

TC05-005

***Northstar Telecom, Inc.
1101 Hills Road
Fremont, Nebraska 68025***

RECEIVED

JAN 19 2005

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

January 16, 2005

ORIGINAL

VIA OVERNIGHT DELIVERY

South Dakota Public Utilities Commission
Division of Telecommunications
Capitol Building – Floor 1
500 East Capitol Ave
Pierre, SD 57501-5070

Re: Application of Northstar Telecom, Inc.

To Whom It May Concern:

Enclosed please find for filing an original and 10 copies of the Application for Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Services and Letter of Registration to Provide Emerging Competitive Telecommunications Services of Northstar Telecom, Inc.

An extra copy of this letter is enclosed to be date stamped and returned to us in the self addressed, postage paid envelope.

If you have any questions regarding this filing, please contact the undersigned.

Respectfully submitted,


Matt O'Flaherty
Northstar Telecom, Inc.

RECEIVED

JAN 19 2005

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

APPLICATION AND REQUEST FOR AUTHORITY

Application is hereby made to the South Dakota Public Utilities Commission for a certificate Authorizing Northstar Telecom, Inc. ("Northstar") to provide resold and facilities-based/UNE-P local exchange and interexchange telecommunications services pursuant to Section 20:10:32:03 of the South Dakota Public Utilities Commission Telecommunications Rules and Regulations. The following general information and exhibits are furnished in support thereof:

1. Northstar is incorporated in the State of Nebraska and is in good standing under the laws of that state. The Company was incorporated on July 2, 2004. A copy of the Northstar's Articles of Incorporation appears as Exhibit 1.

The Northstar's legal name, address of its principal offices and telephone number are:

Northstar Telecom, Inc.
1425 Walnut Drive
Arlington, Nebraska 68002
Telephone: (402)753-0057
Facsimile: (800) 215-7521

2. Northstar is a Corporation in the State of Nebraska. The current Officers and Directors are as follows:

Officers

Matt O'Flaherty - President

Directors

Matt O' Flaherty

The above named individuals can be reached at:

Northstar Telecom, Inc.
1425 Walnut Drive, Arlington, Nebraska 68002
Telephone: (402) 753-0057 ext. 3002
Facsimile: (800) 215-7521

3. The Northstar will only provide services under the name Northstar Telecom.
4. The Northstar is a Nebraska Corporation.
 - a. The Northstar does not have offices in South Dakota.
 - b. The current shareholders owning 20% or more interest:

Matt O' Flaherty
 - c. A copy of Northstar's Articles of Incorporation are attached hereto as Exhibit 1.
 - d. Northstar will provide certificate of authority to transact business as a foreign corporation upon receipt.
5. The Northstar is currently authorized to provide Local and Long Distance services in Nebraska , Washington and Colorado. The Northstar currently does not provide service to any customers in the above mentioned states.

The following approvals to provide service were issued:

Nebraska -- Nov. 23, 2004

Washington – Dec. 04, 2004
Colorado – Nov. 24, 2004

6. Midwest Marketing Group, Inc.

1101 Hills Road
Fremont, NE 68025

7. Northstar intends to provide all forms of intrastate interexchange and local exchange telecommunications services.

- a. Northstar will provide services to business and residential subscribers who apply for service.
- b. All services will be provided by purchasing unbundled network elements and resale provided through ILEC arrangements.
- c. Northstar will provide all services through underlying agreements with Qwest.
- d. Northstar intends to provide the following services to potential customers:

Interexchange (switched and dedicated services):

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

Local Exchange:

- A. Local Exchange Services for business and residential customers that will enable customers to originate and terminate local calls in the local calling area served by other LECs, including local dial tone and custom calling features.
- 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.

8. Northstar proposes to provide its interexchange services originating throughout the

entire State of South Dakota, and local exchange services throughout the State in the areas

served by any LEC's in South Dakota that are not eligible for a small or rural carrier exemption pursuant to Section 251 (f)(1) of the Federal Act. Northstar does not seek to provide services to customers in those small or rural territories at this time.

9. Northstar has the technical ability to provide the proposed services. At this time, Northstar neither owns nor leases equipment or facilities used for transport of telecommunications in the state of South Dakota.
 - a. The senior management of Northstar has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to Northstar. Since Northstar will be providing resold and UNE-P service, using unbundled network elements purchased from the incumbent local exchange carriers, Northstar 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. A brief description of Northstars management team is attached hereto as exhibit 2.
 - b. Northstar has an agreement with an industry leading call center that manages inbound and outbound sales, customer service, and provisioning for various CLECS. The call center has been responsible for the pre-order and post-order activity of over 300,000 access lines for other CLECS. Its vast knowledge and experience in CLEC policies and procedures which will ensure that customers receive service levels that exceed expectations. In addition, Northstar has agreements with billing and

fulfillment centers that currently bill and print for other CLECS.

10. Northstar has agreements with the incumbent LEC's that provide seamless solutions for E911, operator services, interexchange services, directory assistance and telecommunications relay services.
11. A copy of Northstars financial statement as of November 2004, is filed herewith under separate cover as "Confidential" (Exhibit 3).
 - a. see above
 - b. Northstar is privately held.
12. Northstar has signed agreements with the ILEC (Qwest) as of November 2004.
 - a. Northstar currently has agreements in 12 of the 14 Qwest States. No additional agreements are expected to be signed.
 - b. Northstar has existing QPP and ICA's with Qwest in 12 states.
 - c. Northstar has opted into AT&T Corps. ICA in twelve of the 14 Qwest states. A copy is available electronically or can be mailed under separate cover.
13. A copy of the Northstar business and consumer plans are attached (exhibit 4).

Northstar will file detailed Local tariffs for both business and consumer product offerings upon commission approval allowing Northstar to provide local services.
14. Included in exhibit 4
15. Northstar will market its services through outbound calling (telesales) as well as direct sales representatives. Its target market is consumers focused on value added services

(i.e. unlimited calling plans with feature rich offerings) and small to mid-sized businesses that are price and value focused. Northstar does not intend now or in the future to utilize multilevel marketing to acquire subscribers. An electronic marketing flyer has been attached as a sample of materials Northstar intends to utilize (exhibit 5).

16. Northstar does not intend to provide local exchange service in the service area of a rural telephone company. See response # 8 for additional information.
17. Northstar is currently authorized to provide services in Nebraska, Washington and Colorado and is currently in good standing with all state and federal agencies. Northstar has not been denied registration or certification in any state.

18. All regulatory matters should be sent to:

Northstar Telecom, Inc.
1101 Hills Road
Fremont, Nebraska 68025
Attn: Tom Jones

Telephone: 402-753-0057 ext. 3006
Email: regulatory@northstartelecom.com
Facsimile: 800-215-7521

19. Northstar will bill all customers consistent with that of all utility providers. All non-reoccurring charges will be billed on the invoice period following the usage and all monthly reoccurring charges will be billed one month in advance. In the initial month of service all customers will be billed the prorated monthly reoccurring charges as well as the following months monthly reoccurring charges as well as the non-reoccurring charges, taxes and surcharges.

20. Northstar will meet and exceed all state and federal requirements for soliciting and switching. Every customer will receive a welcome call confirming the understanding of the product and that they are "switching to Northstar Telecom" in addition to a welcome letter via US mail for their records.
21. Northstar does not have any State or Federal complaints.
22. Northstar has reviewed that laws and regulations of this Commission governing local exchange and interexchange telecommunications services in South Dakota and will provide service in accordance with all laws, rules and regulations to the extent they are not preempted by the Federal Act. The company does not seek any waivers of any rules.
23. Northstar Telecom, Inc. EIN – 20-1359662
24. see response 9, 9.a and 9.b

WHEREFORE, Northstar Telecom, Inc. requests that the South Dakota Public Utilities Commission enter an order granting a certificate authorizing Northstar Telecom, Inc. to operate as a reseller and facilities-based/UNE-P common carrier of interexchange and local exchange telecommunications services, and to operate as a facilities-based/UNE-P provider of local exchange services.

Respectfully submitted this 17 day of January, 2005 at Fremont, Nebraska.

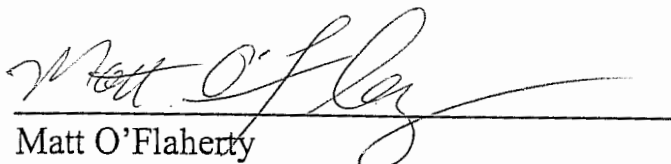
Northstar Telecom, Inc.

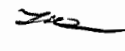
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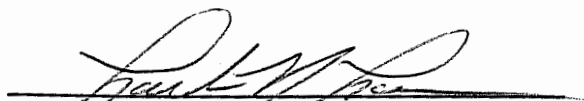
Matt O'Flaherty
President – Northstar Telecom, Inc.

State of Nebraska
County of Washington

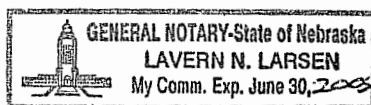
Matt O'Flaherty, being first duly sworn, deposes and says that he/she is the President of Northstar Telecom, Inc. the applicant in the proceeding entitled above, that he/she has read the foregoing application and knows the contents thereof; that the same are true of his/her knowledge, except as to matters which are therein stated on information or belief, and to those matters he believes them to be true.


Matt O'Flaherty
President

Subscribed and sworn to before
This 17th day of January, 2004. 5 


Notary Public

My Commission expires: June 30, 2005



NORTHSTAR TELECOM

EXHIBITS

 ORIGINAL

NORTHSTAR TELECOM

EXHIBIT 1

ARTICLES OF INCORPORATION
OF
NORTHSTAR TELECOM, INC.

The undersigned does hereby act as incorporator in adopting the following Articles of Incorporation for the purpose of organizing a business corporation, pursuant to the provisions of the Business Corporation Act of the State of Nebraska.

FIRST: The corporate name for the corporation (hereinafter called the "corporation") is

NORTHSTAR TELECOM, INC.

SECOND: The number of shares the corporation is authorized to issue is 1500, all of which are of \$.10 par value and are of the same class and are Common shares.

THIRD: The street address of the initial registered office of the corporation in the State of Nebraska is 1900 First Bank Building, 233 South 13th Street, Lincoln, NE 68508

The name of the initial registered agent of the corporation at the said registered office is CSC-Lawyers Incorporating Service Company.

FOURTH: The name and the address of the incorporator is:

<u>NAME</u>	<u>ADDRESS</u>
Barbara M. Diffenderfer	2711 Centerville Rd., Ste 400, Wilmington, DE 19808

FIFTH: The purposes for which the corporation is organized are as follows:

To engage in any lawful business.

SIXTH: The personal liability of the directors of the corporation is hereby eliminated to the fullest extent permitted by the provisions of the Business Corporation Act of the State of Nebraska, as the same may be amended and supplemented.

SEVENTH: The duration of the corporation shall be perpetual.

Signed on July 1, 2004

Barbara M. Diffenderfer

Barbara M. Diffenderfer, Incorporator

BYLAWS

OF

(a Nebraska corporation)

ARTICLE I

SHAREHOLDERS

1. SHARE CERTIFICATES. Certificates evidencing fully-paid shares of the corporation shall set forth thereon the statements prescribed by Section 21-2044 of the Business Corporation Act of the State of Nebraska ("Business Corporation Act") and by any other applicable provision of law, shall be signed, either manually or in facsimile, by any two of the following officers: the President, a Vice-President, the Secretary, an Assistant Secretary, the Treasurer, an Assistant Treasurer, or by any two officers designated by the Board of Directors, and may bear the corporate seal or its facsimile. If a person who signed, either manually or in facsimile, a share certificate no longer holds office when the certificate is issued, the certificate is nevertheless valid.

2. FRACTIONAL SHARES OR SCRIP. The corporation may: (a) issue fractions of a share or pay in money the value of fractions of a share; (b) arrange for disposition of fractional shares by the shareholders; and (c) issue scrip in registered or bearer form entitling the holder to receive a full share upon surrendering enough scrip to equal a full share. Each certificate representing scrip must be conspicuously labeled "scrip" and must contain the information required by subsection (2) of Section 21-2044 of the Business Corporation Act. The holder of a fractional share shall be entitled to exercise the rights of a shareholder, including the right to vote, to receive dividends, and to participate in the assets of the corporation upon liquidation. The holder of scrip shall not be entitled to any of these rights unless the scrip provides for them. The Board of Directors may authorize the issuance of scrip subject to any condition considered desirable, including (a) that the scrip will become void if not exchanged for full shares before a specified date; and (b) that the shares for which the scrip is exchangeable may be sold and the proceeds paid to the scripholders.

3. SHARE TRANSFERS. Upon compliance with any provisions restricting the transferability of shares that may be set forth in the articles of incorporation, these Bylaws, or any written agreement in respect thereof, transfers of shares of the corporation shall be made only on the books of the corporation by the registered holder thereof, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation, or with a transfer agent or a registrar and on surrender of the certificate or certificates for such

shares properly endorsed and the payment of all taxes thereon, if any. Except as may be otherwise provided by law or these Bylaws, the person in whose name shares stand on the books of the corporation shall be deemed the owner thereof for all purposes as regards the corporation; provided that whenever any transfer of shares shall be made for collateral security, and not absolutely, such fact, if known to the Secretary of the corporation, shall be so expressed in the entry of transfer.

4. RECORD DATE FOR SHAREHOLDERS. In order to determine the shareholders who are entitled to notice of a shareholders' meeting, to demand a special meeting, to vote, or to take any other action, the Board of Directors of the corporation may fix a date as the record date for any such determination of shareholders, such date in any case to be not more than seventy days before the meeting or action requiring such determination of shareholders. A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than one hundred twenty days after the date fixed for the original meeting.

5. MEANING OF CERTAIN TERMS. As used herein in respect of the right to notice of a meeting of shareholders or a waiver thereof or to participate or vote thereat or to consent or dissent in writing in lieu of a meeting, as the case may be, the term "share" or "shares" or "shareholder" or "shareholders" refers to an outstanding share or shares and to a holder or holders of record of outstanding shares when the corporation is authorized to issue only one class of shares, and said reference is also intended to include any outstanding share or shares and any holder or holders of record of outstanding shares of any class upon which or upon whom the articles of incorporation confer such rights where there are two or more classes or series of shares or upon which or upon whom the Business Corporation Act confers such rights notwithstanding that the articles of incorporation may provide for more than one class or series of shares, one or more of which are limited or denied such rights thereunder.

6. SHAREHOLDER MEETINGS.

- TIME. The annual meeting shall be held on the date fixed from time to time by the directors. A special meeting shall be held on the date fixed from time to time by the directors except when the Business Corporation Act confers the right to call a special meeting upon the shareholders.

- PLACE. Annual meetings and special meetings shall be held at such place in or out of the State of Nebraska as the directors shall from time to time fix.

- CALL. Annual meetings may be called by the directors or the Chairman of the Board of Directors, if any, the Vice-Chairman of the Board, if any, the President, or the Secretary or by any officer instructed by the directors or the President to call the meeting. Special meetings may be called in like manner.

- NOTICE OR ACTUAL OR CONSTRUCTIVE WAIVER OF NOTICE. The corporation shall notify shareholders of the date, time, and place of each annual and special shareholders' meeting. Such notice shall be no fewer than ten nor more than sixty days before the meeting date. Unless the Business Corporation Act or the articles of incorporation require otherwise, notice of an annual meeting shall not be required to include a description of the purpose or purposes for which the meeting is called. Notice of a special meeting shall include a description of the purpose or purposes for which the meeting is called. Unless the Business Corporation Act or the articles of incorporation require otherwise, the corporation shall be required to give notice only to shareholders entitled to vote at the meeting. A shareholder may waive any notice required by the Business Corporation Act, the articles of incorporation or the Bylaws before or after the date and time stated in the notice. The waiver shall be in writing, shall be signed by the shareholder entitled to the notice, and shall be delivered to the corporation for inclusion in the minutes or filing with the corporate records. A shareholder's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

- VOTING LIST FOR MEETING. After fixing a record date for a meeting, the corporation shall prepare an alphabetical list of the names of all its shareholders who are entitled to notice of a shareholders' meeting. The list shall be arranged by voting group, and within each voting group by class or series of shares, and show the address of and number of shares held by each shareholder. The shareholders' list shall be available for inspection by any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. A shareholder, or his or her agent, or attorney, shall be entitled on written demand to inspect and, subject to the requirements of subsection (3) of Section 21-20,183 of the Business Corporation Act, to copy the shareholders' list during regular business hours and at his or her expense, during the period it is available for inspection. The corporation shall make the shareholders' list available at the meeting, and any shareholder, or his or her agent, or his or her attorney, is entitled to inspect the list at any time during the meeting or any adjournment.

- CONDUCT OF MEETING. Meetings of the shareholders shall be presided over by one of the following officers in the order of seniority and if present and acting - the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, the President, a Vice-President, if any, or, if none of the foregoing is in office and present and acting, by a chairman to be chosen by the shareholders. The Secretary of the corporation, or in his absence, an Assistant Secretary, shall act as secretary of every meeting, but, if neither the Secretary nor an Assistant Secretary is present, the chairman of the meeting shall appoint a secretary of the meeting.

- PROXY REPRESENTATION. A shareholder may appoint a proxy to vote or otherwise act for him or her by signing an appointment form, either personally or by his or her

attorney-in-fact. An appointment of a proxy shall be effective when received by the Secretary or other officer or agent authorized to tabulate votes. An appointment shall be valid for eleven months, unless a longer period is expressly provided in the appointment form. An appointment of a proxy shall be revocable by the shareholder unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest.

- SHARES HELD BY NOMINEES. The corporation may establish a procedure by which the beneficial owner of shares that are registered in the name of a nominee is recognized by the corporation as the shareholder. The extent of this recognition may be determined in the procedure.

- QUORUM. Unless the articles of incorporation or the Business Corporation Act provides otherwise, a majority of the votes entitled to be cast on the matter by the voting group shall constitute a quorum of that voting group for action on that matter. Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. Once a share is represented for any purpose at a meeting, it shall be deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or shall be set for that adjourned meeting.

- VOTING. Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. If a quorum exists, action on a matter, other than the election of directors, by a voting group shall be approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action unless the articles of incorporation, or the Business Corporation Act requires a greater number of affirmative votes.

7. ACTION WITHOUT MEETING. Any action required or permitted by the provisions of the Business Corporation Act to be taken at a shareholders' meeting may be taken without a meeting, if the action is taken by all the shareholders entitled to vote on the action. The action shall be evidenced by one or more written consents, describing the action taken, signed by all the shareholders entitled to vote on the action, and delivered to the corporation for inclusion in the minutes or filing with the corporate records. If the Business Corporation Act requires that notice of proposed action be given to nonvoting shareholders and the action is to be taken by unanimous consent of the voting shareholders, the corporation shall give its nonvoting shareholders written notice of the proposed action at least ten days before the action is taken. The notice shall contain or be accompanied by the same material that, under the Business Corporation Act, would have been required to be sent to nonvoting shareholders in a notice of a meeting at which the proposed action would have been submitted to the shareholders for action.

ARTICLE II

BOARD OF DIRECTORS

1. FUNCTIONS GENERALLY - COMPENSATION. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation managed under the direction of, a Board of Directors. The Board may fix the compensation of directors.

2. QUALIFICATIONS AND NUMBER. A director need not be a shareholder, a citizen of the United States, or a resident of the State of Nebraska. The initial Board of Directors shall consist of persons, which shall be the number of directors until changed. Thereafter, the number of directors shall not be less than nor more than . The number of directors may be fixed or changed from time to time, within such minimum and maximum, by the shareholders or, unless the articles of incorporation or an agreement valid under Section 21-2069 shall otherwise provide, by the Board of Directors. If not so fixed, the number shall be . The number of directors shall never be less than one. After shares are issued, only the shareholders may change the range for the size of the Board of Directors or change from a fixed to a variable-range size Board or vice versa.

3. TERMS AND VACANCIES. The terms of the initial directors of the corporation shall expire at the first shareholders' meeting at which directors are elected. The terms of all other directors expire at the next annual shareholders' meeting following their election unless their terms are staggered under Section 21-2083 of the Business Corporation Act. A decrease in the number of directors shall not shorten an incumbent director's term. The term of a director elected to fill a vacancy expires at the next shareholders' meeting at which directors are elected. Despite the expiration of a director's term, the director shall continue to serve until his or her successor is elected and qualifies or until there is a decrease in the number of directors. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of directors, or the shareholders or the Board of Directors may fill the vacancy; or if the directors remaining in office constitute fewer than a quorum of the Board of Directors, they may fill the vacancy by the affirmative vote of a majority of all the directors, remaining in office. If the vacant office was held by a director elected by a voting group of shareholders, only the holders of shares of that voting group shall be entitled to vote to fill the vacancy if it is filled by the shareholders.

4. MEETINGS.

- TIME. Meetings shall be held at such time as the Board shall fix, except that the first meeting of a newly elected Board shall be held as soon after its election as the directors may conveniently assemble.

- PLACE. The Board of Directors may hold regular or special meetings in or out of the State of Nebraska at such place as shall be fixed by the Board.

- CALL. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of

the Board, if any, the Vice-Chairman of the Board, if any, of the President, or of a majority of the directors in office.

- NOTICE OR ACTUAL OR CONSTRUCTIVE WAIVER. Regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Written, or oral, notice of the time and place shall be given for special meetings in sufficient time for the convenient assembly of the directors thereat. The notice of any meeting shall not be required to describe the purpose of the meeting. A director may waive any notice required by the Business Corporation Act, the articles of incorporation, or by these Bylaws before or after the date and time stated in the notice. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting, or promptly upon his or her arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Except as hereinbefore provided, a waiver shall be in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records.

- QUORUM AND ACTION. A quorum of the Board of Directors shall consist of a majority of the number of directors prescribed in or fixed in accordance with these Bylaws. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors. The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means shall be deemed to be present in person at the meeting.

- CHAIRMAN OF THE MEETING. Meetings of the Board of Directors shall be presided over by the following directors in the order of seniority and if present and acting - the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, the President, or any other director chosen by the Board.

5. REMOVAL OF DIRECTORS. The shareholders may remove one or more directors with or without cause pursuant to the provisions of Section 21-2085 of the Business Corporation Act.

6. COMMITTEES. The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee may have two or more members, who serve at the pleasure of the Board of Directors. The creation of a committee and the appointment of members to it must be approved by the greater of (a) a majority of all the directors in office when the action is taken, or (b) the number of directors required by the articles of incorporation or these Bylaws to take action under the provisions of Section 21-2093 of the Business Corporation Act. The provisions of Sections 21-2089 through 21-2093 of the Business Corporation Act, which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board of Directors, shall apply to committees and their members as well. To the extent specified by the Board of Directors, the

articles of incorporation, or these Bylaws, each committee may exercise the authority of the Board of Directors under Section 21-2078 of the Business Corporation Act except such authority as may not be delegated under the Business Corporation Act.

7. ACTION WITHOUT MEETING. Action required or permitted by the provisions of the Business Corporation Act to be taken at a Board of Directors' meeting may be taken without a meeting if the action is taken by all members of the Board. The action shall be evidenced by one or more written consents, describing the action taken, signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this paragraph is effective when the last director signs the consent, unless the consent specifies a different effective date.

ARTICLE III

OFFICERS

The corporation shall have a President, and a Secretary, and such other officers as may be deemed necessary, who may be appointed by the directors. The same individual may simultaneously hold more than one office in the corporation.

A duly appointed officer may appoint one or more officers or assistant officers if authorized by the Board of Directors.

Each officer of the corporation shall have the authority and shall perform the duties prescribed by the Board of Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers; provided, that the Secretary, or any Assistant Secretary or any one or more other officers designated by the Board of Directors shall have the responsibility for preparing minutes of the directors' and shareholders' meetings and for authenticating records of the corporation.

The Board of Directors may remove any officer at any time with or without cause.

ARTICLE IV

STATUTORY NOTICES TO SHAREHOLDERS

The Board of Directors may appoint the Treasurer or other fiscal officer and/or the Secretary or any other officer to cause to be prepared and furnished to shareholders entitled thereto any special financial notice and/or any financial statement, which may be required by any provision of law, and which, more specifically, may be required by Sections 21-20,186 and 21-20,187 of the Business Corporation Act.

ARTICLE V

REGISTERED OFFICE AND AGENT

The address of the initial registered office of the corporation and the name of the initial registered agent of the corporation are set forth in the original articles of incorporation.

ARTICLE VI

CORPORATE SEAL

The corporate seal shall have inscribed thereon the name of the corporation and shall be in such form and contain such other words and/or figures as the Board of Directors shall determine or the law require.

ARTICLE VII

FISCAL YEAR

The fiscal year of the corporation shall be fixed, and shall be subject to change, by the Board of Directors.

ARTICLE VIII

CONTROL OVER BYLAWS

The Board of Directors may amend or repeal these Bylaws unless the articles of incorporation or the Business Corporation Act reserves this power exclusively to the shareholders in whole or in part, or the shareholders in amending or repealing a particular Bylaw provide expressly that the Board of Directors may not amend or repeal that Bylaw. The shareholders may amend or repeal these Bylaws even though the Bylaws may also be amended or repealed by the Board of Directors.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the Bylaws of _____, a corporation of the State of Nebraska, as in effect on the date hereof.

WITNESS my hand and the seal of the corporation.

Dated:

(SEAL)

Secretary of

--ooOOoo--

NORTHSTAR TELECOM

EXHIBIT 2

Management Bio:

Matthew O'Flaherty

Matthew O'Flaherty has worked in the Telecommunications Sector for 17 of his 20 years in business. With significant successes in sales and marketing for various leading Telecommunications firms he has managed sales organizations and achieved top accolades for 36 consecutive months. In 1999 Matthew formed Midwest Marketing Group, Inc. a Specialty Sales and Marketing firm that has grown from 1 to 260 employees in its first 5 years of operations. As President and CEO, he is responsible for all Sales and Marketing functions at Northstar and Midwest Marketing.

Thomas C. Jones

Thomas Jones has worked in the Telecommunications sector for 15 years holding various management and executive positions with AT&T, WorldCom, Westinghouse Communications (Acceris Communications) and Cooperative Communications. In 1996 Mr. Jones Co-Founded a Northeastern based CLEC (Plan B Communications) and was responsible for sales operations, systems integration and development, business development and capital requirements. Mr. Jones has been responsible for capital fulfillment which has exceeded \$40 million in the CLEC community. Mr. Jones is a current shareholder and executive of Midwest Marketing Group, Inc.

About Midwest Marketing Group, Inc.

Midwest is a privately held Telecommunications Sales and Customer Care Center. Current revenues exceed \$4.0 million annually. Forecasted revenues for 2005 are \$6.8 million.

NORTHSTAR TELECOM

EXHIBIT 3

Northstar Balance Sheet	
Month Ending - November 2004	
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 11,500.00
Short Term Investments	\$ -
Net Receivables	\$ -
Inventory	\$ -
Equipment (phone system, work stations and dialers)	\$ 486,000.00
Other Current Assets (Proprietary billing system and support servers)	\$ 550,000.00
Furniture	\$ 100,000.00
Total Current Assets	\$ 1,147,500.00
Long Term Investments	\$ -
Property, Plant and Equipment	\$ -
Intangible Assets	\$ -
Accumulated Amortization	\$ -
Other Assets	\$ -
Deferred Long Term Asset Charges	\$ -
Total Assets	\$ 1,147,500.00
LIABILITIES	
Current Liabilities	\$ -
Accounts Payable	\$ -
Short / Current Long Term Debt	\$ -
Other Liabilities	\$ -
Deferred Long Term Liability Charges	\$ -
Minority Interest	\$ -
Negative Goodwill	\$ -
Total Liabilities	\$ -
EQUITY	
Stockholders Equity	\$ -
Preferred Stock	\$ -
Common Stock (in the name of Midwest Marketing Group, Inc.)	\$ 1,147,500.00
Retained Earnings	\$ -
Treasury Stock	\$ -
Capital Surplus	\$ -
Other Stockholder Equity	\$ -
Total Stockholder Equity	\$ 1,147,500.00

STMT OF ASSETS, LIABILITIES AND EQUITY-CASH BASIS
AS OF 07/31/04

** THIS MONTH THIS YEAR **

** THIS MONTH LAST YEAR **

ASSETS

Current assets:

Cash in bank	217,796.73	9,067.44
Savings #1	171.53	170.23
Savings #2	25,796.82	43,041.03
Employee receivable	15,061.01	1,711.85-

Total current assets	258,826.09	50,566.85
----------------------	------------	-----------

Property (at cost):

Equipment	272,913.56	269,861.61
Accumulated depreciation	227,778.00-	81,129.00-

Property-net	45,135.56	188,732.61
--------------	-----------	------------

Other assets:

Deposits	730.28	730.28
----------	--------	--------

Total other asset	730.28	730.28
-------------------	--------	--------

Total assets	304,691.93	240,029.74
--------------	------------	------------

LIABILITIES AND EQUITY

Current liabilities:

Note payable-Wilkening	14,285.57	18,737.29
Note payable-Thomas	5,374.20	7,708.71
Wells Fargo Leasing	2,077.87	3,762.63
Note pay-GE Capital-2000	5,670.15	25,563.20
Note pay-Citi Cap-2001	2,213.13	14,294.27
Note pay-Wells Fargo-2002	11,707.70	16,420.29
Federal w/h tax	53,026.00	4,139.00
FICA w/h tax	106,674.04	3,946.23
State w/h tax	30,351.40	6,997.94

Total current liabilities	231,380.06	101,569.56
---------------------------	------------	------------

Long-term liabilities:

Total long-term debt	0.00	0.00
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Equity

Capital stock	4,000.00	4,000.00
Retained earnings	35,595.98	18,038.90
Current Earnings	33,715.89	116,421.28

Total equity	73,311.87	138,460.18
--------------	-----------	------------

Total liabilities/equity	304,691.93	240,029.74
--------------------------	------------	------------

STATEMENT OF REVENUE AND EXPENSES-CASH BASIS
 FOR THE MONTH ENDING 07/31/04

CURR. PERIOD RATIO: NET REVENUE	-----	T H I S	Y E A R	-----	-----BUDGET-----	----- L A S T	Y E A R	-----
YTD RATIO.....: NET REVENUE	THIS MONTH	RATIO	7 MONTHS	RATIO	7 MONTHS	THIS MONTH	7 MONTHS	
<hr/>								
INCOME								
Sales	400,752.64	100.0	2,346,058.12	100.0	0.00	319,452.17	1,897,188.38	
	-----	-----	-----	-----	-----	-----	-----	
TOTAL INCOME	400,752.64	100.0	2,346,058.12	100.0	0.00	319,452.17	1,897,188.38	
<hr/>								
COST OF SALES								
Telephone charges	5,780.61	1.4	120,517.15	5.1	0.00	32,788.41-	38,801.52	
E-Mail Leads	0.00	0.0	0.00	0.0	0.00	0.00	15,657.00	
	-----	-----	-----	-----	-----	-----	-----	
TOTAL COST OF SALES	5,780.61	1.4	120,517.15	5.1	0.00	32,788.41-	54,458.52	
<hr/>								
GROSS PROFIT	394,972.03	98.6	2,225,540.97	94.9	0.00	352,240.58	1,842,729.86	
<hr/>								
EXPENSES								
Salaries - officers	0.00	0.0	0.00	0.0	0.00	103,000.00	103,923.57	
Salaries - others	370,105.65	92.4	1,793,053.85	76.4	0.00	174,817.61	1,097,695.96	
Labor - misc.	0.00	0.0	0.00	0.0	0.00	0.00	150.00	
Employee bonus/residual	0.00	0.0	0.00	0.0	0.00	0.00	752.16	
Advertising & promotion	2,445.97	0.6	13,326.81	0.6	0.00	603.30	2,525.76	
Auto expense	0.00	0.0	0.00	0.0	0.00	0.00	1,018.34	
Bank charges	25.00	0.0	280.00	0.0	0.00	40.00	250.00	
Commissions	0.00	0.0	1,329.73	0.1	0.00	65,893.39	189,270.99	
Depreciation	1,500.00	0.4	10,500.00	0.4	0.00	0.00	10,775.00	
Dues & subscriptions	0.00	0.0	525.00	0.0	0.00	0.00	545.00	
Fees & licenses	0.00	0.0	0.00	0.0	0.00	0.00	43.59	
Freight	0.09-	0.0	278.94	0.0	0.00	0.00	73.88	
Internet service	0.00	0.0	186.58	0.0	0.00	393.46	917.61	
Insurance - general	7,926.26	2.0	15,245.68	0.6	0.00	209.59	3,584.48	
Insurance - group	0.00	0.0	71,200.79	3.0	0.00	8,957.16	49,378.20	
Interest	523.48	0.1	5,874.89	0.3	0.00	1,105.34	9,183.99	
Laundry	0.00	0.0	0.00	0.0	0.00	55.00	1,650.47	
Lease expense	459.06	0.1	5,475.96	0.2	0.00	459.06	3,213.42	
Meals	574.97	0.1	5,037.79	0.2	0.00	300.05	3,402.84	
Miscellaneous	500.00	0.1	7,862.88	0.3	0.00	0.00	2,561.10	
Office expense	305.62	0.1	12,449.39	0.5	0.00	3,781.45	20,592.34	
Operating supplies	3,303.47	0.8	38,148.03	1.6	0.00	0.00	20,868.61	
Professional fees	62.50	0.0	4,181.43	0.2	0.00	975.76	4,249.76	
Rent	5,000.00	1.2	35,000.00	1.5	0.00	0.00	34,226.00	
Rental - copier	0.00	0.0	0.00	0.0	0.00	0.00	3,597.49	
Repairs & maintenance	804.57	0.2	10,049.02	0.4	0.00	393.87	9,571.41	
Small tools	0.00	0.0	0.00	0.0	0.00	1,375.20	4,942.56	
Storage	0.00	0.0	470.00	0.0	0.00	303.00	712.00	
Taxes-payroll	34,404.39	8.6	137,426.86	5.9	0.00	37,088.61	133,229.07	
Taxes-other	0.00	0.0	1,945.20	0.1	0.00	0.00	16.00	
Telephone	1,467.78	0.4	8,212.53	0.4	0.00	1,100.54	8,298.67	
Utilities	0.00	0.0	17,285.27	0.7	0.00	2,703.04	5,909.19	
	-----	-----	-----	-----	-----	-----	-----	
TOTAL EXPENSES	429,408.63	107.2	2,195,346.63	93.6	0.00	403,555.43	1,727,129.46	
<hr/>								
NET OPERATING INCOME	34,436.60-	8.6-	30,194.34	1.3	0.00	51,314.85-	115,600.40	
<hr/>								
OTHER INCOME								
Interest income	0.00	0.0	497.05	0.0	0.00	0.00	165.05	
Miscellaneous	0.00	0.0	3,024.50	0.1	0.00	1,558.01-	655.83	
	-----	-----	-----	-----	-----	-----	-----	
TOTAL OTHER INCOME	0.00	0.0	3,521.55	0.2	0.00	1,558.01-	820.88	

See accountant's compilation report.

STATEMENT OF REVENUE AND EXPENSES-CASH BASIS
FOR THE MONTH ENDING 07/31/04

CURR. PERIOD RATIO: NET REVENUE		T H I S Y E A R				BUDGET	L A S T Y E A R	
YTD RATIO.....	NET REVENUE	THIS MONTH	RATIO	7 MONTHS	RATIO	7 MONTHS	THIS MONTH	7 MONTHS
NET INCOME		34,436.60-	8.6-	33,715.89	1.4	0.00	52,872.86-	116,421.28

See accountant's compilation report.

NORTHSTAR TELECOM

EXHIBIT 4

UNEP / QPP SOUTH DAKOTA RESIDENTIAL PRODUCT

ASSUMPTIONS	UNEP - QPP INITIAL LINE		
	UNEP COST MRC	UNEP COST NRC	CUSTOMER CHARGES
Loop Cost Zone 1	\$ 15.20	\$ 0.64	
	\$ 15.20	\$ 0.64	
	\$ 15.20	\$ 0.64	
Port Cost Zone 1	\$ 1.84	\$ -	
	\$ 1.84	\$ -	
	\$ 1.84	\$ -	
	\$ 17.04	\$ 0.64	39.99
	\$ -	\$ -	\$ 6.00
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ 0.99
	\$ 0.23	\$ -	\$ 0.23
	\$ 0.53	\$ -	\$ 0.53
	\$ 0.76	\$ -	\$ 7.75
EST MINUTES			
1000	\$ 0.70		\$ -
300	\$ -		\$ -
500	\$ 3.41		\$ -
	4.12		
MODEL ASSUMES NO ADDL FTRS.			
Every line has touchtone	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	\$ -
	\$ 2.50	\$ -	\$ 5.00
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	\$ 1.00
	\$ -	\$ -	NA
	\$ 21.92	\$ -	\$ 47.74
TOTALS			
PROPOSED MARGINS			

NORTHSTAR TELECOM

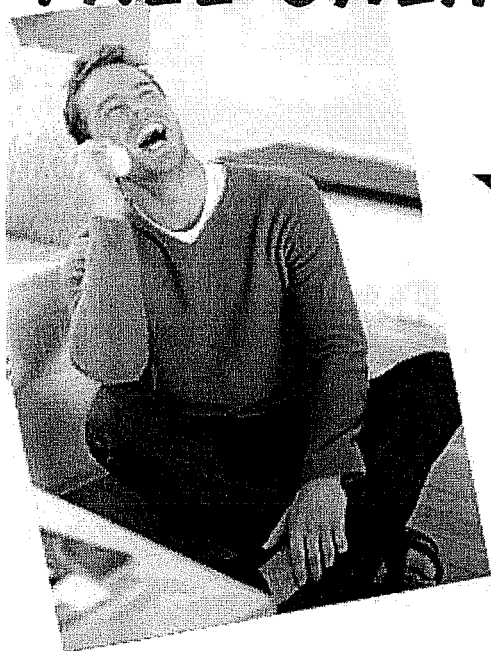
EXHIBIT 5

Home Phone Service

FREE UNLIMITED Long Distance!

Pay Less

Get More!



- Quick and easy toll-free sign up
- Keep your same phone number
- Unlimited Local Calls
- Switch is seamless
- No contracts

**Call
Now!**

Choose the plan for your needs

Unlimited Advantage

Unlimited Local and Long Distance

- That's right, unlimited local calling and unlimited domestic long distance calling

- Call Waiting Deluxe
- Caller ID Deluxe
- Three Way Calling
- Repeat Dialing
- Call Forwarding

\$39.99

Best Value!

Per
month

Super Saver

- Enjoy low long distance rates of 4.9¢ per minute for all interstate calls.

- Caller ID
- Call Waiting
- Three Way Calling

\$23.99

Per
month

Other features are available including Internet Service, Voicemail, Calling Cards and Toll Free Service.
Ask the Operator for more details

Call between 8 a.m. and 8 p.m. Monday - Saturday
To get your Home Phone Service!

1-800-266-3930



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