2

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

RESERVED FOR FUTURE USE

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 named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

1 Origina 2 Origina 3 Origina 4 Origina 5 Origina 6 Origina 7 Origina 8 Origina 9 Origina 10 Origina 11 Origina 12 Origina 12 Origina 13 Origina 14 Origina 15 Origina 16 Origina 17 Origina 18 Origina 19 Origina 20 Origina 21 Origina	SHEET
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32 Origina * New or Revised Sheet	32

ORIGINAL SHEET 4

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

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TARIFF FORMAT

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

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2.

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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)
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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.

ILOKA INC. D/B/A MICROTECH-TEL ORIGINAL SHEET 6 SOUTH DAKOTA PUC TARIFF NO. 1

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

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.

<u>Authorization Code</u> - 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.

<u>Commission</u> - Used throughout this tariff to mean the South Dakota Public Utilities Commission.

<u>Customer</u> - 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.

<u>Company or iLOKA</u> - Used throughout this tariff to mean iLOKA Inc. d/b/a Microtech-tel, a Delaware Corporation.

<u>Dedicated Access</u> - 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.

SOUTH DAKOTA PUC TARIFF NO. 1

Resp. Org - Responsible Organization or entity identified by a Toll-Free service Customer that manages and administers records in the toll free number database and management system.

TELECOMMUNICATIONS SERVICES TARIFF

<u>Switched Access</u> - 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.

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

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

This tariff contains the regulations and rates applicable to intrastate interexchange telecommunications services provided by the Company for telecommunications between points within the State of South Dakota. Services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff in compliance with limitations set forth in the Commission's rules. Company's services are provided on a statewide basis and are not intended to be limited geographically. Company offers service to all those who desire to purchase service from the Company consistent with all of the provisions of this tariff. Customers interested in the Company's services shall file a service application with the Company which fully identifies the Customer, the services requested and other information requested by the Company. The Company reserves the right to examine the credit record and check the references of all applicants and Customers. Company may examine the credit profile/record of any applicant prior to accepting the service order. The service application shall not in itself obligate the Company to provide services or to continue to provide service if a later check of applicant's credit record is, in the opinion of the Company, contrary to the best interest of the Company. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Customer, to allow connection of a Customer's location to a service provided by the The Customer shall be responsible for all charges due for such service arrangement.

- 2.1.1 The services provided by the Company are not part of a joint undertaking with any other entity providing telecommunications channels, facilities, or services, but may involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers which may be subject to the jurisdiction of this Commission.
- 2.1.2 The rates and regulations contained in this tariff apply only to the services furnished by the Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carriers for use in accessing the services of the Company.
- 2.1.3 The Company reserves the right to limit the length of communications, to discontinue furnishing services, or limit the use of service necessitated by conditions beyond its control, including, without limitation: lack of satellite or other transmission medium capacity; the revision, alteration or repricing of the Underlying Carrier's tariffed offerings; or when the use of service becomes or is in violation of the law or the provisions of this tariff.

2.2 Use of Services

- 2.2.1 The Company's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of the Company's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.

ISSUED: ISSUED BY:

, 2002 EFFECTIVE: , 2002

Satish V. Kumar, President 4985 Ironton Street Denver, Colorado 80239

- 2.2.3 The use of the Company's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.2.4 The Company's services are available for use twenty-four hours per day, seven days per week.
- 2.2.5 The Company does not transmit messages, but the services may be used for that purpose.
- 2.2.6 The Company's services may be denied for nonpayment of charges or for other violations of this tariff.
- 2.2.7 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.2.8 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

2.3 Liability of the Company

- 2.3.1 The Company shall not be liable for any claim, loss, expense or damage for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by the Underlying Carrier, an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.3.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.

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, 2002

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, 2002

ORIGINAL SHEET 12 SOUTH DAKOTA PUC TARIFF NO. 1

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

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.

- 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 If the Federal Communications Customers. 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.

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, 2002 EFFECTIVE:

, 2002

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.

2.5.2 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.

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ILOKA INC. D/B/A MICROTECH-TEL

ORIGINAL SHEET 17
-TEL SOUTH DAKOTA PUC TARIFF NO. 1
TELECOMMUNICATIONS SERVICES TARIFF

2.6 <u>Credit Allowance</u>

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

2.7 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.

2.8 Deposit

The Company does not require deposits.

2.9 Advance Payments

The Company does not require advance payments.

TELECOMMUNICATIONS SERVICES TARIFF

4985 Ironton Street Denver, Colorado 80239

2.10 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.

TELECOMMUNICATIONS SERVICES TARIFF

- 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 the applicable contract law statute of limitations. No credits, refunds, or adjustments shall be granted if demand therefore is not received by the Company in writing within such applicable contract law statute of limitations.

2.11 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.

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, 2002

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, 2002

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. 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. vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.

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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:

4985 Ironton Street Denver, Colorado 80239 (866) 531-6012

An objection to billed charges should be reported to the Company within 180 days from receipt of an invoice. 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.

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EFFECTIVE:

, 2002

The Company will respond within seventy two (72) hours of receipt of an inquiry. If the Customer is dissatisfied with the Company's response to a complaint or inquiry, the Customer may file a complaint with the Commission for resolution of the conflict. The South Dakota Public Utilities Commission can be reached at:

500 East Capitol
Pierre, SD 57501-5070
(605) 773-3201
(800) 332-1782
TTY through Relay Service South Dakota(800) 877-1113

If a Customer accumulates more than One Dollar of undisputed delinquent Company 800 Service charges, the Company Resp. Org. reserves the right not to honor that Customer's request for a Resp. Org. change until such undisputed charges are paid in full.

3.3 Level of Service

A Customer can expect end to end network availability of not less than 99% at all times for all services.

3.4 Billing Entity Conditions

When billing functions on behalf of the Company or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply. The Company's name and toll-free telephone number will appear on the Customer's bill.

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 Toll-Free Service

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: ISSUED BY:

, 2002

EFFECTIVE:

, 2002

ILOKA INC. D/B/A MICROTECH-TEL

ORIGINAL SHEET 25 SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

3.5.4 Reserved for Future Use.

ILOKA INC. D/B/A MICROTECH-TEL ORIGINAL SHEET 26 SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

Reserved for Future Use.

ORIGINAL SHEET 27 SOUTH DAKOTA PUC TARIFF NO. 1

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.

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 nondiscriminatory 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.

ORIGINAL SHEET 29 SOUTH DAKOTA PUC TARIFF NO. 1

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.

ILOKA INC. ORIGINAL SHEET 30 D/B/A MICROTECH-TEL SOUTH DAKOTA PUC TARIFF NO. 1 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.

ILOKA INC. ORIGINAL SHEET 31 D/B/A MICROTECH-TEL SOUTH DAKOTA PUC TARIFF NO. 1 TELECOMMUNICATIONS SERVICES TARIFF

4.5 <u>Directory Assistance</u>

\$.95

4.6 Returned Check Charge

\$20.00

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		

* 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 toll-free 800/888 type calls placed from a public or semipublic payphone.

4.9 <u>Universal Service Fund Assessment</u> & <u>Presubscribed</u> 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.

RULES, REGULATIONS, AND SCHEDULE OF RATES AND CHARGES APPLICABLE TO END USERS

LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

FURNISHED BY
ILOKA INC. D/B/A MICROTECH-TEL
WITHIN THE STATE OF SOUTH DAKOTA

Issued: Issued by:

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CHECK SHEET

The Title Page and pages listed below are inclusive and effective as of the date shown. Original and revised pages as named below contain all changes from the original tariff that are in effect on the date shown on each page.

Page		Page		Page		Page		Page	
Number	Revision	Number	Revision	Number	Revision	Number	Revision	Number	Revision
1	Original	31	Original	61	Original	91	Original		
2	Original	32	Original	62	Original	92	Original		
3	Original	33	Original	63	Original	93	Original		
4	Original	34	Original	64	Original	94	Original		
5	Original	35	Original	65	Original				
6	Original	36	Original	66	Original				
7	Original	37	Original	67	Original				
8	Original	38	Original	68	Original				
9	Original	39	Original	69	Original				
10	Original	40	Original	70	Original				
11	Original	41	Original	71	Original				
12	Original	42	Original	72	Original				
13	Original	4 3	Original	73	Original				
14	Original	44	Original	74	Original				
15	Original	4 5	Original	7 5	Original				
16	Original	46	Original	76	Original				
17	Original	47	Original	77	Original				
18	Original	48	Original	78	Original				
19	Original	49	Original	79	Original				
20	Original	50	Original	80	Original				
21	Original	51	Original	81	Original				
22	Original	52	Original	82	Original				
23	Original	53	Original	83	Original				
24	Original	54	Original	84	Original				
25	Original	55	Original	85	Original				
26	Original	56	Original	86	Original				
27	Original	57	Original	87	Original				
28	Original	58	Original	88	Original				
29	Original	59	Original	89	Original				
30	Original	60	Original	90	Original				

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EXPLANATION OF SYMBOLS

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) To signify changed regulation.
- (D) To signify discontinued rate and regulation.
- (I) To signify increased rate.
- (M) To signify a move in the location of text.
- (N) To signify new rate or regulation.
- (R) To signify reduced rate.
- (S) To signify reissued matter.
- (T) To signify a change in text but no change in rate or regulation.

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APPLICATION OF TARIFE

This tariff sets forth the service offerings, rates, terms and conditions applicable to the local exchange telecommunications services provided by iLOKA Inc. d/b/a Microtech-tel to customers within the state of South Dakota.

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SECTION 1.0 - DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

Access Line - An arrangement which connects the Customer's location to a switching center or point of presence.

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

Advance Payment - Part or all of a payment required before the start of service.

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

Business - A class of service provided to individuals engaged in business, firms, partnerships, corporations, agencies, shops, works, tenants of office buildings, and individuals practicing a profession or operating a business who have no offices other than their residences and where the use of the service is primarily or substantially of a business, professional or occupational nature.

Commission - South Dakota Public Utilities Commission.

Company or Carrier - iLOKA Inc. d/b/a Microtech-tel, unless otherwise clearly indicated by the context.

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

Deposit - Refers to a cash or equivalent of cash security held as a guarantee for payment of the charges.

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DID Trunk - A form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of the Company operator.

Dial Pulse (or "DP") - The pulse type employed by rotary dial station sets.

Dual Tone Multi-Frequency (or "DTMF") - The pulse type employed by tone dial station sets.

End User - Any person, firm, corporation, partnership or other entity which uses the services of the Company under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid for by another Customer.

End Office - With respect to each NPA-NXX code prefix assigned to the Company, the location of the Company's "end office" for purposes of this tariff shall be the point of interconnection associated with that NPA-NXX code in the Local Exchange Routing Guide ("LERG"), issued by Bellcore.

Hearing Impaired - Those persons with communication impairments, including those hearing impaired, deaf, deaf/blind, and speech impaired persons who have an impairment that prevents them from communicating over the telephone without the aid of a telecommunications device for the deaf.

Hunting - Routes a call to an idle station line in a prearranged group when the called station line is busy.

In-Only - A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

IXC or Interexchange Carrier - A long distance telecommunications services provider.

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LATA - A Local Access and Transport Area established pursuant to the Modification of Final Judgement entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

LEC - Local Exchange Company

Minimum Point of Presence ("MPOP") - The main telephone closet in the Customer's building.

Monthly Recurring Charges - The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

Multi-Frequency or ("MF") - An inter-machine pulse type used for signaling between telephone switches, or between telephone switches and PBX/key systems.

Non-Recurring Charge ("NRC") - The initial charge, usually assessed on a one-time basis, to initiate and establish service.

Other Telephone Company - An Exchange Telephone Company, other than the Company.

PBX - Private Branch Exchange

Premises - A building or buildings on contiguous property.

Recurring Charges - The monthly charges to the Customer for services, facilities and equipment which continue for the agreed upon duration of the service.

Residence or Residential - A class of service furnished to a Customer at a place of dwelling where the actual or obvious use is for domestic purposes.

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Service Commencement Date - The first day following the date on which the Company notifies the Customer that the requested service is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order and this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order - The written request for services executed by the Customer and the Company in the format devised by the Company. The signing of an Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Telephone Company - Used throughout this tariff to mean iLOKA Inc. d/b/a Microtech-tel unless clearly indicated otherwise by the text.

TBD - To Be Determined.

Two Way - A service attribute that includes outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

Usage Based Charges - Charges for minutes or messages traversing over local exchange facilities.

User or End User - A Customer, Joint User, or any other person authorized by a Customer to use service provider under this tariff.

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SECTION 2.0 - RULES AND REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission originating from points within the State of South Dakota, and terminating within a local calling area as defined herein.

The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own Customers.

2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

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2.1 Undertaking of the Company, (Cont'd.)

2.1.3 Terms and Conditions

- (A) Service is provided on the basis of a minimum period of at least six months, 24 hours per day. For the purpose of computing charges in this tariff, a month is considered to have thirty (30) days.
- (B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- (C) Except as otherwise stated in the tariff, at the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon thirty (30) days written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- (D) Service may be terminated upon written notice to the Customer if:
 - (1) the Customer is using the service in violation of this tariff; or
 - (2) the Customer is using the service in violation of the law.
- (E) This tariff shall be interpreted and governed by the laws of the State of South Dakota without regard for its choice of laws provision.

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2.1 Undertaking of the Company, (Cont'd.)

2.1.3 Terms and Conditions, (cont'd.)

- (F) Any Other Telephone Company may not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- (G) To the extent that either the Company or any Other Telephone Company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its Customers. At the reasonable request of either party, the Company and the Other Telephone Company shall jointly attempt to obtain from the owner of the property access for the other party to serve a person or entity.
- (H) The Company hereby reserves its rights to establish service packages specific to a particular Customer. These contracts may or may not be associated with volume and/or term discounts.

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2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability

- (A) Except as otherwise stated in this section, the liability of Carrier for damage arising out of the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services shall be determined by South Dakota Statute Sections 49-13-1 and 49-13-1.1.
- (B) Except for the extension of allowances to the Customer for interruptions in service in Section 2.7, Carrier shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, including but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service of any failure in or breakdown of facilities associated with the service except as determined pursuant to SDCL 49-13-1 and 49-13-1.1.
- (C) The liability of Carrier for errors in billing that result in overpayment by the customer shall be limited to a credit equal to the dollar amount erroneously billed, or in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

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2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability (Cont'd.)

- (D) The Company shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable counsel fees, due to:
 - (1) Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) common carriers or warehousemen, except as contracted by the Company;
 - (2) Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
 - (3) Any unlawful or unauthorized use of the Company's facilities and services;
 - (4) Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the material transmitted by means of Company-provided facilities or services; or by means of the combination of company-provided facilities or services;
 - (5) Breach in the privacy or security of communications transmitted over the Company's facilities, which is not the result of the negligence of the Company;

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- 2.1 Undertaking of the Company, (Cont'd.)
 - 2.1.4 Limitations on Liability (Cont'd.)
 - (D) (cont'd)
 - (6) Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in paragraph (A) of this Subsection 2.1.4.
 - (7) Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof;
 - (8) Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to Carrier's facilities;
 - (9) Any noncompletion of calls due to network busy conditions;
 - (10) Any calls not actually attempted to be completed during any period that service is unavailable;
 - (11) Breach in the privacy or security of communications transmitted over Carrier's facilities, which is not the result of the negligence of the Company;

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2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability (Cont'd.)

- (E) The Company does not guarantee nor make any warranty with respect to installations provided for use in an explosive atmosphere.
- (F) Failure by the Company to assert its rights pursuant to one provision of this tariff does not preclude the Company from asserting its rights under other provisions.

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect may Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

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2.1 Undertaking of the Company, (Cont'd.)

2.1.6 Provision of Equipment and Facilities

- (A) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not nor may the Customer permit others to rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (B) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided by the Customer.
- (C) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which the equipment is provided.
- (D) Except as otherwise indicated, Customer provided station equipment at the Customer's premises for use in connection with the service shall be so constructed, maintained and operated as to work satisfactorily with the facilities of the Company.
- (E) The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
 - (1) the through transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
 - (2) the reception of signals by Customer-provided equipment; or
 - (3) network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

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2.1 Undertaking of the Company, (Cont'd.)

2.1.7 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction or facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is construction undertaken:

- (A) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- (B) of a type other than that which the Company would normally utilize in the furnishing of its services;
- (C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- (D) in a quantity greater than that which the company would normally construct;
- (E) on an expedited basis;
- (F) on a temporary basis until permanent facilities are available;
- (G) involving abnormal costs; or
- **(H)** in advance of its normal construction.

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2.1 Undertaking of the Company, (Cont'd.)

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its partners, agents, contractors or suppliers.

2.2 Prohibited Uses

- **2.2.1** The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- **2.2.2** The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and the South Dakota Public Utilities Commission's regulations, policies, orders, and decisions.
- 2.2.3 The Company may block any signals being transmitted over its Network by Customers which cause interference to the Company or other users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked Service and shall indemnify the Company for any claim, judgement or liability resulting from such blockage.
- 2.2.4 A Customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide Communications Services to the Customer from the cable building entrance or property line to the location of the equipment space described in Section 2.3.1(C). Any and all costs associated with the obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company, to the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service.

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2.3 Obligations of the Customer

2.3.1 General (cont'd.)

- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., friable asbestos) prior to any construction or installation work;
- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in an Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- (G) not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
- (H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

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2.3 Obligations of the Customer (Cont'd.)

2.3.2 Liability of the Customer

- (A) Carrier shall be indemnified, defended and held harmless by the Customer or end user from and against any and all claims, loss, demands, suits, expense, or other action or any liability whatsoever, including attorney fees, whether suffered, made, instituted, or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage, or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any Carrier or Customer equipment or facilities or service provided by Carrier.
- (B) Carrier does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere. Carrier shall be indemnified, defended and held harmless by the Customer from and against any and all claims, loss, demands, suits, or other action, or any liability whatsoever, including attorney fees, whether suffered, made, instituted or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage, or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any equipment or facilities or the service.
- (C) Notwithstanding any other provision of this tariff and pursuant to S.D. Codified Laws SS 49-13-1 and 49-13-1.1, any person claiming to be damaged by Carrier may either make complaint to the Commission or may bring suit on his own behalf for the recovery of damages in any court of competent jurisdiction in South Dakota, but no person may pursue both remedies at the same time.

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2.4 Customer Equipment and Channels

2.4.1 General

A user may transmit or receive information or signals via the facilities of the Company. The Company's services are designated primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A user may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

2.4.2 Station Equipment

- (A) Terminal equipment of the user's premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the user. The user is responsible for the provision of wiring or cable to connect its terminal equipment to the Company MPOP.
- (B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense, subject to prior Customer approval of the equipment expense.

Issued: Issued by:

2.4 Customer Equipment and Channels (Cont'd.)

2.4.3 Interconnection of Facilities

- (A) Local Traffic Exchange provides the ability for another local exchange provider to terminate local traffic on the Company's network. In order to qualify for Local Traffic Exchange the call must: (a) be originated by an end user of a company that is authorized by the South Dakota Public Utilities Commission to provide local exchange service; (b) originate and terminate within a local calling area of the Company.
- (B) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communications Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- (C) Communications Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.
- (D) Facilities furnished under this tariff may be connected to Customer provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all user-provided wiring shall be installed and maintained in compliance with those regulations.

Issued: Issued by:

2.4 Customer Equipment and Channels (Cont'd.)

2.4.4 Inspections

- (A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- (B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.
- (C) If harm to the Company's network, personnel or services is imminent, the Company reserves the right to shut down Customer's service immediately, with no prior notice required.

Issued: Issued by:

- 2.5 Customer Deposits and Advance Payments
 - 2.5.1 Advance Payments

The Company does not collect advance payments from Customers.

Issued: Issued by:

- 2.5 Customer Deposits and Advance Payments (Cont'd.)
 - 2.5.2 Deposits

The Company does not require deposits from Customers.

Issued: Issued by:

2.6 Payment Arrangements

2.6.1 Payment for Services

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer.

The Customer is responsible for the payment of federal excise taxes, state and local sales and use taxes and similar taxes imposed by governmental jurisdictions, all of which shall be separately designated on the Company's invoices. The Company will not separately charge for the South Dakota gross receipts tax on the Company's invoice for local services. Any taxes imposed by a local jurisdiction (e.g., county and municipal) will only be recovered from those Customers residing in the affected jurisdictions.

Certain telecommunications services, as defined in the South Dakota Revised Code, are subject to state sales tax at the prevailing tax rates, if the services originate, or terminate in South Dakota, or both, and are charged to a subscriber's telephone number or account in South Dakota.

2.6.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.

- (A) Non-recurring charges are due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company.
- (B) The Company shall present invoices for recurring charges monthly to the Customer and recurring charges shall be due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company. When billing is based upon Customer usage, usage charges will be billed monthly for the preceding billing period.
- (C) When service does not begin on the first day of the month, or end of the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.

Issued: Issued by:

2.6 Payment Arrangements (Cont'd.)

2.6.2 Billing and Collection of Charges (Cont'd.)

- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the day on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (E) If any portion of the payment is not received by the Company within 30 days of receipt of this bill, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a late payment charge of 1.5% per month shall be due to the Company. A late payment charge is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late payment charges are to be applied without discrimination.
- (F) the Customer should notify the Company of any disputed items on an invoice within one hundred eighty (180) days of receipt of the invoice. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the South Dakota Public Utilities Commission in accordance with the Commission's rules and procedure. The address of the Company and the Commission is as follows:

iLOKA Inc. d/b/a Microtech-tel	South Dakota PUC
4985 Ironton Street	State Capitol Building
Denver, Colorado 80239	500 East Capitol Ave.
(866) 531-6012	Pierre, South Dakota 57501
	800-332-1782

(G) If service is disconnected by the Company (in accordance with Section 2.6.3 following) and later re-installed, re-installation of service will be subject to all applicable installation charges.

Issued: Issued by:

2.6 Payment Arrangements (Cont'd.)

2.6.3 Discontinuance of Service for Cause

The Company may discontinue service for the following reasons provided in this Section 2.6.3. Customers will be provided five (5) days written notice prior to discontinuance unless otherwise indicated.

Upon the Company's discontinuance of service to the Customer under Section 2.6.3(A) or 2.6.3(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

- (A) Upon nonpayment of any amounts owing to the Company, the Company may discontinue or suspend service without incurring any liability. No basic residential service shall be disconnected for nonpayment until at lease 29 days from the date of the bill and only following proper written notification. Non-payment of disputed charges by Customer does not constitute discontinuance or suspension of service. Disputed charges will be due after Customer and Company resolve dispute.
- (B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, discontinue or suspend service without incurring any liability if such violation continues during that period.
- (C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.
- (D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- (E) Upon any governmental prohibition or governmental required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.

Issued: Issued by:

2.6 Payment Arrangements, (Continued)

2.6.3 Discontinuance of Service for Cause

- **(F)** Without notice in the event of fraudulent use of the Company's network. The Customer will be liable for all related costs. The Customer will also be responsible for payment of any reconnection charges.
- **(G)** Without notice in the event of Customer use of equipment or services in such a manner as to adversely affect the Company's service to others.
- **(H)** Without notice in the event of tampering with the equipment or services furnished by the Company.

Issued: Issued by:

2.6 Payment Arrangements, (Continued)

2.6.4 Notice to Company for Cancellation of Service

Customers desiring to terminate service shall provide the Company thirty (30) days notice of desire to terminate service. If special construction is involved, the required notice shall be written.

2.6.5 Cancellation of Application for Service

- (A) Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.
- (C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- (D) The special charges described in 2.6.5(A) through 2.6.5(C) will be calculated and applied on a case-by-case basis.

Issued: Issued by:

2.6 Payment Arrangements, (Continued)

2.6.6 Changes in Services Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.6.7 Bad Check Charge

A service charge of \$20.00 will be assessed in accordance with South Dakota law for all checks returned by a bank or other financial institution for: Insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.

2.7 Allowances for Interruptions in Service

2.7.1 General

- (A) A credit allowance will be given when service is interrupted, except as specified in Section 2.7.2 following. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this tariff.
- **(B)** An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.

Issued: Issued by:

2.7 Allowances for Interruptions in Service, (Continued)

2.7.1 General (Continued)

- (C) If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, or refuses access to its premises for test and repair by the Company, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.
- (D) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

2.7.2 Limitations of Allowances

No credit allowance will be made for any interruption in service:

- (A) Due to the negligence of or noncompliance with the provisions of this tariff by any person or entity other than the Company, including but not limited to the Customer;
- **(B)** Due to the failure of power, equipment, systems, connections or services not provided by the Company;
- (C) Due to circumstances or causes beyond the reasonable control of the Company;
- (D) During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;

Issued: Issued by:

2.7 Allowances for Interruptions in Service, (Continued)

2.7.2 Limitations of Allowances

- (E) A service will not be deemed to be interrupted if a Customer continues voluntarily make use of the service. If the service is interrupted, the Customer can get a service credit, use another means of communications provided by the Company (pursuant to Section 2.7.3), or utilize another service provider:
- **(F)** During any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- **(G)** That occurs or continues due to the Customer's failure to authorize replacement of any element of special construction.

2.7.3 Use of Another Means of Communications

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative service used.

Issued: Issued by:

2.7 Allowances for Interruption in Service, (Continued)

2.7.4 Application of Credits for Interruptions in Service

- (A) Credits for interruptions in service that is provided and billed on a flat rate basis for a minimum period of at least one month, beginning on the date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.
- **(B)** For calculating credit allowances, every month is considered to have thirty (30) days.
- (C) A credit allowance will be given for interruption of thirty (30) minutes or more. Two or more interruptions of fifteen (15) minutes or more during any one 24-hour period shall be combined into one cumulative interruption.

Issued: Issued by:

2.7 Allowances for Interruption in Service, (Continued)

2.7.4 Application of Credits for Interruptions in Service, (Continued)

(D) Interruptions of 24 Hours or Less

Length of Interruption	Amount of Service to be Credited
Less than 30 minutes	None
30 minutes up to but not	1/10 Day
including 3 hours	
3 hours up to but not	1/5 Day
including 6 hours	
6 hours up to but not	2/5 Day
including 9 hours	
9 hours up to but not	3/5 Day
including 12 hours	
12 hours up to but not	4/5 Day
including 15 hours	
15 hours up to but not	One Day
including 24 hours	

(E) Interruptions Over 24 Hours and Less Than 72 Hours

Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

(F) Interruptions Over 72 Hours

Interruptions over 72 hours will be credited 2 days for each full 24-hour period. No more than thirty (30) days credit will be allowed for any one-month period.

Issued: Issued by:

2.7 Allowances for Interruption in Service, (Continued)

2.7.5 Limitations on Allowances

No credit allowance will be made for:

- (A) interruptions due to the negligence of or noncompliance with the provisions of this tariff by the Customer, authorized user or joint user;
- (B) interruptions due to the negligence of any person other than the Company, including but not limited to the Customer;
- (C) interruptions of service during any period in which the Company is not given full access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- (D) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- (E) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- (F) interruption of service due to circumstances or causes beyond the reasonable control of Company; and
- (G) that occur or continue due to the Customer's failure to authorize replacement of any element of special construction.

2.7.6 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of eight (8) hours or more or cumulative service credits equaling sixteen(16) hours in a continuous twelve (12) month period. The right to cancel service under this provision applies only to the single circuit which has been subject to the outage or cumulative service credits.

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2.8 Cancellation of Service/Termination Liability

If a Customer cancels a service order or terminates services before the completion of the term for any reason other than a service interruption (as defined in Section 2.7.1) or where the Company breaches the terms in the service contract, Customer may be requested by the Company to pay to Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in Section 2.6.2.

2.8.1 Termination Liability

Customer's termination liability for cancellation of service shall be equal to:

- (A) all unpaid non-recurring charges reasonably expended by Company to establish service to Customer, plus;
- (B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
- (C) all recurring charges specified in the applicable Service Order for the balance of the then current term discounted at the prime rate announced in the *Wall Street Journal* on the third business day following the date of cancellation;
- (D) minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.

Issued: Issued by:

2.9 Reserved for Future Use

2.10 Use of Customer's Service by Others

2.10.1 Resale and Sharing

There are no prohibitions or limitations on the resale of services. Prices for services appear in the price sheet attached to this tariff. Any service provided under this tariff may be resold to or shared with other persons at the option of Customer, subject to compliance with any applicable laws of the South Dakota Public Utilities Commission regulations governing such resale or sharing. The Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

2.10.2 Reserved for Future Use

2.11 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights an duties to a) any subsidiary, parent company or affiliate of the Company; b) pursuant to any sale or transfer of substantially all the assets of the Company; or c) pursuant to any financing, merger or reorganization of the Company.

Issued: Issued by:

2.12 Notices and Communications

- 2.12.2 The Customer shall designate on the service order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.12.3 The Company shall designate on the service order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- 2.12.4 Except as otherwise stated in this tariff, all notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- **2.12.5** The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

Issued: Issued by:

SECTION 3.0 - SERVICE AREAS

3.1 Exchange Service Areas

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by the following Incumbent LECs: 1) Qwest.

3.2 Rate Groups

Charges for local services provided by the Company may be based, in part, on the Rate Group associated with the Customers End Office. The Rate Group is determined by the total access lines and PBX trunks in the local calling area which can be reached from each End Office.

In the event that an Incumbent LEC or the South Dakota Public Utilities Commission reclassifies an exchange from one Rate Group to another, the reclassification will also apply to customers who purchase services under this tariff. Local calling areas and Rate Group assignments are equivalent to those areas and groups specified in Qwest's South Dakota General Subscriber Service Tariff (GSST).

Issued: Issued by:

SECTION 3.0 - SERVICE AREAS (CONT'D)

3.3 Extended Area Service Additive

Certain exchanges within the Telecommunications Service Territory within South Dakota utilize an Extended Area Service additive to the rates provided in Sections 7.2, 7.3 and 7.5 of this tariff. The following chart identifies the additive rates that need to be added to the rates in those sections for the Extended Area Service rate.

3.3.1 Flat Rate Service Additive

To Be Determined

3.3.2 Message Rate Service Additive

To Be Determined

Issued: Issued by:

SECTION 4.0 - SERVICE CHARGES AND SURCHARGES

4.1 Service Order and Change Charges

Non-recurring charges apply to processing Service Orders for new service, for changes in service, and for changes in the Customer's primary interexchange carrier (PIC) code.

	Residence	Business
Line Connection Charge		
First Line	TBD	TBD
Each Additional Line	TBD	TBD
Line Change Charge		
First Line	TBD	TBD
Each Additional Line	TBD	TBD

4.2 Maintenance Visit Charges

Maintenance Visit Charges apply when the Company dispatches personnel to a Customer's premises to perform work necessary for installing new service, effecting changes in service or resolving troubles reported by the Customer when the trouble is found to be caused by the Customer's facilities.

Maintenance Visit Charges will be credited to the Customer's account in the event trouble is not found in the Company facilities, but the trouble is later determined to be in those facilities.

The time period for which the Maintenance Visit Charges is applied will commence when Company personnel are dispatched at the Customer premises and end when work is completed. The rates for Maintenance of Service vary by time per Customer request.

Duration of time, per technician	Residential	Business
Initial 15 minute increment	TBD	TBD
Each Additional 15 minute increment	TBD	TBD

4.3 Restoration of Service

A restoration charge applies to the restoration of suspended service and facilities because of nonpayment of bills and is payable at the time that the restoration of the suspended service and facilities is arranged. The restoration charge does not apply when, after disconnection of service, service is later re-installed.

	Residence	Business
Per occasion	TBD	TBD

Issued: Issued by:

SECTION 5.0 – NETWORK SERVICES DESCRIPTIONS

5.1 General

5.1.1 Services Offered

The following Network Services are available to residence/business Customers and for resale by other carriers certificated by the South Dakota Public Utilities Commission:

Standard Residence Line Service Standard Business Line Service PBX Trunk Service Direct Inward Dial (DID) Service Optional Calling Features

The following services are available to residence/business Customers and are not offered on a resale basis as of the effective date of this page.

Listing Services (including Non Published and Non Listed Services)
Directory Assistance
Miscellaneous Services (including Vanity Numbers and Number Portability)

5.1.2 Application of Rates and Charges

All services offered in this tariff are subject to service order and change charges where the Customer requests new services or changes in existing services, as well as indicated Non-Recurring and Monthly Recurring Charges. Charges for local calling services may be assessed on a measured rate basis and are additional to monthly recurring charges shown for Business or Residence lines, PBX Trunks, DID Trunks and Digital/DS1 service.

Issued: Issued by:

5.1 General (Continued)

5.1.3 Emergency Services Calling Plan

Access (at no additional charge) to the local operator or emergency services bureau by dialing 0- or 9-1-1 is offered at no charge to the Customer.

Message toll telephone calls, to governmental emergency service agencies as set forth in (A) following, having primary or principal responsibility with respect to the provision of emergency services to persons and property in the area from which the call is made, meeting the definition and criteria of an emergency call as set forth in (B) following are offered at no charge to Customers:

Governmental fire fighting, South Dakota State Highway Patrol, police, and emergency squad service (as designated by the appropriate governmental agency) qualify as governmental emergency service agencies provided they answer emergency service calls on a personally attended (live) twenty-four (24) hour basis, three hundred sixty-five (365) days a year, including holidays.

An emergency is an occurrence or set of circumstances in which conditions pose immediate threat to human life, property, or both and necessitate that prompt action be taken. An emergency call is an originated call of short duration to a governmental emergency services agency in order to seek assistance for such an emergency.

Issued: Issued by:

5.2 Call Timing for Usage Sensitive Services

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- 5.2.1 Calls are measured in durational increments identified for each service. All calls, which are fractions of a measurement increment, are rounded-up to the next whole unit.
- 5.2.2 Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s).
- **5.2.3** Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.
- 5.2.4 Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- **5.2.5** All times refer to local time.

Issued: Issued by:

5.3 Distance Calculations

Where charges for a service are specified based upon distance, the following rules apply:

- 5.3.1 Distance between two points is measured as airline distance between the rate centers of the originating and terminating telephone lines. The rate center is a set of geographic coordinates, as referenced in Local Exchange Routing Guide issued by Bellcore, associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven-digit telephone number). Where there is not telephone number associated with an access line on the Company's network (such as a dedicated 800 or WATS access line), the Company will apply the rate center of the Customer's main billing telephone number.
- **5.3.2** The airline distance between any two rate centers is determined as follows:
 - Step 1: Obtain the "V" (vertical) and "H" (horizontal) coordinates for each Rate Center from the above-referenced Bellcore document.
 - Step 2: Computer the difference between he "V" coordinate of the two rate centers; and the difference between the two "H" coordinates.
 - Step 3: Square each difference obtained in step (b) above.
 - Step 4: Add the square of the "V" difference and the square of the "H" difference obtained in step C) above.
 - Step 5: Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.
 - Step 6: Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.
- **5.3.3** The formula for distance calculations is:

$$(V_1 - V_2)^2 + (H_1 - H_2)^2$$
 10

Issued: Issued by:

5.4 Rate Periods for Time of Day Sensitive Services

5.4.1 For time of day, usage sensitive services, the following rate periods apply unless otherwise specified in this tariff.

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO							
5:00 PM*	DAYTIME RATE PERIOD						
5:00 PM							
TO		EVENI	NG RATE P	ERIOD			EVE
11:00 PM*							
11:00 PM TO							
8:00 AM*	NIGHT/WEEKEND RATE PERIOD						

*Up to but not including.

- 5.4.2 Calls are billed based on the rate in effect for the actual time period(s) during which the call occurs. Calls that cross rate period boundaries are billed the rates in effect in that boundary for each portion of the call, based on the time of day at the Customer location.
- 5.4.3 For services subject to holiday discounts, the following are Company recognized national holidays, determined at the location of the calling station. The evening rate is used on national holidays, unless a lower rate normally would apply.

New Year's Day
Memorial Day
As Federally Observed
Independence Day
Thanksgiving Day
As Federally Observed
Christmas Day
December 25

Issued: Issued by:

5.5 Standard Residence Line

A Standard Residence Line provides the Customer with a single, analog, voice-grade telephonic communications channel, which can be used to place or receive one call at a time. Standard Residence Lines are provided for the connection of Customer-provided wiring and single station sets or facsimile machines. An optional per line Hunting feature is available for multi-line Customers which routes a call to an idle station line in a prearranged group when the called station line is busy.

5.6 Standard Business Line

The Standard Business Line provides a Customer with a single, analog, voice-grade telephonic communications channel, which can be used to place or receive one call at a time. Standard Business Lines are provided for the connection of Customer-provided wiring and single station sets or facsimile machines. An optional per line Hunting feature is available for multi-line Customers which routes a call to an idle station line in a prearranged group when the called station line is busy.

5.7 PBX Trunk Service

Basic PBX Trunk Service provides a Customer with a single, voice-grade telephonic communications channel, which can be used to place or receive one call at a time. Basic Trunks are provided for connection of Customer-provided private branch exchanges (PBX) to the public switched telecommunications network. Each Basic PBX Trunk is provided with touch-tone signaling and may be configured into a hunt group at no additional charge with other Company-provided Basic PBX Trunks. The signal is an analog signal at the DS0 level.

Issued: Issued by:

5.8 Reserved for Future Use

5.9 Direct Inward Dialing (DID) Service

Direct Inward Dialing ("DID") permits calls incoming to a PBX system or other Customer Premises Equipment to be routed to a specific station without the assistance of an attendant. DID calls are routed directly to the station associated with the called number. DID service as offered by the Company provides the necessary trunks, telephone numbers, and out-pulsing of digits to enables DID service at a Customer's location. DID service requires special PBX software and hardware not provided by the Company. Such hardware and software is the responsibility of the Customer.

Issued: Issued by:

5.10 Reserved for Future Use

5.11 Optional Calling Features

The features listed in Section 5.11.1 are offered by the Company to Residential and Business Customers. Refer to Price Lists in Sections 6 and 7 of this tariff for specific features offered with each type of local exchange service.

5.11.1 Features Descriptions

(A) Flexible Call Forwarding: Provides end-user control for call forwarding capabilities via dial-accessed voice prompt menus. Customers may forward calls to a primary local or long distance. The end-user may specify a secondary location for routing of go unanswered at the forward-to location or reach a busy signal. This secondary location may be another telephone number, pager or voice messaging service. Other capabilities included with this feature include:

Speed Forwarding; Priority Screening; Ring Control; and Timed Forwarding.

It is the responsibility of the Customer to subscribe to the telephone number, pager or voice messaging service used as the secondary location.

- (B) Flexible Call Forwarding with Audio Calling Name: Provides all of the functionality of Enhanced Call Forwarding. Also permits the end-user to receive the Directory Name of the party's whose call was forwarded to primary number. In some situations, the end-user may hear the calling party's city and state or telephone number, depending on available call data.
- (C) Flexible Call Forwarding Plus: Provides all of the functionality of Enhanced Call Forwarding. Also includes an additional telephone number with directory listing and distinctive ringing for calls placed to the additional number. Enhanced Call Forwarding Plus allows parties to reach the end-user's location when FCF is active and all calls to the end-users main telephone number would normally forward. Calls to the additional number do not forward even when Enhanced Call Forwarding is active.

Issued: Issued by:

5.11 Optional Calling Features, (continued)

5.11.1 Feature Descriptions, (continued)

- (D) Flexible Call Forwarding Plus with Audio Calling Name: Provides all of the functionality of Enhanced Call Forwarding Plus including the additional telephone number with listing and distinctive ringing. Also permits the end-user to receive the Directory Name of the party's whose call was forwarded to primary number. In some situations, the end-user may hear the calling party's city and state or telephone number, depending on available call data.
- (E) Call Forwarding Variable: Permits the end-user to automatically forward (transfer) all incoming calls to another telephone number, and to restore it to normal operation at their discretion. The end-user must dial an activation code from his/her exchange line along with the forward-to number in order to turn the feature on. A separate code is dialed by the end-user to deactivate the feature.
- (F) Call Forwarding Variable, Remote Access: Permits the end-user to automatically forward (transfer) all incoming calls to another telephone number, and to restore it to normal operation at their discretion. The end-user must dial an activation code along with the forward-to number in order to turn the feature on. A separate code is dialed by the end-user to deactivate the feature. Feature activation may be performed from the end-user's exchange line or remotely from some other line. Remote access requires the end-user to (1) dial a special access number 2) enter their seven-digit telephone number and 3) enter a personal identification number prior to forwarding their calls.
- (G) Call Forwarding Don't Answer, Basic: Permits the forwarding of incoming calls when the end-user's line remains unanswered after a pre-designated ringing interval. The ringing interval before forwarding and the forward-to number are fixed by the service order.
- (H) Call Forwarding Don't Answer w/Ring Control: Permits the forwarding of incoming calls when the end-user's line remains unanswered after a pre-designated ringing interval. The forward-to number is fixed by the service order. However, the end-user has the ability to change the time interval before forwarding occurs at his/her discretion.

Issued: Issued by:

5.11 Optional Calling Features, (continued)

5.11.1 Feature Descriptions, (continued)

- (I) Call Forwarding Don't Answer w/Customer Control: Permits the forwarding of incoming calls when the end-user's line remains unanswered after a pre-designated ringing interval. The ringing interval before forwarding and the forward-to number are fixed by the service order. However, the end-user has the ability to turn the feature on or off at his/her discretion.
- (J) Call Forwarding Busy Line, Basic: Permits the forwarding of incoming calls when the end-user's line is busy. The forwarded number is fixed by the end-user service order.
- (K) Call Forwarding Busy Line w/Customer Control: Permits the forwarding of incoming calls when the end-user's line is busy. The forwarded number is fixed by the end-user service order. However, the end-user has the ability to turn the feature on or off at his/her discretion.
- (L) Call Waiting Basic: Call Waiting provides a tone signal to indicate to a Customer already engaged in a telephone call that a second caller is attempting to dial in. It permits the Customer to place the first call on hold, answer the second call and then alternate between both callers. Cancel Call Waiting is provided with the feature and allows a Call Waiting end-user to disable the Call Waiting feature for the duration of a single outgoing telephone call. Cancel Call Waiting is activate by dialing a special code prior to placing a call, and is automatically deactivated when the Customer disconnects from the call.

Issued: Issued by:

5.11 Optional Calling Features, (continued)

5.11.1 Feature Descriptions, (continued)

(M) Call Waiting -- Deluxe: Allows the end-user to control the treatment applied to incoming calls while the Customer is off-hook on an existing call. This feature includes the capabilities of Call Waiting Basic plus additional call treatment options. Treatment options offered with Call Waiting Deluxe include:

Answer the waiting call and placing the first party on hold; Answer the waiting call and disconnecting from the first party; Direct the waiting caller to hold via a recording Forward the waiting caller to another location (e.g., voice mailbox or telephone answering service)

Full utilization of Call Waiting Deluxe requires specialized CPE not provided by the Company. It is the responsibility of the Customer to provide the necessary CPE. The end-user must have Caller ID Basic or Deluxe for display of calling party identification information for waiting calls. The end-user must have a Call Forwarding don't Answer feature active in order to forward a waiting call to another location.

- (N) Call Waiting Deluxe with Conferencing: Provides all of the functionality of Call Waiting Deluxe. Also permits the end-user to conference a waiting call with an existing call (first party) and, if desired, subsequently drop either leg of the conferenced call.
- (O) Caller ID Basic: Permits the end-user to view a Directory Number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE.

Issued: Issued by:

5.11 Optional Calling Features, (continued)

5.11.1 Feature Descriptions, (continued)

- (P) Caller ID Deluxe: Permits the end-user to view a Directory Name and Directory Number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE. In some situations, the calling party's city and state may be displayed rather than a Directory Name, depending on available call data.
- (Q) Anonymous Call Rejection: Permits the end-user to automatically reject incoming calls when the call originates from a telephone number which has blocked delivery of its calling number (see Calling Number Delivery Blocking). When active, calls from private numbers will be routed to a special announcement then terminated. The feature may be turned on or off by the end-user by dialing the appropriate feature control code. Anonymous Call Rejection is offered as a stand-alone feature or as an add-on to Caller ID Deluxe.
- (R) Call Block: Allows the end-user to automatically block incoming calls from up to six end-user pre-selected telephone numbers programmed into the feature's screening list. Callers whose numbers have been blocked will hear a recorded message stating that their call has been blocked. The end-user controls when the feature is active, and can add or remove calling numbers from the feature's screening list.
- (S) Call Return: Allows the Customer to return a call to the last incoming call whether answered or not. Upon activation, it will redial the number automatically and continue to check the number every 45 seconds for up to 30 minutes if the number is busy. The Customer is alerted with a distinctive ringing pattern when the busy number is free. When the Customer answers the ring, the call is then completed. The calling party's number will not be delivered or announced to the call recipient under any circumstances.

Issued: Issued by:

5.11 Optional Calling Features, (continued)

5.11.1 Feature Descriptions, (continued)

- (T) Call Selector: Allows a Customer to assign a maximum of 15 telephone numbers to a special list. The Customer will hear a distinctive ring when calls are received from telephone numbers on that list.
- (U) Call Tracing: Allows the tracing of nuisance calls to a specified telephone number suspected of originating from a given local office. The tracing is activated upon entering the specified dial code. The originating telephone number, outgoing trunk number or terminating number, and the time and date are generated for every call to the specified telephone number can then be identified.
- (V) Calling Number Delivery Blocking: Prevents the delivery, display and announcement of the end-user's Directory Number and Directory Name on all calls dialed from an exchange service equipped with this option. When active, the end-user's telephone name and number will not appear on the called party's Caller ID CPE or be disclosed in another way. The feature is available on a per call or per line basis. With per call Calling Number Delivery Blocking, it is necessary for the end-user to dial an activation code prior to placing the call. With the per line version of the feature, all calls are placed with the end-user's number blocked. Per line end-users must dial an activation code prior to utilization.
- (W) Message Waiting Indication: Provides the end-user with an audible (stutter dial tone) or visual (lamp or other CPE display) indication that messages are waiting to be retrieved. Message Waiting Indication can only be activated/deactivated by a voice mailbox or other voice messaging service provided by the Company or third party. It is the responsibility of the Customer to subscribe to a compatible voice messaging service. Visual Message Waiting Indication requires specialized CPE not provided by the Company. It is the responsibility of the Customer to provide the necessary CPE.

Issued: Issued by:

5.11 Optional Calling Features, (continued)

5.11.1 Feature Descriptions, (continued)

- (X) Multiple Directory Number Distinctive Ringing: This feature allows an end user to determine the source of an incoming call from a distinctive ring. The end user may have up to two additional numbers assigned to a single line (i.e. Distinctive Ringing First Number and Distinctive Ringing Second Number). The designated primary number will receive a normal ringing pattern; other numbers will receive distinctive ringing patterns. The pattern is based on the telephone number that the calling party dials.
- (Y) Preferred Call Forwarding: Permits the end-user to automatically forward to another number calls received from up to six end-user pre-selected telephone numbers programmed into the features screening list. The end-user controls when the feature is active, the forward-to-number and can add or remove calling numbers from the feature's screening list.
- (Z) Repeat Dialing: Permits the end-user to have calls automatically redialed when the first attempt reaches a busy number. The line is checked every 45 seconds for up to 30 minutes and alerts the Customer with a distinctive ringing pattern when the busy number and the Customer's line are free. The Customer can continue to make and receive calls while the feature is activated. The following types of calls cannot be reached using Repeat Dialing:

Calls to 800 Service numbers
Calls to 900 Service numbers
Calls preceded by an interexchange carrier access code
International Direct Distance Dialed calls
Calls to Directory Assistance
Calls to 911

Issued: Issued by:

5.11 Optional Calling Features, (continued)

5.11.1 Feature Descriptions, (continued)

- (AA) Speed Calling: Permits the Customer to place calls to other telephone numbers by dialing a one or two digit code rather than the complete telephone number. The feature is available as either an eight (8) code list or a thirty (30) code list. Code lists may include local and/or toll telephone numbers. The Customer has the ability to add or remove telephone numbers and codes to/from the speed calling list without assistance from the Company.
- (AB) Three Way Calling: Permits the end-user to add a third party to an established connection. When the third party answers, a two-way conversation can be held before adding the original party for a three-way conference. The end-user initiating the conference controls the call and may disconnect the third party to reestablish the original connection or establish a connection to a different third party. The feature may be used on both outgoing and incoming.

Issued: Issued by:

5.12 Listing Services

For each Customer of Company-provided Exchange Service(s), the Company shall arrange for the listing of the Customer's main billing telephone number in the directory(ies) published by the dominant Local Exchange Carrier in the area at no additional charge. At a Customer's option, the Company will arrange for additional listings for an additional charge.

5.12.1 Non-Published Service

This optional service provides for suppression of printed and recorded directory listings. A Customer's name and number do not appear in printed directories or Directory Assistance Bureau records.

5.12.2 Non-Listed Service

This optional service provides for suppression of printed directory listings only. Parties may still obtain the Customer's number by calling the Directory Assistance Bureau.

5.13 Directory Assistance

Provides for identification of telephone directory numbers, via an operator or automated platform. Customers are provided with a maximum of 2 listings per each call to Directory Assistance.

Issued: Issued by:

SECTION 5.0 – NETWORK SERVICES DESCRIPTIONS (CONTINUED)

- 5.14 Reserved for Future Use
- 5.15 Reserved for Future Use
- 5.16 Miscellaneous Services

5.16.1 Main Number Retention

Main Number Retention is an optional feature by which a Customer, who was formally a customer of another certified local exchange carrier at the same premises location, may retain its main telephone numbers and main fax numbers for use with the Company-provided Exchange Services. Main Number Retention service is only available in areas where the Company maintains some form of number retention arrangement with the Customer's former local exchange carrier.

5.16.2 Pay Per Call Blocking/Unblocking

This service provides the option of blocking, or subsequent unblocking, all 900 and 976 calls on a per line basis. The Company will provide for per-line blocking where the Company's switching facilities permit.

5.16.3 Vanity Number Service

This service provides for the reservation of special or unique telephone number and fax number for use with the Company-provided exchange services.

5.16.4 Presubscription Services

This service provides for the Presubscription of local exchange lines provided by the Company to the intraLATA and interLATA long distance carrier(s) selected by the Customer.

Issued: Issued by:

SECTION 6.0 - RESERVED FOR FUTURE USE

6.1 Reserved for Future Use

Issued: Issued by:

ILOKA INC. D/B/A MICROTECH-TEL 4985 Ironton Street Denver, Colorado 80239

SECTION 7.0 - LOCAL EXCHANGE SERVICES PRICE LIST

7.1 General

Services provided in this tariff section are available on a Resale Service basis. Local Resale Services are provided through the use of resold switching and transport facilities obtained from Other Telephone Companies.

The rates, terms and conditions set forth in the section are applicable where the Company provides specified local exchange services to Customers through resale of local exchange services.

All rates set forth in this Section are subject to change and may be changed by the Company pursuant to notice requirements established by the South Dakota Public Utilities Commission.

Issued: Issued by:

7.2 Standard Residence Local Exchange Service

Standard Residence Local Exchange Service provides the Customer with a single, analog, voice-grade telephonic communications channel, which can be used to place or receive one call at a time. Standard Residence Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephones, facsimile machines or other station equipment. An optional per line Hunting feature is available for multi-line Customers, which routes a call to the next idle line in a prearranged group when the called line is busy.

Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided. Service is available on a flat rate, measured rate or message rate basis depending on the service plan selected by the Customer. Not all service plans will be available in all areas.

Usage charges if applicable are billed in arrears. Usage charges may apply for calls placed from the Customer's line. No usage charges will apply to calls received by the Customer. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Issued: Issued by:

7.2 Standard Residence Local Exchange Service (Continued)

7.2.1 Monthly Recurring Charges

The following charges apply to Standard Residence Local Exchange Service lines per month. Rates and charges include Touch-tone Service for each line. The rates and charges below apply to service provided on a month-to-month basis.

TO BE DETERMINED

Issued: Issued by:

7.2 Standard Residence Local Exchange Service (Continued)

7.2.2 Other Monthly Recurring Charges

(A) Hunting (a.k.a. Rotary or Grouping)

The following charges apply to Standard Residence Local Exchange lines equipped with Hunting. Rates vary based on Rate Group.

To Be Determined

7.2.3 Usage Sensitive Charges and Allowances

(A) Flat Rate Service

No measured or message charges apply to calls placed or received from Flat Rate service lines. Customers receive unlimited calling within their local calling area.

Issued: Issued by:

7.2 Standard Residence Local Exchange Service, (Continued)

7.2.3 Usage Sensitive Charges and Allowances, (Continued)

(B) Message Service

Customers subscribing to Message Service will receive a monthly usage allowance of 30 outgoing calls. This allowance is applied to local calls placed from the Customer's line. Local usage in excess of the allowance will be billed in arrears. Local usage is billed on a per call basis.

Per Local Call

TBD

(1) Calls to Expanded Service Areas

The following per minute rates apply to calls to points in the Expanded Service Areas as defined in the General Subscriber Service Tariff, Section A3, presently on file with the SD. PUC.

TO BE DETERMINED

Issued: Issued by:

7.2 Standard Residence Local Exchange Service, (Continued)

7.2.4 Non-Recurring Charges

Non-recurring charges apply to each line installed for the Customer. Non-recurring charges are in addition to applicable service order charges contained in Section 4 of this tariff. All such charges will appear on the next bill following installation of the service.

Non-recurring charges for installation of Residential lines are:

First Line TBD Each Additional Line(1) TBD

NOTES:

(1) Additional Line installation charges apply only when 2 or more lines are installed at the same time and at the same Customer Premises.

Issued: Issued by:

7.3 Standard Business Local Exchange Service

Standard Business Local Exchange Service provides the Customer with a single, analog, voice-grade telephonic communications channel, which can be used to place or receive one call at a time. Standard Business Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephones, facsimile machines or other station equipment. An optional per line Hunting feature is available for multi-line Customers which routes a call to the next idle line in a prearranged group when the called line is busy.

Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided. Service is available on a flat rate, measured rate or message rate basis depending on the service plan selected by the Customer. Not all service plans will be available in all areas.

Usage charges, if applicable are billed in arrears. Usage charges may apply for calls placed from the Customer's line. No usage charges will apply to calls received by the Customer. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Issued: Issued by:

7.3 Standard Business Local Exchange Service, (Continued)

7.3.1 Monthly Recurring Charges

The following charges apply to Standard Business Local Exchange Service lines per month. Rates and charges include Touchtone Service for each line. The rates and charges below apply to service provided on a month-to-month basis.

TO BE DETERMINED

Issued: Issued by:

- 7.3 Standard Business Local Exchange Service, (Continued)
 - 7.3.2 Other Monthly Recurring Charges
 - (A) Hunting (a/k/a Rotary or Grouping)

The following charges apply to Standard Business Local Exchange lines equipped with Hunting. Rates vary based on Rate Group.

TO BE DETERMINED

Issued: Issued by:

7.3 Standard Business Local Exchange Service, (Continued)

7.3.3 Usage Sensitive Charges and Allowances

(A) Flat Rate Service

No measured or message charges apply to calls placed or received from Flat Rate service lines. Customers receive unlimited calling within their local calling area.

(B) Message Service

Customers subscribing to Message Service will receive a monthly usage allowance of 75 outgoing calls. This allowance is applied to local calls placed from the Customer's line. Local usage in excess of the allowance will be billed in arrears. Local usage is billed on a per call basis.

Per Local Call

TBD

(1) Calls to Expanded Service Areas

The following per minute rates apply to calls to points in the Expanded Service Areas as defined in the Qwest's General Subscriber Service Tariff presently on file with the SD PUC.

TO BE DETERMINED

Issued: Issued by:

7.3 Standard Business Local Exchange Service, (Continued)

7.3.4 Non-Recurring Charges

Non-recurring charges apply to each line installed for the Customer. Non-recurring charges are in addition to applicable service order charges contained in Section 4 of this tariff. All such charges will appear on the next bill following installation of the service.

Non-recurring charges for installation of Residential lines are:

First Line TBD Each Additional Line(1) TBD

NOTES:

(1) Additional Line installation charges apply only when 2 or more lines are installed at the same time and at the same Customer Premises.

Issued: Issued by:

7.5 Residence and Business PBX Trunk Service

PBX Trunk service provides a Customer with a single, voice-grade telephonic communications channel which can be used to place one call at a time. Trunks are provided for connection of Customer-provided private branch exchanges (PBX) or other station equipment to the public switched telecommunications network.

PBX Trunks are available to Business and Residence Customers as Inward, Outward or Two-Way combination trunks where services and facilities permit.

Each PBX Trunk is provided with Touchtone signaling at no additional charge. An optional per trunk Hunting feature is available for Customers which routes a call to the next idle trunk in a prearranged group (see Sections 7.2 and 7.3).

PBX Trunks may also be equipped with Direct Inward Dialing (DID) capability and DID number blocks for additional charges (see Section 7.6).

7.5.1 Flat Rate Service

To Be Determined

7.5.2 Message Rate Service

To Be Determined

Issued: Issued by:

7.6 Direct Inward Dialing (DID) Service

Direct Inward Dialing ("DID") permits calls incoming to a PBX system or other Customer Premises Equipment to be routed to a specific station without the assistance of an attendant. DID calls are route directly to the station associated with the called number. DID service as offered by the Company provides the necessary trunks, telephone numbers, and out-pulsing of digits to enable DID service at a Customer's location. DID service requires special PBX software and hardware not provided by the Company. Such hardware and software is the responsibility of the Customer.

The following charges apply to Customers subscribing to DID service provided by the Company. These charges are in addition to recurring and non-recurring charges for PBX Trunks as shown in Section 7.5 of this tariff. The Customer will be charged for the number of DID numbers utilized out of the available 20 numbers.

	Installation Charge	Monthly Recurring
Establish Trunk Group and Provide 1 st Block of 20 DID Numbers	TBD	TBD
Each Additional Block of 20 DID Numbers	TBD	TBD
DID Trunk Termination: Per Inward Only Trunk Per Combination Trunk with Call Transfer	TBD TBD	TBD TBD
Dual Tone Multifrequency Pulsing Option, Per Trunk	N/A	TBD
Automatic Intercept Service, Per Number Referred	TBD	N/A

Issued: Issued by:

7.7 Reserved For Future Use

7.8 Optional Calling Features

The features in this section are made available on an individual basis or as part of multiple feature packages. All features are provided subject to availability. Certain features may not be available with all classes of service. Transmission levels for calls forwarded or calls placed or received using optional calling features may not be acceptable for all some uses in some cases.

7.8.1 Features Offered on a Usage Sensitive Basis

The following features are available to all local exchange Business and Residence line Customers where facilities and services permit. Customers may utilize each feature by dialing the appropriate access code. The Customer will be billed the Per Feature Activation Charge shown in the following table each time a feature is used by the Customer. Customers may subscribe to these features on a monthly basis at their option to obtain unlimited use of these features for a fixed monthly charge.

Optional Calling Features	Residence	Business
Three-Way Calling	TBD	TBD
Call Return	TBD	TBD
Repeat Dialing	TBD	TBD
Calling Number Delivery Blocking, Per Call	TBD	TBD

Denial of per call activation for Three-Way Calling, Call Return and Repeat Dialing from any line or trunk is available to Customers upon request at no additional charge.

Issued: Issued by:

7.8 Optional Calling Features, (Continued)

7.8.2 Features Offered on a Monthly Basis

The following optional calling features are offered to Customers on a monthly basis. Customers are allowed unlimited use of each feature. No usage sensitive charges apply. Multiline Customers must order the appropriate number of features based on the number of lines which will have access to the feature.

Optional Calling Feature	Residence	Business
Flexible Call Forwarding Flexible Call Forwarding with Audio Calling Name Flexible Call Forwarding Plus Flexible Call Forwarding Plus with Audio Calling Name		
Call Forwarding Variable Call Forwarding Variable with Remote Access		
Call Forwarding Don't Answer – Basic Call Forwarding Don't Answer w/Ring Control Call Forwarding Don't Answer w/Customer Control		
Call Forwarding Busy Line – Basic Call Forwarding Busy Line w/Customer Control		
Call Waiting – Basic Call Waiting – Deluxe Call Waiting – Deluxe with Conferencing	adia, ang an a taong ming Jiga na mang madhakan mana 11 maganan a dinib mban 5 a 15 a 55.	e en en secunda de el Tampodra de en el Sanda el Tambola el Carlo de Estado el Carlo de Estado el Carlo de Est

Issued: Issued by:

7.8 Optional Calling Features, (Continued)

7.8.2 Features Offered on a Monthly Basis

Three Way Calling

Optional Calling Feature (cont'd)	Residence	Business
Caller ID – Basic		and the second of the second o
Caller ID – Deluxe		
Caller ID – Deluxe		
W/Anonymous Call Rejection		
Anonymous Call Rejection		
Call Block		
Call Return		
Call Selector		
Call Tracing		
Calling Number Delivery Blocking		
(per line equipped)		
Message Waiting Indication – Audible		
Message Waiting Indication – Audible and Visual		
Multiple Directory Number Distinctive Ringing – First DN		
Multiple Directory Number Distinctive		
Ringing – Second DN		
Preferred Call Forwarding		
Repeat Dialing		
Speed Calling (30 codes)		
Speed Calling (8 codes)		
1 0 0 0		

Issued: Issued by:

8.1 Directory Listings

8.1.1 General

The following rules apply to standard listings in light face type in the white pages (alphabetical section) of the telephone directory and to the Directory Assistance records of the Company.

Only information necessary to identify the Customer is included in these listings. The Company use abbreviations in listings. The Company may reject a residence listing, which is judged to be advertising. It may also reject a listing it judges to be objectionable. A name made up by adding a term such as Company, Shop, Agency, Works, etc. to the name of a commodity or service willing to be accepted as a listing unless the subscriber is legally doing business under that name.

A name may be repeated in the white pages only when a different address or telephone number is used.

Issued: Issued by:

8.1 Directory Listings, (Continued)

8.1.2 Composition of Listings

(A) Names

The following names may be included in business service listings:

- (1) The name of subscriber or joint user.
- (2) The name of each business enterprise which the subscriber or joint user conducts.
- (3) The name by which the business of a subscriber or joint user is known to the public. Only one such name representing the same general line of business will be accepted.
- (4) The name of any person associated with the subscriber or joint user in the same business.
- (5) The name of any person, firm or organization which subscriber or joint user is authorized to represent, or the name of an authorized representative of the subscriber or joint user.
- (6) Alternative spelling of an individual name or alternative arrangement of a business name, provided the listing in the judgment of the Company, is not for advertising purposes. The name of a publication issued periodically by the subscriber or joint user.
- (7) The name of an inactive business organization in a cross-reference listing when authorized by such business or organization.
- (8) The name of a member of subscriber's domestic establishment when business service is furnished in the subscriber's residence.
- (9) The name of a corporation which is the parent or a subsidiary of the subscriber.
- (10) The name of a resident of a hotel, apartment house, boarding house or club which is furnished PBX service, may be included in a residence type listing with the telephone number of the PBX service.
- (11) The name of the subscriber to a sharing arrangement.

Issued: Issued by:

8.1 Directory Listings, (Continued)

8.1.2 Composition of Listings, (Continued)

(B) Designation

The purpose of a business designation is to identify the listed party and not to advertise the business. No designation of the nature of the business is included if this is sufficiently indicated by the name. Where a listed party is engaged in more than one general line of business, one additional business designation may be included in the listing when necessary to identify the listed party. When a listed party has two or more listed telephone number or two or more business addresses, designations indicating the branches of the organization may be included where necessary to assist the public in calling.

A designation may include a title to indicate a listed party's official position, but not the name of the firm or corporation with which the individual is connected. Individual names or titles are not shown following the name of a firm or corporation. A term such as "renting agent" may be included in a listing indented under the name of a building, provided the agent maintains a renting office in such a building.

A designation is not ordinarily provided in a residence type listing except for residential service as permitted under the terms of this tariff. A professional designation is permitted on residence service in the case of a physician, surgeon, dentist, osteopath, chiropodist, podiatrist, optometrist, chiropractor, physiotherapist, Christian Science practitioner, veterinary surgeon, registered nurse or licensed practical nurse, provided that the same name and designation is also listed on business service of that subscriber or another subscriber in the same or different directory.

The listing of service in the residence of a clergyman may include the designation "parsonage," "rectory," "parish house," or "manse," and any such listing may be indented under a listing in the name of the church. Where residence service is furnished in a church study, the listing may include the designation "study."

Issued: Issued by:

8.1 Directory Listings, (Continued)

8.1.2 Composition of Listings, (Continued)

(C) Address

Each residence or non-profit listing may, but does not have to, include the house number and street name of the residence where the telephone service is provided. Other information, such as a building name or a locality designation, may be included to help identify the Customer.

(D) Telephone Number

Each listing may include only one telephone number, except in an alternate telephone number listing where each number listed is considered a line for rate purposes.

A listing may include only the telephone number of the first line of a PBX system or incoming service group, except that a trunk not included in the incoming service group of a PBX system, or the first trunk of a separate incoming service group of a PBX system may be listed to meet special conditions where a corporation and its subsidiaries use the same PBX system.

Issued: Issued by:

8.1 Directory Listings, (Continued)

8.1.3 Types of Listings

(A) Standard Listing

A standard listing includes a name, designation, address and telephone number of the Customer. It appears in the White Pages of the telephone directory and in the Company's Directory Assistance records. The designation in the listing will be provided according to the rules in paragraph 5.13.2.2 above.

(B) Indented Listing

An indented listing appears under a standard listing and may include only a designation, address and telephone number. An indented listing is allowed only when a Customer is entitled to two or more listings of the same name with different addresses or different telephone numbers. For example:

Smith, John MD
Office 125 Portland
Residence 9 Glenway
555-8345

Such listing may be furnished as an indented listing or as a sub-caption. The telephone number in such a listing may be that of another service furnished the same subscriber or one of the subscriber's PBX trunks not included in the incoming service group, or the service furnished a different subscriber.

Issued: Issued by:

8.1 Directory Listings, (Continued)

8.1.3 Types of Listings, (Continued)

(C) Alternate Telephone Number Listing and Night Listing

Any listed party who has made the necessary arrangements for receiving telephone calls during his or her absence may have an alternate telephone number listing or a night listing, such as the following.

If no answer call (telephone number)
Night calls (telephone number)
Night calls after ____PM (telephone number)
Nights, Sundays and holidays (telephone number)
5PM to 9AM weekdays, Saturday until 9AM, Monday and holidays (telephone number)

Such listing may be furnished as an indented listing or as a sub-caption. The telephone number in such a listing may be that of another service furnished the same subscriber or one of the subscriber's PBX trunks not included in the incoming service group, or the service furnished a different subscriber.

(D) Duplicate Listing

Any listing may be duplicated in a different directory or under a separate geographical heading in the same directory. Such listing may be duplicated in indented form.

(E) Reference Listing

A subscriber having exchange services listed under different geographical headings may have an indented listing in reference form in lieu of a duplicate listing.

(F) Cross Reference Listing

A cross reference listing may be furnished in the same alphabetical group with the related listing when required for identification of the listed party and not designated for advertising purposes.

Issued: Issued by:

8.1 Directory Listings, (Cont'd.)

8.1.4 Free Listings

The following listings are provided at no additional charge to the Customer: one listing for each individual line service, auxiliary line or PBX system.

8.1.5 Rates for Additional Listings - Business Customers

The following rates and charges apply to additional listings requested by the Customer over and above those free listings provided for in Section 8.1.4.

Type of Listing	Residential Charge	Business Charge
Reference/Cross Reference:		
- Each Listing	TBD	TBD
Alternate Telephone Number/Night Listing:		
- Night, Sundays & Holidays	TBD	TBD
- First Line	TBD	TBD
Additional Listing	TBD	TBD
Foreign Listing	TBD	TBD
Dual Name Liking - Non Recurring	TBD	TBD

Issued: Issued by:

8.2 Non-Published Service

8.2.1 General

Non-published service means that the Customer's telephone number is not listed in the directory, not does it appear in the Company's Directory Assistance Records.

8.2.2 Regulations

This service is subject to the rules and regulations for E911 service, where applicable.

The Company will complete calls to a non-published number only when the caller dials direct or gives the operator number. No exceptions will be made, even if the caller says it is an emergency.

When the Company agrees to keep a number unlisted, it does so without any obligation. Except for cases of negligence or willful misconduct, the Company is not liable for any damages that might arise from publishing a non-published number in the directory or disclosing it to some.

8.2.3 Rates and Charges

There is a monthly charge for each non-published service. This charge does not apply is the Customer has other listed service at the same location; if the Customer lives in a hotel, boarding house or club with listed service; or if the service is installed for a temporary period.

Non-published service charge, per month

TBD

Issued: Issued by:

8.3 Non-Listed Service

8.3.1 General

Non-listed service means that the Customer's telephone number is not listed in the directory, but does it appear in the Company's Directory Assistance Records.

8.3.2 Regulations

This service is subject to the rules and regulations for E911 service, where applicable.

The Company will complete calls to a non-listed number.

When the Company agrees to keep a number unlisted, it does so without any obligation. Except for cases of negligence or willful misconduct, the Company is not liable for any damages that might arise from publishing a non-listed number in the directory or disclosing it to some.

8.3.3 Rates and Charges

There is a monthly charge for each non-listed service. This charge applies if the Customer has other listed service at the same location; if the Customer lives in a hotel, boarding house or club with listed service; or in the service is installed for a temporary period.

Non-listed service charge, per month:

TBD

Issued: Issued by:

8.4 Directory Assistance Services

8.4.1 Directory Assistance

A Directory Assistance charge applies per local directory assistance call. The Customer may make two (2) requests for a telephone number per call. The Directory Assistance Charge applies regardless of whether the Directory Assistance operator is able to supply the requested number. No charge applies for the first call per month per residence line.

Each Local Directory Assistance Call

TBD

Issued: Issued by:

ILOKA INC. D/B/A MICROTECH-TEL 4985 Ironton Street Denver, Colorado 80239

South Dakota Tariff Number 2 Original Page 89

SECTION 9.0 - RESERVED FOR FUTURE USE

9.1 Reserved For Future Use

Issued: Issued by:

SECTION 10.0 - RESERVED FOR FUTURE USE

10.1 Reserved For Future Use

Issued: Issued by:

SECTION 11.0 - MISCELLANEOUS SERVICES

11.1 Carrier Presubscription

11.1.1 General

Carrier Presubscription is a procedure whereby a Customer designates to the Company the carrier which the Customer wishes to be the carrier of choice for intraLATA and interLATA toll calls, Such calls are automatically directed to the designated carrier, without the need to use carrier access codes or additional dialing to direct the call to the designated carrier. Presubscription does not prevent a Customer who has presubscribed to an IntraLATA or InterLATA toll carrier from using carrier access codes or additional dialing to direct calls to an alternative long distance carrier on a per call basis.

11.1.2 Presubscription Options - Customers may select the same carrier or separate carriers for intraLATA and interLATA long distance. The following options for long distance Presubscription are available:

Option A: Customer select the Company as the presubscribed carrier for

IntraLATA and InterLATA toll calls subject to presubscription.

Option B: Customer may select the Company as the presubscribed carrier for

IntraLATA calls subject to presubscription and some other carrier as the presubscribed carrier for interLATA toll calls subject to presubscription.

Option C: Customer may select a carrier other than the Company for intraLATA

toll calls subject to presubscription and the Company for interLATA toll

calls subject to presubscription.

Option D: Customer may select the carrier other than the Company for both

intraLATA and interLATA toll calls subject to presubscription.

Option E: Customer may select two different carriers, neither being the Company

for intraLATA and interLATA toll calls. One carrier to be the Customers' primary intraLATA interexchange carrier. The other carrier to be the

Customer's primary interLATA interexchange carrier.

Option F: Customer may select a carrier other than the Company for no

presubscribed carrier for intraLATA toll calls subject to presubscription

which will require the Customer to dial a carrier access code to route all intraLATA toll calls to the carrier of choice for each call.

Issued: Issued by:

SECTION 11.0 - MISCELLANEOUS SERVICES (CONTINUED)

11.1 Carrier Presubscription, (Continued)

11.1.3 Rules and Regulations

Customers of record will retain their primary interexchange carrier(s) until they request that their dialing arrangements be changed.

Customers of record or new Customers may select either Options A, B, C, D, E or F for intraLATA Presubscription.

Customers may change their selected Option and/or presubscribed toll carrier at any time subject to charges specified in 11.4.5 below:

11.1.4 Presubscription Procedures

A new Customer will be asked to select intraLATA and interLATA toll carriers at the time the Customer places an order to establish local exchange service with the Company. The Company will process the Customer's order for service. All new Customers initial requests for intraLATA toll service presubscription shall be provided free of charge.

If a new Customer is unable to make selection at the time the new Customer places an order to establish local exchange service, the Company will read a random listing of all available intraLATA and interLATA carriers to aid the Customer in selection. If selection is still not possible, the Company will inform the Customer that he/she will be given 90 calendar days in which to inform the Company of his/her choice for primary toll carrier(s) free of charge. Until the Customer informs the Company of his/her choice of primary toll carrier, the Customer will not have access to long distance services on a presubscribed basis, but rather will be required to dial a carrier access code to route all toll calls to the carrier(s) of choice. Customers who inform the Company of a choice for toll carrier presubscription within the 90-day period will not be assessed a service charge for the initial Customer request.

Customers of record may initiate an intraLATA or interLATA presubscription change at any time, subject to the charges specified in 11.4.5 below. If a Customer of record inquires of the Company of the carriers available for toll presubscription, the Company will read a random listing of all available intraLATA carriers to aid the Customer in selection.

Issued: Issued by:

SECTION 11.0 - MISCELLANEOUS SERVICES (CONTINUED)

11.1 Carrier Presubscription, (Continued)

11.1.5 Presubscription Charges

(A) Application of Charges

After a Customer's initial selection for a presubscribed toll carrier and as detailed in Paragraph 11.1.4 above, for any change thereafter, a Presubscription Change Charge, as set forth below will apply. Customers who request a change in intraLATA and interLATA carriers with the same order will be assessed a single charge per line.

(B) Nonrecurring Charges

Per business or residence line, trunk, or port

Initial Line, or Trunk or Port Additional Line, Trunk or Port TBD

TBD

Issued: Issued by:

SECTION 12.0 - PROMOTIONAL OFFERINGS

12.1 Special Promotions

The Company may from time to time engage in special promotional trial service offerings of limited duration (not to exceed ninety days on a per Customer basis for non-optional, recurring charges) designed to attract new subscribers or to increase subscriber awareness of a particular tariff offering. Requests for promotional offerings will be presented to the Commission for its review in accordance with rules and regulations established by the Commission, and will be included in the Carrier's tariff as an addendum to the Carrier's price lists.

12.2 Discounts

The Company may, from time to time as reflected in the price list, offer discounts based on monthly volume (or, when appropriate, "monthly revenue commitment" and/or "time of day" may also be included).

Issued: Issued by:

CONFIDENTIAL

REGENVED

AUG 1 3 2002

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

TC02-105

LOKA, INC. DENVER, CO 80239

SOUTH DAKOTA PUBLIC UTILITIES 038970 VENDOR NO: NAME: CHECK DATE: REFERENCE NUMBER INVOICE DATE **GROSS AMOUNT** DISCOUNT TAKEN **NET AMOUNT PAID** PSC FILING FEE! 07/16/02 \$250.00 \$0.00 \$250.00 TOTAL > 1250.00 \$0.00 1250.00 PSC FILING FEES BORDER OF CHECK FACE

ILOKA, INC.

FED. ID. NO. 84-1110972 4985 IRONTON ST. DENVER, CO. 80239 CITYWIDE BANKS (303) 365-3650 AURORA, CO:80010

82-107/1070

038970

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DATE 97/16/02 AMOUNT 250.00

Two Hundred Fifty Dollars And 80 Cents

South dakota public utilities 500 east capitol avenue

PIERRE SK 57501 5070

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VOID IF NOT CASHED WITHIN 90 DAYS

Dans K. Denne

"O38970" 1:1070010701: 00 9290 8"

WARNING THIS DOCUMENT HAS A SECURITY COLOR BACKGROUND ON FACE AND ORIGINAL DOCUMENT SECURITY SCREEN ON BACK

South Dakota Public Utilities Commission WEEKLY FILINGS

For the Period of August 8, 2002 through August 14, 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

CN02-002

In the Matter of the Complaint filed by Kevin Ohm on behalf of Tyler TV & Appliance, Inc., Brookings, South Dakota, against NorthWestern Energy Regarding Billing.

Complainant's representative states that NorthWestern Energy bills Tyler TV & Appliance, Inc. (Tyler) for service without any explanation. Complainant's representative also feels that the amount of time to pay Tyler's bill after receiving a statement is not adequate thus leaving Complainant with late fees. Complainant's representative requests that Tyler's billing date be changed and that Tyler be given 30 days for Tyler's payment to post, and that an explanation of charges be put on Tyler's monthly bill.

Staff Analyst: Mary Healy Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: N/A

CT02-027

In the Matter of the Complaint filed by Judith McFarland, Sioux Falls, South Dakota, against McLeodUSA Telecommunications Services, Inc. Regarding Billing, Delay in Disconnect and Poor Customer Service.

Complainant states that on May 8, 2002, she contacted McLeod to cancel her service that day since she had switched her service to a new provider. When Complainant spoke to the McLeod representative, she was told not to pay her bill because it was for service during the upcoming month when she would be with her new provider. When Complainant received another bill from McLeod, Complainant had a 3-way conversation with her new provider and McLeod to clear up the billing problem. The McLeod representative said that the billing would be taken care of. During this conversation, the Complainant requested that a recording be added to her old number announcing what her new number was. When this was added to the line, it took one month for the announcement to be placed on the line and the announcement was giving out an incorrect new phone number. Complainant continued to get billings from McLeod and as of July 24, 2002, the announcement was still giving out an incorrect new phone number. Complainant feels that she should be compensated because of her frustration regarding this matter.

Staff Analyst: Mary Healy Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: N/A

CT02-028 In the Matter of the Complaint filed by Sharon Gray, Vermillion, South Dakota, against UKI Communications, Inc. Regarding Unauthorized Switching of Services.

Complainant states that her service was switched to UKI without proper authorization. Complainant received a copy of the voice recorded authorization from UKI and she was surprised to hear her voice on the recording. She is 100% sure that she did not switch her service to UKI. The Complainant feels the sound quality when the sales person was speaking is of a different sound quality than when she is speaking. She feels that the tape has been spliced together or dubbed onto the portions where she was speaking. When asked to provide Complainant's mother's maiden name, Complainant states that she did not give her mother's maiden name and said "hello." Complainant requests that the company pay her \$1,500.00 for the switch in service or if the matter is not resolved, she would like to have a hearing before the PUC Commissioners and be reimbursed for expenses to come to the hearing.

Staff Analyst: Mary Healy Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: N/A

CT02-029 In the Matter of the Complaint filed by Virginia Craw, Pierre, South Dakota, against McLeodUSA Telecommunications Services, Inc. Regarding Delayed Service and Billing.

Complainant states that in May 2002, she requested phone service from McLeod. McLeod informed her that the service would be connected on June 3, 2002. When service was not connected, McLeod stated that the order was lost and that service would be connected on June 7, 2002. Service was not connected on June 7th. On or about June 10th, McLeod told her that service was connected and that she would have to pay an additional \$95.00 to have the technician connect service to the apartment. Complainant informed McLeod to cancel the service request as she would be changing providers. Complainant received a bill from McLeod and talked to a McLeod representative informing her not to pay the bill and that he would take care of it. Complainant received another bill from McLeod and the charges were not removed. Complainant states that she never had dial tone service with McLeod and the charges should be removed.

Staff Analyst: Mary Healy Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: N/A

CT02-030 In the Matter of the Complaint filed by Jeanette Stearns on behalf of Lange & Speidel Bookkeeping & Tax Service, Belle Fourche, South Dakota, against Qwest Corporation Regarding Billing.

Complainant's representative states that after receiving a letter from Qwest offering Lange & Speidel Bookkeping & Tax Service (Lange & Speidel) a CustomChoice package with the area-wide calling plan, Lange & Speidel agreed to the service. Complainant's representative was told that the service would go into effect on November 24, 2000. Complainant never received the free area-wide calling plan and continued to be billed by Quantum Link for its in-state long distance calls. On December 19, 2000, Complainant received a letter from Qwest confirming its order for the Calling Connection Plan. Complainant did not receive the benefits of the Calling Connection Plan. On September 20, 2001, Complainant's representative spoke to Qwest about the billing problems and was told that the Complainant could not have both of the plans offered by Qwest. Complainant's representative attempted to get credit for the over-billing, but Qwest was unwilling to refund the charges. Complainant's representative calculated the over-charges from Qwest and requests that Qwest reimburse Lange & Speidel for all of Qwest billing errors in the amount of \$1,090.47.

Staff Analyst: Mary Healy Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: N/A

CT02-031 In the Matter of the Complaint filed by Lyle D. Dabbert on behalf of Brown & Saenger, Sioux Falls, South Dakota, against Qwest Corporation Regarding Billing.

Complainant's representative states that Brown & Saenger was back-billed by Qwest \$8,071.87 for charges dating back to November 1999, for Brown & Saenger's T-1 service. If charges would have been billed monthly, Complainant's representative states that Brown & Saenger would have canceled its service for the T-1. Qwest is also billing Complainant \$125.00 per month as a late payment charge. Complainant's representative requests that the charges be removed from Brown & Saenger's billing because the Complainant would have canceled the billing after one month of service once it became aware of the expense.

Staff Analyst: Mary Healy Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: N/A

CT02-032 In the Matter of the Complaint filed by Robert A. Fogg, Jr., Martin, South Dakota, against CellularOne Regarding Billing.

Complainant states that he is being double-billed by CellularOne. Complainant requests numerous resolutions to resolve his dispute.

Staff Analyst: Mary Healy Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: N/A

ELECTRIC

EL02-016 In the Matter of the Filing by MidAmerican Energy Company for Approval of Tariff Revisions.

Application of MidAmerican Energy to revise its standard bill form by updating the department for customer correspondence from "Quality and Compliance" to "Customer Service Quality."

Staff Analyst: Dave Jacobson Staff Attorney: Karen Cremer Date Docketed: 08/08/02 Intervention Deadline: 08/30/02

NATURAL GAS

NG02-005 In the Matter of the Filing by MidAmerican Energy Company for Approval of Tariff Revisions.

Application of MidAmerican Energy to revise its standard bill form by updating the department for customer correspondence from "Quality and Compliance" to "Customer Service Quality."

Staff Analyst: Dave Jacobson Staff Attorney: Karen Cremer Date Docketed: 08/08/02 Intervention Deadline: 08/30/02

TELECOMMUNICATIONS

TC02-101 In the Matter of the Application of Choice Telco, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Application of Choice Telco, LLC for a certificate of authority to provide resold interexchange telecommunications service in South Dakota.

Staff Analyst: Dave Jacobson Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: 08/30/02

TC02-102 In the Matter of the Application of Ridley Telephone Company, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Ridley Telephone Company, LLC has filed an application with the South Dakota Public Utilities Commission for a Certificate of Authority to provide interexchange service in South Dakota. The applicant intends to provide resold interexchange service, including MTS, in-WATS, out-WATS, and calling card services throughout South Dakota.

Staff Analyst: Michele Farris Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: 08/30/02

TC02-103 In the Matter of the Application of Tralee Telephone Company, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Application of Tralee Telephone Company, LLC for a certificate of authority to provide resold interexchange telecommunications service in South Dakota.

Staff Analyst: Dave Jacobson Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: 08/30/02

TC02-104 In the Matter of the Application of Telliss, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Telliss, LLC has filed an application with the South Dakota Public Utilities Commission for a Certificate of Authority to provide interexchange service in South Dakota. The applicant intends to provide resold interexchange service, including MTS, in-WATS, out-WATS, and calling card services throughout South Dakota.

Staff Analyst: Michele Farris Staff Attorney: Karen Cremer Date Docketed: 08/12/02 Intervention Deadline: 08/30/02

TC02-105

In the Matter of the Application of iLOKA Inc. d/b/a Microtech-tel for a Certificate of Authority to Provide Interexchange Telecommunications Services and Local Exchange Services in South Dakota.

Application of iLOKA Inc. d/b/a Microtech-tel for a certificate of authority to provide resold and facilities-based local exchange and interexchange services in South Dakota.

Staff Analyst: Dave Jacobson Staff Attorney: Karen Cremer Date Docketed: 08/13/02

Intervention Deadline: 08/30/02

In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement between Qwest Corporation and Sprint Communications Company L.P.

On August 14, 2002, the Commission received for approval a filing of the Unbundled Loops, Loop Mux Combination, Special Request Process, Bona Fide Request Process, and Single Point of Presence in the LATA Amendment to the Interconnection Agreement between Qwest Corporation (Qwest) and Sprint Communications, L.P (Sprint). According to the parties, this is an amendment to the negotiated interconnection agreement between Sprint and Qwest. The amendment adds terms and conditions for Unbundled Loops, Loop Mux Combination, Special Request Process, Bona Fide Request Process, and Single Point of Presence in the LATA. 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 September 3, 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: Rolayne Ailts Wiest

Date Docketed: 08/14/02

Initial Comments Due: 09/03/02

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

WE'VE MOVED-Effective September 16, 2002

Our new office address is:

iLOKA, Inc. dba Microtech-Tel

6312 South Fiddlers Green Circle

Suite 150N

Greenwood Village, CO 80111

Phone: 303-373-4444 Fax: 303-373-1077

Our new warehouse address is:

7344 South Alton Way Unit 8F

Centennial, CO 80112 Phone: 303-576-5635 Fax: 303-812-1280

OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION C)F)	ORDER GRANTING
ILOKA INC. D/B/A MICROTECH-TEL FOR	A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVID	E)	AUTHORITY
INTEREXCHANGE TELECOMMUNICATION	IS)	
SERVICES AND LOCAL EXCHANG	E)	TC02-105
SERVICES IN SOUTH DAKOTA	j	

On August 13, 2002, the Public Utilities Commission (Commission) received an application for a certificate of authority from iLOKA Inc. d/b/a Microtech-tel (Microtech-tel).

Microtech-tel proposes to seek authority to provide resold and facilities-based interexchange services and local exchange services throughout South Dakota in areas that are not eligible for a small or rural carrier exemption. A proposed tariff was filed by Microtech-tel.

On August 15, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of August 30, 2002, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled October 17, 2002, meeting, the Commission considered Microtech-tel's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards, and subject to the condition that Microtech-tel not offer a prepaid calling card or require or accept 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 49-31-69 and ARSD 20:10:24:02, 20:10:24:03 and 20:10:32:03. The Commission finds that Microtech-tel has met the legal requirements established for the granting of a certificate of authority. Microtech-tel has, in accordance with SDCL 49-31-3 and 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota.

The Commission approves Microtech-tel's application for a certificate of authority, subject to rural safeguards, and subject to the condition that Microtech-tel not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission. The certificate of authority for Microtech-tel shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. In the future, should Microtech-tel choose to provide local exchange services statewide, with respect to rural telephone companies, Microtech-tel will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to 47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation as an eligible

telecommunications carrier. In addition, the granting of statewide certification will not affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

ORDERED, that Microtech-tel's application for a certificate of authority to provide interexchange telecommunications services and local exchange services is granted, subject to the condition that Microtech-tel not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission; and it is

FURTHER ORDERED, that Microtech-tel shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize Microtech-tel to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company.

Dated at Pierre, South Dakota, this _____day of October, 2002.

CERTIFICATE OF SERVICE

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

Bv:

Date:

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

ROBERT K. SAHR. Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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. TC02-105

This is to certify that

ILOKA INC D/B/A MICROTECH-TEL

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

This certificate is issued in accordance with SDCL 49-31-3 and 49-31-69 and ARSD 20:10:24:02 and 20:10:32:03, 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 3/stday of October, 2002.

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION:

AMES A. BURG, Chairman

PAM NELSON. Commissioner

PAIVI NELSON, Commissioner

Rolling K

ROBERT K. SAHR, Commissioner