0 C+	A) DJ		DOCKET NO.	TC98-006		
1	In the Matter of IN THEAPPLICATION OF PRIDE AMERICA, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA  Public Utilities Commission of the State of South Dakota					
D	ATE.	MEMORAND	•			
1/2 1/2 2/9 4/6 4/6	1 98 3 98 9 98 16 98 16 98 16 98	Filed and Socketed; TC for Filera; Poused Sarel Sheet; Rivesed Sarel Sheet 22; Order Sheet 22; Order Sheet Clased.				

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (605) 773-3705
Fax: (605) 773-3809

# TELECOMMUNICATIONS SERVICE FILINGS

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

01/16/98 through 01/22/98

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

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE			
REQUEST FOR CERTIFICATE OF AUTHORITY						
TC98-005	Application by NorCom Advanced Technologies, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/KC) "Applicant is a non-switching, facilities based provider of directly connected telecommunications services. Current offerings include telephone systems, data and voice network cabling, radio communication systems and telecommunication consulting services. Applicant seeks to include leasing and sale of microwave and fiber optic transmission services, dark fiber, and point-to-point wired and wireless services. Applicant intends to provide high quality services that meet industry reliability standards."	01/20/98	02/06/98			
TC98-006	Application by Pride America, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/CH) "Pride America offers inbound and outbound telecommunications services to residential and business customers utilizing switched access. Switched access service is available on a presubscription basis from equal access originating end offices. Pride America also offers travel card and debit card services."	01/21/98	02/06/98			

Important Notice: The Commission is compiling a list of internet addresses. If you have an internet address please notify the Commission by E-mailing it to Terry Norum at terryn@puc state sd us. Faxing the address to the Commission at 605-773-3809.

TC 98-006



# RECEIVED

FEB 1 9 1998

SOUTH DAKCTA PUBLIC UTILITIES COMMISSION February 5, 1998

Overnight

210 N. Park Ave PO Drawer 200

Winter Park, FL 32790-0200

Tel: 407-740-8575

Fax 407-740-0613

tmi@tminc.com

Mr. William Bullard, Jr. Executive Director

South Dakota Public Utilities Commission 500 East Capitol

Pierre, South Dakota 57501

Re:

Application and Tariff of Pride America, Inc. Responses to your letter dated January 29, 1998

Dear Mr. Bullard:

Enclosed please find the original and ten (10) copies of revised tariff sheets 6-9, 15, 17, 26, 28 and 32. The revised tariff sheets replace the existing tariff sheets in their entirety. The revisions were made at the request of your January 29, 1998 letter.

The Company has never been denied certification in any state.

The Company does not currently engage or plan to engage in multilevel marketing. The Company plans to obtain customers through direct sales.

Please acknowledge receipt of this filing by returning a date-stamped copy of this letter in the envelope provided.

Should you or your staff have any additional questions, please contact me at (407)

Sincerely,

Mark G. Lammert

Consultant to Pride America, Inc.

Enclosures

Dan Hansen, Pride America, Inc. cc:

File: Pride America - SD

TMS: SDi9800a

#### SECTION 1 - DEFINITION OF TERMS AND ABBREVIATIONS

Authorization Code - A pre-defined series of numbers to be dialed by the Customer or End User upon access to the Company's system to notify the caller and validate the caller's authorization to use the services provided. The Customer is responsible for charges incurred through the use of his or her assigned Authorization Code.

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

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

Carrier or Company - Pride America, Inc. ("Pride America") unless otherwise indicated by the context.

Commission - The South Dakota Public Utilities Commission.

Company's Point of Presence - Location of the serving central office associated with access to the Company's network.

ISSUED: EFFECTIVE:

#### SECTION 1 - DEFINITION OF TERMS AND ABBREVIATIONS, CONT'D.

Customer or Subscriber - 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.

Customer Premises Equipment - Terminal equipment, as defined herein, which is located on the Customer's premises.

End User - Any person, firm, corporation, partnership or other entity which uses the services of the Carrier 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 by another Customer.

Holidays - Holidays observed by the Company as specified in this tariff.

LATA - Local access and transport area. A geographic area established by the US District Court for the District of Columbia in Civil Action No. 17-49, within which a local exchange company provides communications services.

ISSUED: EFFECTIVE:

# SECTION 1 - DEFINITION OF TERMS AND ABBREVIATIONS, CONT'D.

**Presubscribe** - A method used to identify Pride America as the Customer's primary interexchange carrier and provides the Customer with direct dial "1+" long distance calling on Pride America's network.

Pride America - Used throughout this tariff to refer to Pride America, Inc.

**Sponsor** - A corporation or other legal entity that exclusively permits the use of its Marks to the Company for use with telephone cards or other merchandise, and contracts with the Company for the marketing of the services described herein.

Switched Access - Where access between the Customer and the Carrier is provided on local exchange company Feature Group circuits. The cost of switched Feature Group access is billed to the Carrier.

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

ISSUED: EFFECTIVE:

### SECTION 2 - REGULATIONS

## 2.1 Undertaking of Pride America, Inc.

- 2.1.1 Pride America, Inc. ("Pride America") is a resale common carrier providing intrastate direct dialed (1+), inbound toll free and travel card communication services to Customers for the transmission and reception of voice, data, and other types of communications within the State of South Dakota under the terms of this Tariff.
- 2.1.2 Pride America 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 the Pride America services. The Customer shall be responsible for all charges due for such service arrangement.
- 2.1.3 The Company's service is available twenty-four (24) hours per day, seven (7) days per week.
- 2.1.4 No charges apply to incomplete calls.

ISSUED:

EFFECTIVE:

#### SECTION 2 - REGULATIONS, CONT'D.

## 2.4 Cancellation or Discontinuance of Service by the Company

Service continues to be provided until canceled by the Customer or until canceled by the Company as set forth below. The Company may render bills subsequent to the termination of service for charges incurred before termination. The Customer shall pay such bills in full in accordance with the payment terms of this tariff. Card Services will not be available in South Dakota when the Customer has been canceled for Service in his/her home state.

- 2.4.1 Service may be suspended by the Company, without notice to the Customer, by blocking traffic to certain cities or NXX exchanges when the Company deems it necessary to take such action to prevent unlawful use of its service. Pride America will restore services as soon as it can be provided without undue risk, and will upon request by the Customer, assign new codes to replace ones that have been deactivated.
- 2.4.2 For nonpayment: The Company, by written notice to the Customer and in accordance with applicable law, may refuse, suspend or cancel service without incurring any liability when there is an unpaid balance for service that is more than 60 days overdue.
- 2.4.3 For returned checks: The Customer whose check or draft is returned unpaid for any reason, after two attempts at collection, shall be subject to refusal, suspension or cancellation of service in the same manner as provided for nonpayment of overdue charges.

ISSUED:

EFFECTIVE:

#### SECTION 2 - REGULATIONS, CONT'D.

- 2.4 Cancellation or Discontinuance of Service by the Company, Cont'd.
  - 2.4.6 For the Company to comply with any order or request of any governmental authority having jurisdiction: The Company may refuse, suspend or cancel service, without notice, in order to permit the Company to comply with any order or request of any governmental authority having jurisdiction.
  - 2.4.7 For unauthorized or unlawful use of Authorization Codes. Authorization Codes are issued by the Company only to the Customer and may not be sold or otherwise distributed without the written consent of the Company. Any unauthorized or unlawful use of such numbers or Authorization Codes shall result in the immediate refusal, suspension or cancellation of service without notice.
  - 2.4.8 Pride America may refuse or discontinue service under the following conditions provided that, unless otherwise stated in this tariff, the Customer shall be given 15 days notice to comply with any rule or remedy any deficiency:
    - A. For neglect or refusal to provide reasonable access to Pride America or its agents for the purpose of inspection and maintenance of equipment owned by Pride America or its agents.
    - B. Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect Pride America's equipment or service to others.
    - C. Without notice in the event of tampering with the equipment or services owned by Pride America or its agents.
    - D. Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, Pride America may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.

ISSUED: EFFECTIVE:

# SECTION 3 - DESCRIPTION OF SERVICE AND RATES

# 3.1 General

Pride America offers direct dial 1+, inbound toll free, travel card and directory assistance services for communications originating and terminating within the state of South Dakota under terms of this tariff.

Customers are billed based on their use of Pride America's network and services. Charges may vary by service offering and/or call duration.

ISSUED:

EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President

5403 Ashton Court Sarasota, Florida 34233

# SECTION 3 - DESCRIPTION OF SERVICE AND RATES

# 3.3 Timing of Calls

Billing for calls placed over the network is based in part on the duration of the call.

- 3.3.1 Timing for all calls begins when the called party answers the call (i.e. when two way communications are established). Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.
- 3.3.2 Chargeable time for all calls ends when one of the parties disconnects from the call.
- 3.3.3 Call timing is rounded up to the nearest billing increment after the initial minimum billing increment. The billing increment by product is noted in the description of the service offering.
- 3.3.4 Usage charges are computed and rounded up to the nearest penny on a per call basis.
- 3.3.5 No charges apply for incomplete calls.

# 3.4 Rate Periods

The Company's services are not time of day or day of week sensitive. The same rates apply 24 hours a day, 7 days a week.

ISSUED:

EFFECTIVE:

# SECTION 3 - DESCRIPTION OF SERVICE AND RATES

3.8 [Reserved for Future Use]

ISSUED:

EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President

5403 Ashton Court Sarasota, Florida 34233



MAR 26 1998

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

March 23, 1998 Overnight

210 N. Park Ave.

PO Drawer 200

Winter Park, FL

32790-0200

Tel: 407-740-8575

Fax: 407 740 0013

Fax: 407-740-0613

tmi@tminc.com

Mr. William Bullard, Jr.

Executive Director

South Dakota Public Utilities Commission

500 East Capitol

Pierre, South Dakota 57501

Re:

Application and Tariff of Pride America, Inc.

Responses to your letter dated January 29, 1998

Dear Mr. Bullard:

Enclosed please find the original and ten (10) copies of revised tariff sheet 22. The revised tariff sheet replaces the existing tariff sheets in their entirety. The revisions were made at the request of your January 29, 1998 letter.

The Company has never been denied certification in any state.

The Company does not currently engage or plan to engage in multilevel marketing. The Company plans to obtain customers through direct sales.

Please acknowledge receipt of this filing by returning a date-stamped copy of this letter in the envelope provided.

Should you or your staff have any additional questions, please contact me at (407) 740-8575. Thank you.

Sincerely.

Mark G. Lammert

Consultant to Pride America, Inc.

Enclosures

cc: Dan Hansen, Pride America, Inc.

File: Pride America - SD

TMS: SDi9800b

# SECTION 2 - REGULATIONS, CONT'D.

# 2.9 Advance Payments

The Company does not collect advance payments for services provided to its Customers.

#### 2.10 Taxes and Fees

The Company shall charge the Customer an amount sufficient to recover any governmental assessments, fees, license, or other similar taxes or fees imposed upon the Company. For all other services offered by the Company, taxes and fees shall be added pro-rate, insofar as practical, to the rates and charges stated in the Company's rate schedules and listed as separate line items on the Customer's bill for services provided.

ISSUED:

EFFECTIVE:

# OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF ) ORDER GRANTING PRIDE AMERICA, INC. FOR A CERTIFICATE ) CERTIFICATE OF AUTHORITY TO PROVIDE ) AUTHORITY TELECOMMUNICATIONS SERVICES IN ) SOUTH DAKOTA ) TC98-006

On January 21, 1998, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, received an application for a certificate of authority from Pride America, Inc. (Pride America).

Pride America is a switchless reseller of inbound and outbound telecommunications service to business and residential customers utilizing switched access. Pride America also plans to offer travel services. A proposed tariff was filed by Pride America. The Commission has classified long distance service as fully competitive.

On January 22, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of February 6, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled March 26, 1998, meeting, the Commission considered Pride America's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that Pride America not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

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

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

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

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

# CERTIFICATE OF SERVICE The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon By Date OFFICIAL SEAL) BY ORDER OF THE COMMISSION: BY ORDER OF THE COMMISSION: BY ORDER OF THE COMMISSION: DATE OF THE COMMISSI

# SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

# CERTIFICATE OF AUTHORITY

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

> Authority was Granted March 26, 1998 Docket No. TC98-006

> > This is to certify that

PRIDE AMERICA, INC.

is authorized to provide telecommunications services in South Dakota.

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

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

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION:

5000 5111/1/4 -0000

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

LASKA SCHOENFELDER, Commissioner



210 N. Park Ave. P.O. Drawer 200

Winter Park, FL 32790-0200

Tel: 407-740-8575

Fax: 407-740-0613

tmi@tminc.com

January 19, 1998 Overnight

RECEIVED

JAN : 1 1998

SOULE DAKOTA PUBLIC UTILITIES COMMISSION

Re: Application and Tariff of Pride America, Inc.

South Dakota Public Utilities Commission

Dear Mr. Bullard:

500 East Capitol

Mr. William Bullard, Jr. Executive Director

Pierre, South Dakota 57501

Enclosed please find the original and ten (10) copies of the application and tariff for Pride America, Inc. Also enclosed is a check for \$250 to cover the filing fee.

Please acknowledge receipt of this filing by returning a date-stamped copy of this letter in the envelope provided.

Should you or your staff have any additional questions, please contact me at (407) 740-8575. Thank you.

Sincerely,

Mark G. Lammert

Consultant to Pride America, Inc.

Enclosures

cc: Dan Hansen, Pride America, Inc.

File: Pride America - SD

TMS: SDi9800



210 N. Park Ave. P.O. Drawer 200

Winter Park, FL 32790-0200

Tel: 407-740-8575

Fax: 407-740-0613

tmi@tminc.com

January 19, 1998 Overnight

RECEIVED

JAN : 1 1998

SOULE DAKOTA PUBLIC UTILITIES COMMISSION

Re: Application and Tariff of Pride America, Inc.

South Dakota Public Utilities Commission

Dear Mr. Bullard:

500 East Capitol

Mr. William Bullard, Jr. Executive Director

Pierre, South Dakota 57501

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Please acknowledge receipt of this filing by returning a date-stamped copy of this letter in the envelope provided.

Should you or your staff have any additional questions, please contact me at (407) 740-8575. Thank you.

Sincerely,

Mark G. Lammert

Consultant to Pride America, Inc.

Enclosures

cc: Dan Hansen, Pride America, Inc.

File: Pride America - SD

TMS: SDi9800

# BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

RECEIVED

JAN 21 1998

Registration of		UTILITIES COMMISSION
Pride America, Inc., for	1	THE COMMISSION
Authority to Provide	Docket No.	
Intrastate Telecommunications		
Services within South Dakota	1	

Pursuant to Rule 20:10:24:02 of the Commission's Telecommunications Services Rules, Pride

America, Inc. ("Pride America" or "Applicant") submits the following registration information:

1. The name, address and telephone number of the applicant.

Pride America, Inc. 5403 Ashton Court Sarasota, Florida 34233

Telephone: (941) 924-5096 Facsimile: (941) 923-5612 Toll-Free: (888) 774-3306

The name under which the Applicant will provide these services if different than in subdivision (1) of this section;

Not Applicable.

- 3. If the applicant is a corporation:
  - (a) The state in which it is incorporated, the date of incorporation and a copy of its certificate of incorporation or, if it is an out-of-state corporation, a copy of its certificate of authority.

The Company was formed as a Corporation under the laws of the State of Pelaware in February 1997. Articles of Organization and Certificate of Qualification from the South Dakota Secretary of State are included as Attachment

I.

The location of its principal office, if any, in this state and the name and (b) address of its current registered agent.

Principal office in South Dakota: None

Registered Agent:

National Registered Agents, Inc. 300 South Phillips Avenue, Suite 300

Sioux Falls, SD 57102

A copy of its articles of incorporation which includes a list of the names and (c) addresses of the corporate officers and member of the board of directors at

See Attachment II for Articles of Incorporation.

A list of the names and addresses of the current corporate officers and (d)

Give name and address of officers.

David Branch, Chief Executive Officer and President Dan Hansen, Senior Vice President Marty Kern, Vice President of Sales and Operations Daniel Branch, Vice President - Finance and MIS

All officers and shareholders may be contacted at the corporation's headquarters

The names and addresses of the ten common stockholders who own the (e) greatest number of shares of common stock and the number of shares owned

David Branch

100.0%

(f) The names and address of any corporation, association, partnership, cooperative or individual holding a five percent or greater ownership or management interest in the applicant corporation. The amount and character of the ownership interest shall be indicated. A copy of any management agreement shall be attached.

See (e) above.

(g) The names and addresses of subsidiaries owned or controlled by the applicant.

Not Applicable.

 If the applicant is a partnership, the name, title and business address of each partner, both general and limited.

Not Applicable.

 A specific description of the telecommunications services the applicant intends to offer.

Pride America offers inbound and outbound telecommunications services to residential and business Customers utilizing switched access. Switched access service is available on a presubscription basis from equal access originating end offices. Pride America also offers travel card and debit card services. All services are available twenty-four (24) hours per day, seven (7) days a week. Service is offered as an add-on to Pride America's interstate service.

Pride America operates as a switchless reseller. Calls originate over LEC facilities to the Company's underlying carrier (currently Unidial). The Company's underlying carrier performs all interexchange switching, routing and call termination functions. Call detail information is provided to the Company by the underlying carrier for purposes of rating and billing calls.

 A detailed statement of the means by which the applicant will provide its services, including the type and quantity of equipment to be used in the operation, the capacity, and the expected used of the equipment.

Pride America, Inc. does not maintain offices or equipment in the State of South Dakota.

The Company does not plan to install any equipment, plant, or facilities within the state of South Dakota.

Applicant operates as a reseller of the underlying carrier's services. Calls originate over local exchange company feature group facilities to the underlying carrier and are switched over that company's long distance network.

 The geographic areas in which the services are, or will be, offered, including a map describing the service boundaries.

Pride America, Inc. intends to offer service throughout the entire state of South Dakota.

 A current balance sheet and income statement; a copy of the applicant's latest annual report; a copy of the applicant's report to stockholders; the terms and conditions of service; the access charges and a copy of the applicant's tariff book.

Pride America has the financial resources to successfully provide intrastate resale telecommunications services in South Dakota. In support of Pride America's financial ability to provide the services it proposes, financial statements are offered as Attachment III. The terms and conditions of service, as well as all rates and charges are provided in Pride America's proposed tarifi in Attachment IV.

# The names and addresses of the applicant's representatives to whom all inquiries should be made regarding complaints and regulatory matters.

For correspondence concerning this application:

Mark G. Lammert Consultant to Pride America, Inc. Technologies Management, Inc. P.O. Box 200 Winter Park, Florida 32790-0200 Telephone: (407) 740-8575 Facsimile: (407) 740-0613

For correspondence concerning ongoing operations:

Dan Hansen, Senior Vice President Pride America, Inc. 5403 Ashton Court Sarasota, Florida 34233 Telephone: (941) 924-5096 Facsimile: (941) 923-5612

Facsimile: (941) 923-5612 Toll-Free: (888) 774-3306

# 10. Determination of Competitive Classification.

Pride America, Inc. requests an Emerging Competitive classification for its services. Pride America will offer competitive resold intrastate service within the State of South Dakota. These services are similar to and substitutes for telecommunications services provided by numerous other carriers in the state.

# Supporting cost data for Initial Filing.

Cost support information is provided in Attachment V.

### 12. Additional information:

# Additional Customer Service Information:

Local service and equipment troubles are directed to the appropriate service providers. Long distance troubles will be reported by the Customer to Pride America via its toll free number, Customer service (888) 774-3306. Billing Inquiries may be directed to the same number: (888) 774-3306. Customer service representatives are available Monday through Friday from 8:30 AM to 5:30 PM Eastern time. Calls outside of the normal hours will reach the answering service and will be returned the next business day. The answering service will page the designated after hours company representative for matters requiring immediate attention. Technical, customer service and management are available 24 hours a day, 7 days a week for answering service messages that required immediate attention via a pager.

All billing errors will be handled by customer service and will be addressed within 48 hours with final resolution no later than 30 days. In most cases, calls in question will be researched and, if applicable, credits will be applied on the Customer's next bill.

#### Marketing Plans:

Pride America does not market differently from state to state. Pride America sells its telecommunications services through distributors and retailers. The Company does not use direct mail or telemarketing.

#### Certification Status:

Pride America is presently authorized to provide service in California, Delaware, Florida, Massachusetts, Maryland, Montana, Nevada, New Jersey, Ohio, Oregon, Pennsylvania, Texas, Utah, Virginia and Wyoming by virtue of direct authorization, certification or registration with state regulatory commissions. Pride America plans to file applications in all remaining states within the next thirty (30) days.

As evidenced by the foregoing application, Pride America, Inc. is fully qualified to offer and provide long distance service within the state of South Dakota. Therefore, Pride America, Inc. respectfully requests that the Commission grant this application at its earliest convenience.

Dated this Aday of January, 1998.

Respectfully Submitted,

Dan Hansen, Senior Vice President

Pride America, Inc.

# ATTACHMENT I

Pride America, Inc.

AUTHORITY TO OPERATE IN SOUTH DAKOTA

# State of South Bakota



# OFFICE OF THE SECRETARY OF STATE

# CERTIFICATE OF AUTHORITY

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

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



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this September 15, 1997.

Secretary of Sta

# ATTACHMENT II

Pride America, Inc.

ARTICLES OF INCORPORATION

# State of Delaware

# Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF

DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT

COPY OF THE CERTIFICATE OF INCORPORATION OF "PRIDE AMERICA,

INC.", FILED IN THIS OFFICE ON THE SEVENTH DAY OF FEBRUARY, A.D.

1997, AT 9 O'CLOCK A.M.

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

Eiltvard J. Freel, Secretary of State

AUTHENTICATION: 8321669

DATE: 02-07-97

2715890 8100 971041913 FEB-07-97 FR1 12:55

#### CERTIFICATE OF INCORPORATION

#### OF

#### PRIDE AMERICA, INC.

The undersigned, for the purpose of organizing a corporation for conducting the business and promoting the purposes hereinafter stated, under and pursuant to the provisions of the General Corporation Law of the State of Delaware, does hereby certify that:

FIRST: The name of the corporation (hereinafter called the "Corporation") is PRIDE AMERICA, INC.

SECOND: The address of the registered office of the corporation in the State of Delaware is 9 East Loockerman Street, City of Dover, County of Kent; and the name of the registered agent of the corporation in the State of Delaware at such address is National Registered Agents, Inc.

THIRD: The purpose of the Corporation is to conduct any lawful business, to promote any lawful purpose and to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of stock which the corporation is authorized to issue one thousand (1,000) shares of Common Stock. The par value of each of such shares is \$.01.

FIFTH: Election of directors need not be by ballot except and to the extent provided in the by-laws of the corporation.

SEXTH: In furtherance and not in limitation of the powers conferred upon the Board of Directors by law, the Board of Directors shall have power to make, adopt, alter, amend or repeal from time to time the by-laws of the corporation, subject to the right of the stockholders emittled to vote with respect thereto to siter and repeal the by-laws made by the Board of Directors.

SEVENTH: Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any creditor or stockholders thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution of any receiver or receivers appointed for this corporation under the provisions of Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, to be

NCR 7341450

summoned in such manner as the said court directs. If a majority in number representing threefourths in value of the creditors or class of creditors, and/or of the stockholders of this
corporation, as the case may be, agree to any compromise or arrangement and to any
reorganization of this corporation as a consequence of such compromise or arrangement, the said
compromise or arrangement and the said reorganization shall, if sanctioned by the court to which
the said application has been made, be binding on all the creditors or class of creditors, and/or on
all the stockholders or class of stockholders of this corporation, as the case may be, and also on
this corporation.

EIGHTH: The personal liability of the directors of the corporation is hereby eliminated to the fullest extent permitted by the provisions of paragraph (7) of subsection (b) of § 102 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented.

NINTH: The corporation shall, to the fullest extent permitted by the provision of §145 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said section from and against any and all of the expenses, liabilities or other matters refured to in or covered by said section, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has coased to be a director, officer, employee, or agent and shall insure to the benefit of the heirs, executors, and administrators of such a person.

TENTH: The name and mailing address of the incorporator is: Philip Karasyk, 233 Broadway, Suite 1800, New York, New York 10279.

IN WITNESS WHEREOF, said corporation has caused this certificate to be signed by Philip Karasyk. Sole Incorporator, this I'm day of February, 1997.

Philip Karasyk, Sole Incorporator

NCR 7341450

summoned in such manner as the said court directs. If a majority in number representing threefourths in value of the creditors or class of creditors, and/or of the stockholders of this
corporation, as the case may be, agree to any compromise or arrangement and to any
reorganization of this corporation as a consequence of such compromise or arrangement, the said
compromise or arrangement and the said reorganization shall, if sanctioned by the court to which
the said application has been made, be binding on all the creditors or class of creditors, and/or on
all the stockholders or class of stockholders of this corporation, as the case may be, and also on
this corporation.

EIGHTH: The personal liability of the directors of the corporation is hereby eliminated to the fullest extent permitted by the provisions of paragraph (7) of subsection (b) of § 102 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented.

NINTH: The corporation shall, to the fullest extent permitted by the provision of §145 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said section from and against any and all of the expenses, liabilities or other matters refured to in or covered by said section, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has coased to be a director, officer, employee, or agent and shall insure to the benefit of the heirs, executors, and administrators of such a person.

TENTH: The name and mailing address of the incorporator is: Philip Karasyk, 233 Broadway, Suite 1800, New York, New York 10279.

IN WITNESS WHEREOF, said corporation has caused this certificate to be signed by Philip Karasyk. Sole Incorporator, this I'm day of February, 1997.

Philip Karasyk, Sole Incorporator

ATTACHMENT III

Pride America, Inc.

FINANCIAL INFORMATION

# Pride America, Inc. STATEMENT OF FINANCIAL CAPABILITY

The purpose of this document is to highlight the financial strengths of the Company and serve as the Company's Statement of Financial Capability.

Pride America, Inc. has sufficient financial capability to provide the requested telecommunication services in South Dakota, the financial capability to maintain these services, and the financial capability to meet its lease and ownership obligations. Attached is the balance sheet of Pride America, Inc. as of July 23, 1997.

Pride America, Inc. has not been operating since its inception in February 1997 and therefore does not have an income statement.

Some of Pride America, Inc.'s highlights are:

- Current asset ratio of 1.26.%
- \* Cash & cash equivalents of \$1,458 with \$193,772 of working capital available. The working capital balance is classified as Other Assets. The working capital is very liquid. The Company merely needs to transfer the money out of the investment account where the balance resides.
- Property, plant & equipment balance of \$161,246 which consists of the Company's investment in infrastructure to commence operations.
- Positive equity balance of \$386,218.

The Company has established a strong team to support its venture into the telecommunications market. The Company has and will outsource business functions to obtain expertise and provide a financial and technical competitive advantage in the industry.

# Pride America Balance Sheet July 23, 1997

### YZZZZZ

		47779	12	
Current Assets				
Cash in Bank	S	1,458.03		
Petry Cash	\$	100.00		
Accounts Receivable	s	829.84		
A/R-Owner	5	10.00		
A/R-Energy	s	900.00		
Merchandise inventory	\$	69,015.92		
Training Material Inventory	5	80.563.54		
Total Current Assets			\$	152,877.33
Property and Equipment				
Telephone System	5	10,000.00		
Stage Equipment	5	3,389.61		
Video and Audio	\$	63,047.40		
Signs	\$	5,378.65		
Furniture and Fixtures	S	3.152.84		
Computers	5	43,568.17		
Computer Software	\$	32,709.42		
Total Property and Equipment			s	161,246.09
Other Assets				
Working Capital	3	193,772.24		
Total Other Assets			5	193,772.24
Total Assets			5	507,895.66
		LIABILITIES	AND CA	PITAL
Current Liabilities				
Accounts Payable	\$	121,662.53		
Sales Tax Payable	3	15.10	-	
Total Current Liab 3des			5	121,677.63
Capital	s	386,218.03		
Total Capital			<u>s</u>	386,218.03
Total Liabilities and Capital			\$	507.895.66

ATTACHMENT IV

Pride America, Inc.

PROPOSED TARIFF

### Pride America, Inc.

### RESALE INTEREXCHANGE TELECOMMUNICATIONS SERVICE TARIFF

This tariff contains the regulations, rates and charges applicable to the provision of interexchange telecommunications services by Pride America, Inc. for the use of Customers transmitting messages within the State of South Dakota.

This tariff is available for public inspection during normal business hours at the main office of Pride America, Inc., located at 5403 Ashton Court, Sarasota, Florida 34233.

ISSUED:

EFFECTIVE:

### CHECK SHEET

The pages of this tariff as listed below are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original tariff and are urrently in effect as of the date on the bottom of this page.

Page	Revision	Page	Revision
1	Original	26	Original
2	Original	27	Original
3	Original	28	Original
4	Original	29	Original
5	Original	30	Original
6	Original	31	Original
7	Original	32	Original
8	Original	33	Original
9	Original	34	Original
10	Original	35	Original
11	Original		
12	Original		
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24	Original		
25	Original		

ISSUED:

EFFECTIVE:

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#### TARIFF FORMAT

- A. Page Numbering Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added.
- B. Page Revision Numbers Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised Page 14 cancels the 3rd revised Page 14. Because of the various suspension periods and deferrals the Commission follows in its tariff approval process, the most current page number on file with the Commission is not always the tariff page in effect. Consult the check sheet for the page currently in effect.
- C. Paragraph Numbering Sequence There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

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

2.1.1.A.1.(a).I.(i).(1)

D. Check Sheets - When a tariff filing is made with the Commission an updated check sheet accompanies the filing. The check sheet lists the pages contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There shall be no other symbols used on this page if these are the only changes made to it. The tariff user should refer to the latest check sheet to find out if a particular page is the most current on file with the Commission.

ISSUED: EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President 5403 Ashton Court Sarasota, Florida 34233

9800

#### TARIFF FORMAT

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9800

### EXPLANATION OF SYMBOLS

Changes to this tariff shall be identified on the revised page(s) through the use of symbols. The following are the only symbols used for the purposes indicated below:

- (D) To signify a discontinued rate or regulation.
- To signify an increase in rate or charge.
- (M) To signify material relocated from one page to another without change.
- (N) To signify a new rate or regulation.
- (R) To signify a reduced rate or charge.
- (T) To signify a change or regulation but no change in rate or charge.

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### SECTION 1 - DEFINITION OF TERMS AND ABBREVIATIONS

**Authorization Code** - A pre-defined series of numbers to be dialed by the Customer or End User upon access to the Company's system to notify the caller and validate the caller's authorization to use the services provided. The Customer is responsible for charges incurred through the use of his or her assigned Authorization Code.

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

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

Available Usage Balance - The amount of usage remaining on a Debit Account at any particular point in time. Each Debit Account has an Initial Account Balance which is stated either in U.S. dollars or Call Units, depending upon the type of service. The Available Balance is depleted as services provided by the Company are utilized by the Customer.

Carrier or Company - Pride America, Inc. ("Pride America") unless otherwise indicated by the context.

Commission - The South Dakota Public Utilities Commission.

Company's Point of Presence - Location of the serving central office associated with access to the Company's network.

Customer or Subscriber - 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.

Customer Premises Equipment - Terminal equipment, as defined herein, which is located on the Customer's premises.

ISSUED:

EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President 5403 Ashton Court

Sarasota, Florida 34233

# SECTION 1 - DEFINITION OF TERMS AND ABBREVIATIONS, CONT'D.

Debit Account - An account which consists of a pre-paid usage balance depleted on a real-time

Debit Card - A card issued by the Company which provides the Customer with a Personal basis during each Debit Service call. Account code and instructions for accessing the Carrier's network.

Debit Service Call - A service accessed via a "1-800" or other access code dialing sequence whereby the Customer or Authorized User dials all of the digits necessary to route a call. Network usage for each call is deducted from the available usage balance on a Company issued

End User - Any person, firm, corporation, partnership or other entity which uses the services of Debit Account. the Carrier 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 by another Customer.

Holidays - Holidays observed by the Company as specified in this tariff.

Initial Usage Balance - The amount of usage on a Debit Account upon issuance and before any

LATA - Local access and transport area. A geographic area established by the US District Court depleting call activity. for the District of Columbia in Civil Action No. 17-49, within which a local exchange company provides communications services.

Marks - A collective term to mean such items as trademarks, service marks, trade names and logos; copyrighted words, artwork, designs, pictures or images; or any other device or merchandise to which legal rights or ownership are held or reserved by an entity.

EFFECTIVE: ISSUED:

ISSUED BY: Dan Hansen, Senior Vice President 5403 Ashton Court

Sarasota, Florida 34233

### SECTION 1 - DEFINITION OF TERMS AND ABBREVIATIONS, CONT'D.

Personal Account Code - A pre-defined series of numbers to be dialed by the Customer or Authorized User upon access to the Carrier's network which identifies the Debit Account from which charges for service shall be debited and which validates the caller's authorization to use the services provided.

**Presubscribe** - A method used to identify Pride America as the Customer's primary interexchange carrier and provides the Customer with direct dial "1+" long distance calling on Pride America's network.

Pride America - Used throughout this tariff to refer to Pride America, Inc.

Renewal - A method of replenishing a Debit Account's Available Usage Balance with additional minutes of use as authorized and paid for by the Customer.

**Sponsor** - A corporation or other legal entity that exclusively permits the use of its Marks to the Company for use with telephone cards or other merchandise, and contracts with the Company for the marketing of the services described herein.

**Switched Access** - Where access between the Customer and the Carrier is provided on local exchange company Feature Group circuits. The cost of switched Feature Group access is billed to the Carrier.

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

ISSUED: EFFECTIVE:

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### SECTION 2 - REGULATIONS

### 2.1 Undertaking of Pride America, Inc.

- 2.1.1 Pride America, Inc. ("Pride America") is a resale common carrier providing intrastate direct dialed (1+) communication services to Customers for the transmission and reception of voice, data, and other types of communications within the State of Missouri under the terms of this Tariff.
- 2.1.2 Pride America 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 the Pride America services. The Customer shall be responsible for all charges due for such service arrangement.
- 2.1.3 The Company's service is available twenty-four (24) hours per day, seven (7) days per week.
- 2.1.4 No charges apply to incomplete calls.

ISSUED: EFFECTIVE:

### 2.2 Limitations on Service

- 2.2.1 Service is offered subject to the availability of the necessary facilities and subject to the provisions of this tariff.
- 2.2.2 Company reserves the right to discontinue furnishing Service, or to limit the use of Service, when necessitated by conditions beyond its control, when Customer or an Authorized User is using Service in violation of the law or in violation of the provisions of this tariff, or for non-payment by Customer.
- 2.2.3 Service provided under this tariff is directly controlled by Company, and Customer may not transfer or assign the use of Service, except with the prior written consent of Company. Such transfer or assignment shall only apply where there is no interruption in the use or location of Service, and all regulations and conditions contained in this tariff, as well as all conditions for Service, shall apply to all such permitted assignees or transferees.
- 2.2.4 Customer may, where applicable, request Company to assign one or more sub-accounts for billing purposes and to direct sub-account invoices to affiliates of Customer or other designated entities for payment purposes. Such requests shall not affect the liability of Customer, who shall remain solely liable to Company for payment of all invoices for Service requested and obtained by Customer, whether invoiced by Company to Customer, its affiliates, or other designated entities.
- 2.2.5 Service may not be used for any unlawful purpose.
- 2.2.6 Intrastate Services are provided only in conjunction with interstate Services.

ISSUED:

EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President 5403 Ashton Court

Sarasota, Florida 34233

### 2.3 Limitations on Liabilities

- 2.3.1 Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) 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, or (2) the failure to furnish its Service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in Service as set forth in Section 2.14.
- 2.3.2 Except for the extension of allowances to the Customer for interruptions in Service as set forth in this tariff, the Company 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, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any Service or any failure in or breakdown of facilities associated with the Service.
- 2.3.3 The liability of the Company 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.

ISSUED: EFFECTIVE:

### 2.3 Limitations on Liabilities, Cont'd.

# 2.3.4 The Company shall not be liable for any claims for loss or damages involving:

- A. Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with Services provided by the Company; or (c) common carriers or warehousemen;
- B. 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;
- C. Any unlawful or unauthorized use of the Company's Services;
- D. Libel, slander, invasion of privacy or infringement of trademarks, patents, trade secrets, or copyrights arising from or in connection with the transmission of communications by means of Company provided facilities or Services; or by means of the combination of Company provided facilities or Services with Customer provided services;
- Breach in the privacy or security of communications transmitted over the Company's Service;

ISSUED:

EFFECTIVE:

# 2.3 Limitations on Liabilities, Cont'd.

# 2.3.4 The Company shall not be liable for any claims for loss or damages involving:, cont'd.

- F. 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 2.3.1 of this Subsection;
- G. Defacement of or damage to Customer premises resulting from the furnishing of Services or equipment on such premises or the installation or removal thereof;
- H. 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 the Company's facilities.

ISSUED:

EFFECTIVE:

# 2.3 Limitations on Liabilities, Cont'd.

- 2.3.5 The Company shall be indemnified, defended and held harmless by the Customer 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 or 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 Company or Customer equipment or facilities or Service provided by the Company.
- 2.3.6 The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere. The Company 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 of the Service.

ISSUED:

EFFECTIVE:

### 2.4 Cancellation or Discontinuance of Service by the Company

Service continues to be provided until canceled by the Customer or until canceled by the Company as set forth below. The Company may render bills subsequent to the termination of service for charges incurred before termination. The Customer shall pay such bills in full in accordance with the payment terms of this tariff. Card Services will not be available in South Dakota when the Customer has been canceled for Service in his/her home state.

- 2.4.1 Service may be suspended by the Company, without notice to the Customer, by blocking traffic to certain cities or NXX exchanges, or by blocking calls using certain Customer Debit Cards when the Company deems it necessary to take such action to prevent unlawful use of its service. Pride America will restore services as soon as it can be provided without undue risk, and will upon request by the Customer, assign new Debit Card codes to replace ones that have been deactivated.
- 2.4.2 For nonpayment: The Company, by written notice to the Customer and in accordance with applicable law, may refuse, suspend or cancel service without incurring any liability when there is an unpaid balance for service that is more than 60 days overdue.
- 2.4.3 For returned checks: The Customer whose check or draft is returned unpaid for any reason, after two attempts at collection, shall be subject to refusal, suspension or cancellation of service in the same manner as provided for nonpayment of overdue charges.

ISSUED:

EFFECTIVE:

- 2.4 Cancellation or Discontinuance of Service by the Company, Cont'd.
  - 2.4.4 For lack of use: The Company, by written notice to the Customer, may refuse, suspend or cancel service in the same manner as provided for nonpayment of overdue charges if after three full billing cycles the service has not been used.
  - 2.4.5 For violation of law or this tariff: Except as provided elsewhere in this tariff, the Company may refuse, suspend or cancel service, without notice, for any violation of terms of this tariff, for any violation of any law, rule, regulation, order, decree or policy of any government authority of competent jurisdiction, or by reason of any order or decision of a court or other government authority having jurisdiction which prohibits the Company from furnishing such service or prohibits Customer from subscribing to, using, or paying for such service.

ISSUED: EFFECTIVE:

### 2.4 Cancellation or Discontinuance of Service by the Company, Cont'd.

- 2.4.6 For the Company to comply with any order or request of any governmental authority having jurisdiction: The Company may refuse, suspend or cancel service, without notice, in order to permit the Company to comply with any order or request of any governmental authority having jurisdiction.
- 2.4.7 For unauthorized or unlawful use of Debit Card numbers and Authorization Codes: Debit Card Numbers and Authorization Codes are issued by the Company only to the Customer and may not be sold or otherwise distributed without the written consent of the Company. Any unauthorized or unlawful use of such numbers or Authorization Codes shall result in the immediate refusal, suspension or cancellation of service without notice.
- 2.4.8 Pride America may refuse or discontinue service under the following conditions provided that, unless otherwise stated in this tariff, the Customer shall be given 15 days notice to comply with any rule or remedy any deficiency:
  - A. For neglect or refusal to provide reasonable access to Pride America or its agents for the purpose of inspection and maintenance of equipment owned by Pride America or its agents.
  - B. Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect Pride America's equipment or service to others.
  - C. Without notice in the event of tampering with the equipment or services owned by Pride America or its agents.
  - D. Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, Pride America may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.

ISSUED: EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President 5403 Ashton Court Sarasota, Florida 34233

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### 2.5 Cancellation or Termination of Service by Customer

- 2.5.1 Service shall be canceled by Company promptly upon receipt of a cancellation request from Customer. Upon cancellation a final bill will be prepared, as per the specifications set forth in this tariff. The Customer shall be liable for all recurring charges prior to proper notice if a change in presubscribed carrier is initiated by the Customer.
- 2.5.2 If Customer, either on behalf of itself or an Authorized User, orders Service from the Company which requires special construction or facilities for Customer's or Authorized User's use, and then cancels its order before Service begins, a charge shall be made to Customer for the non-recoverable portions of the expenditures or liabilities incurred on behalf of Customer or Authorized User by Company.

### 2.6 Restoration of Service

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

ISSUED:

EFFECTIVE:

# 2.7 Payment and Billing

- 2.7.1 Service is provided and billed by the Company on a monthly basis. Usage sensitive charges are billed in arrears and fixed monthly recurring charges, if any, on demand all monthly recurring charges for Service and shall pay on demand all charges for usage at any agency duly authorized to receive such payments.
- 2.7.2 Bills are due and payable upon receipt. Interest at the lesser of a rate of one and one-half percent (1.5%) per month, or the maximum rate allowed by law, shall be the next bill is prepared.
- 2.7.3 Should service be suspended for nonpayment of charges, it will be restored when appropriate payments are made.
- 2.7.4 When service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this tariff.
- 2.7.5 In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or nor shall the failure to suspend or disconnect service for nonpayment of this tariff; due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.

ISSUED:

EFFECTIVE

ISSUED BY: Dan Hansen, Senior Vice President

5403 Ashton Court Sarasota, Florida 34233

### 2.7 Payment and Billing, Cont'd.

- 2.7.6 The Company may demand immediate payment under the following circumstances:
  - Where Service is terminated or abandoned.
  - B. Where actual usage is two times greater than the Customer's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new Customer who has been receiving Service for less than four months, where the actual usage is twice the estimated monthly usage charge.
  - C. Where the Company has reason to believe that a Business Customer is about to go out of business or that bankruptcy is imminent for that Customer.
- 2.7.7 A charge of \$20.00 will apply whenever a check, draft, or electronic funds transfer presented for payment for service is not accepted by the institution on which it is written.
- 2.7.8 The security of Authorization Codes used by Customer or its Authorized Users are the responsibility of Customer. All calls placed using such Authorization Codes or using facilities owned or controlled by Customer or its Authorized Users shall be billed to Customer and must be paid by Customer.
- 2.7.9 If notice from Customer of a dispute as to charges is not received in writing by the Company within thirty (30) days after delivery of an invoice to the custody of the U.S. Mail or other standard delivery service, the billing will be considered correct and binding.

ISSUED: EFFECTIVE:

### 2.7 Payment and Billing, Cont'd.

2.7.10 Customers with billing or service inquiries may contact the Company toll-free by dialing 888-774-3306 or by writing to the following address:

> Pride America, Inc. Attn: Customer Service 5403 Ashton Court Sarasota, Florida 34233

2.7.11 Customers dissatisfied with the Company's response to a complaint or inquiry may contact the South Dakota Public Utilities Commission for resolution of the conflict at 500 East Capitol, Pierre, South Dakota, 57501-5070 or toll-free at (800) 332-1782.

### 2.8 Deposits

The Company does not collect deposits for services provided to its Customers. However, the Company reserves the right to examine the credit record of the Customer, using any lawful sources for determining credit standing. If the Customer's financial condition is unknown or unacceptable to the Company, the Customer may be denied service by the Company.

ISSUED: EFFECTIVE:

### 2.9 Advance Payments

The Company does not collect advance payments for services provided to its Customers.

### 2.10 Taxes and Fees

The Company shall charge the Customer an amount sufficient to recover any governmental assessments, fees, license, or other similar taxes or fees imposed upon the Company.

- 2.10.1 For Debit Service, taxes or fees shall be included in the rates and charges stated in the Company's rate schedule for this service.
- 2.10.1 For all other services offered by the Company, taxes and fees shall be added prorate, insofar as practical, to the rates and charges stated in the Company's rate schedules and listed as separate line items on the Customer's bill for services provided.

ISSUED:

EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President

5403 Ashton Court Sarasota, Florida 34233

# 2.11 Terminal Equipment

Service may be used with or terminated in terminal equipment or communications systems, such as a PBX or key telephone system, provided by Customer or its Authorized User. Such terminal equipment or communications systems shall be furnished by and maintained at the expense of Customer or its Authorized User, except as otherwise provided. Customer or its Authorized User is also responsible for all costs at its premises incurred in the use of Service, including but not limited to equipment, wiring, electrical power, and personnel. When such terminal equipment or communications systems are used, they shall in all respects comply with the generally accepted minimum protective standards of the telecommunications industry as endorsed by the Federal Communications Commission.

### 2.12 Interconnection

Service furnished by the Company to Customer or its Authorized Users may be connected with the services or facilities of other carriers. Customer is responsible for all charges billed by other carriers in connection with the use of Service. Any special equipment or facilities necessary to achieve compatibility between carriers are the sole responsibility of Customer.

# 2.13 Miscellaneous Rates and Charges

The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Example of such programs include, but are not limited to, the payphone service Fund, the Primary Interexchange Carrier Charge, and compensation to payphone service providers for the use of their payphones to access the Company's

ISSUED: EFFECTIVE:

# 2.14 Inspection, Testing and Adjustment

- 2.14.1 The Company may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether tariff requirements are being complied with in the installation, operation, and maintenance of Customer's, Authorized User's, or the Company's equipment. The Company may, without notice, interrupt Service at any time, as necessary, because of a departure from any of these requirements and may continue such interruption until its requirements have been satisfied.
- 2.14.2 Upon reasonable notice, the facilities provided by the Company shall be made available to the Company by Customer or its Authorized Users for such tests and to the Company.
- 2.14.3 The Company shall not be liable to Customer or its Authorized Users for any damages for Service interruption pursuant to this Section. Neither Customer nor its Authorized Users shall be entitled to any credit for interruption of Service pursuant to this Section when the interruption of Service is less than two (2)

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### 2.15 Interruption of Service

- 2.15.1 Customer shall be given a credit allowance for any interruption of Service which is not due to (a) Company's inspection, testing or adjustment, if for a period of two (2) hours or less; (b) mistakes or errors of Customer or its Authorized Users; or (c) the failure of facilities or equipment provided by Customer or its Authorized Users.
- 2.15.2 Credit allowances shall be subject to the general liability provisions set forth in Section 2.3 herein. It shall be the obligation of Customer to notify Company immediately of any interruption of Service for which a credit allowance is desired. Before giving such notice, Customer shall ascertain that the trouble is not being caused by action or omission of Customer or its Authorized Users, or is not in facilities or equipment, if any, furnished by Customer or Authorized User and connected to Company's Services.
- 2.15.3 For the purposes of credit computation, every month shall be considered to have seven hundred twenty (720) hours. No credit shall be allowed for any interruption of Service of a continuous duration of less than two (2) hours.
- 2.15.4 Customer shall be credited for an interruption of Service of two (2) hours or more at the rate of 1/720th of the monthly non-usage sensitive charges for the Service affected for each hour or major fraction thereof that the interruption continues. The formula for calculating credit shall be as follows:

Credit = 
$$A \times B$$

"A" = Outage time in hours

"B" = Total monthly fixed, non-usage sensitive charge for affected facility

ISSUED:

EFFECTIVE:

### 3.1 General

Pride America offers prepaid card services for communications originating and terminating within the state of South Dakota under terms of this tariff.

Customers are billed based on their use of Pride America's network and services. Charges may vary by service offering and/or call duration.

ISSUED: EFFECTIVE:

### 3.2 Calculation of Distance

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

The serving wire centers of a call are determined by the area codes and exchanges of the origination and destination points.

The distance between the Wire Center of the Customer's equipment and that of the destination point is calculated by using the industry standard "V" and "H" coordinates.

- Step 1 Obtain the "V" and "H" coordinates for the wire centers serving the Customer and the destination point.
- Step 2 Obtain the difference between the "V" coordinates of each of the Wire Centers. Obtain the Difference between the "H" coordinates.
- Step 3 Square the differences obtained in Step 2.
- Step 4 Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5 Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6 Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the wire centers.

Formula:

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

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EFFECTIVE:

### 3.3 Timing of Calls

Billing for calls placed over the network is based in part on the duration of the call.

- 3.3.1 Timing for all calls begins when the called party answers the call (i.e. when two way communications are established). Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.
- 3.3.2 Chargeable time for all calls ends when one of the parties disconnects from the call.
- 3.3.3 Call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute.
- 3.3.4 Usage charges are computed and rounded up to the nearest penny on a per call basis.
- 3.3.5 No charges apply for incomplete calls.

### 3.4 Rate Periods

The Company's services are not time of day or day of week sensitive. The same rates apply 24 hours a day, 7 days a week.

SSUED: EFFECTIVE:

### 3.5 Direct Dial 1+ Service

Direct Dial 1+ Service allows Customers to make 1+ direct dialed calls from presubscribed switched access lines. This service is available from equal access end offices only. Customers access the service via switched access lines.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds. Usage charges are computed and rounded up to the nearest penny on a per call basis.

### 3.5.1 Direct Dial 1+ Silver Service

### Per Minute Rate

Business Customers	\$ 0.119
Residential Customers	\$ 0.150

An interstate monthly recurring charge applies for residential customers.

### 3.5.2 Direct Dial 1+ Gold Service

Those Residential Customers whose charges exceed \$5.00 per month qualify for Gold Service.

#### Per Minute Rate

Business Customers	\$ 0.119
Residential Customers	\$ 0.140

An interstate monthly recurring charge applies for residential customers.

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### 3.6 Inbound Toll Free (i.e. 800/888) Service

Inbound Toll Free Service provides an in-bound Toll Free calling service to Pride America Customers. The Pride America Customer is billed for each Toll Free call, rather than the call originator. Calls terminate to the Pride America Toll Free Customer via switched access lines.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds. Usage charges are computed and rounded up to the nearest penny on a per call basis.

### 3.6.1 Inbound Toll Free Silver Service

Per Minute Rat	Per	Minute	Rate
----------------	-----	--------	------

Business Customers	\$ 0.119
Residential Customers	\$ 0.150

An interstate monthly recurring charge applies for residential customers.

#### 3.6.2 Inbound Toll Free Gold Service

Those Residential Customers whose charges exceed \$5.00 per month qualify for Gold Service.

### Per Minute Rate

Business Customers	\$ 0.119
Residential Customers	\$ 0.140

An interstate monthly recurring charge applies for residential customers.

ISSUED: EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President 5403 Ashton Court

Sarasota, Florida 34233

#### 3.7 Travel Card

Pride America's Travel Card provide telecommunications services and optional enhanced service to customers while traveling away from the office or home. Customers must dial a Toll-Free (i.e. 800/888) access number followed by their authorization code to make a call or use the service. A monthly credit limit will be assigned to each card for fraud protection. Customers have the option of raising or lowering the limit amount to best suit their calling practices.

For billing purposes, call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute. Usage charges are computed and rounded up to the nearest penny on a per call basis.

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rer	2.7	mute	Rate

Business Customers	\$ 0.199
Residential Customers	\$ 0.250
Per Call Surcharge:	\$ 0.250

ISSUED: EFFECTIVE:

#### 3.8 Debit Card Services

Pride America's Debit Service allows Customers to place direct dialed calls between locations within the State of South Dakota. Customers access the Company's network by dialing an 800/888 number or other access dialing sequence and entering a Personal Account Code. The Company's system informs the Customer of the Available Usage Balance remaining in his/her Debit Account and prompts the Customer to place a call by entering a destination telephone number. Network usage for calls placed is deducted from the Available Usage Balance in the Customer's account on a real time basis as the call progresses.

For debiting purposes, call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute. Usage charges are computed and rounded up to the nearest penny on a per call basis.

The rate per minute is \$ 0.1990.

### Debit Card Sponsor Program

The Debit Card Sponsor Program is offered to organizations or commercial entities for distribution to their members, patrons or customers. The marketing vehicle and expiration period is selected by the Sponsor upon joint agreement between the Company and the Sponsor. The Sponsor is responsible for obtaining all necessary permissions for the use of any trade mark, trade name, service mark or other image on the card. The Sponsor may distribute the Carrier's debit card accounts free of charge to end users. At the option of the Sponsor, these cards may not be replenishable. The Company reserves the right to approve or reject any image and to specify the customer information language and use of the Carrier's trade mark, trade name, service mark or other image on the card.

For debiting purposes, call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute. Usage charges are computed and rounded up to the nearest penny on a per call basis.

The rate per minute is \$ 0.1990.

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### 3.9 Public Telephone Surcharge

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

Per Call Surcharge:

\$0.30

ISSUED:

EFFECTIVE:

ISSUED BY: Dan Hansen, Senior Vice President

5403 Ashton Court Sarasota, Florida 34233

### SECTION 3 - MISCELLANEOUS SERVICES

### 4.1 Directory Assistance

A Directory Assistance charge applies per intrastate directory assistance calls made from points within the State of South Dakota. The customer may make two (2) requests for a telephone number per call. The Directory Assistance Charge applies regardless of whether the operator is able to supply the requested number. Discounts are not applicable to Directory Assistance Charges. Directory Assistance Charges are not included in usage commitments or computed in any discount calculations.

Per call to directory assistance: \$0.95

ISSUED: EFFECTIVE:

### SECTION 5 - PROMOTIONS

### 5.1 Promotional Offerings - General

From time to time, the Company may provide promotional offerings to introduce a current or potential Customer to a service not being used by the Customer. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or nonrecurring charges. These offerings will be filed with the SD PUC.

### 5.2 Demonstration of Calls

From time to time the Company shall demonstrate service by providing free test calls of up to four minutes duration over its network.

ISSUED: EFFECTIVE:

ATTACHMENT V

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Pride America, Inc.

COST SUPPORT DATA

### COST SUPPORT DATA

### Pride America, Inc.

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The Company has not prepared detailed cost studies for intrastate South Dakota operations. However, all services are planned to cover costs and generate a reasonable return for the Company.

SD PUC

SOUTH DAKOTA PUBLIC SERVICE CM

18479

01/15/98

INVOICE	INVOICE	INVOICE	PREVIOUS	DISCOUNT	AMOUNT OF PAYMENT
NUMBER	DATE	AMOUNT	PAY/CREDIT	TAKEN	
PRIDE AM	01/15/98	250.00	0.00	0.00	250.00

TC 98-006

250.00 STATES STATES



FOR SECURITY PURPOSES, THE BORD IN OF THE GOOD WHAT CONTINUE A SCHOOL WILLIAM P.O. Drawer 200 Winter Park, FL 32790-0200

210 N. Park Avenue Winter Park, FL 32789 (407) 740-8575



250 PARK AVENUE WINTER PARK, FLORIDA 32789

18479

63-319/631

NUMBER

18479

ETHT STORES ENAMED TO

PAY:

TWO HUNDRED FIFTY DOLLARS

DATE

AMOUNT

01/15/98

\*\*\*\*\*\*\$250.00

TO THE ORDER

OF

SOUTH DAKOTA PUBLIC SERVICE CM

STATE CAPITAL

PIERRE, SD 57501-5070

TECHNOLOGIES MANAGEMENT, INC.

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTERGAL WATERMARK - HOLD IN A "O18479" 1:0631031931:

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