

04/44

DOCKET NO.

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
12/9 99	Filed and Sackuted;
12/16 99	Keekly Filing;
2/23 00	Surety Bond.
2/23 00	Certificate of Authority from Sec. of State;
3/20 00	Order Granting COA;
3/20 00	Sackut Closed.

TC99-116

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

Also Admitted in New York
and Maryland

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

December 8, 1999

VIA OVERNIGHT DELIVERY

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

RECEIVED

DEC 09 1999

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: NetworkIP, LLC

Dear Mr. Bullard:

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

Please note that Exhibit A, the Certificate of Authority from the Secretary of State, is not attached. We have applied for the certificate and will forward a copy to the commission upon receipt.

In order to expedite the processing of this application, I would like to suggest that all requests for information by the analyst be made by either telephone or facsimile. I will make every effort to respond on the day of the request.

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

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

Respectfully submitted,


Lance J.M. Steinhart
Attorney for NetworkIP, LLC

Enclosures

cc: Toni Van Burkleo

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

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

APPLICATION

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

1. Name, Address and Telephone Number of Applicant:

NetworkIP, LLC
119 West Tyler Street, Suite 168
Longview, TX 75601
Telephone: (903) 323-4500

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

3. Applicant's corporate information:

Applicant was organized in the State of Texas on September 30, 1999. A copy of the Applicant's Articles of Organization is attached hereto as Exhibit A. A copy of Applicant's Certificate of Authority to transact business as a foreign corporation in the State of South Dakota is attached hereto as Exhibit B.

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

National Corporate Research, LTD.
C/O Marilyn Person
819 West Third
Pierre, SD 57501

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

Name and Address	Shares Owned	Percentage of all Shares Issued and Outstanding and Voting Control
Network Enhanced Telecom, LLP 119 West Tyler Street, Suite 168 Longview, TX 75601 (Sole Member of LLC)		100%

4. Partnership Information:

Not Applicable.

5. Description of Services Applicant intends to offer:

Applicant is a switch-based reseller which intends to offer 1+ and 101XXXX direct outbound dialing, 800/888 toll-free inbound dialing, travel card service, and prepaid calling card service.

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

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

7. Geographic Areas in which services will be offered:

Applicant intends to provide services on a statewide basis.

8. Financial Qualifications:

Applicant is financially qualified to provide intrastate interexchange telecommunications services within South Dakota. In particular, Applicant has adequate access to the capital necessary to fulfill any obligations it may undertake with respect to the provision of intrastate telecommunications services in the State of South Dakota. See Exhibit C, which is

attached hereto, Applicant's Balance Sheet as of November 30, 1999 and Income Statement for the period ended November 30, 1999, which demonstrates that Applicant has the financial ability to provide the services that it proposes to offer. Since Applicant is a start-up company, pursuant to ARSD 20:10:32:03 (22), Applicant hereby requests a waiver of ARSD 20:10:32:03 (11), which requires balance sheet, income statement, and cash flow statements.

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

All inquiries regarding regulatory matters should be addressed to:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601
Telephone: (903) 323-4500
Facsimile: (903) 323-4564
E-Mail: tvb@networkip.net

All inquiries regarding complaints should be addressed to:

Nichole Janner, Customer Service Manager
119 West Tyler Street, Suite 168
Longview, TX 75601
Telephone: (877) 638-7762
Facsimile: (903) 323-4564
E-Mail: njanner@networkip.net

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

10. Regulatory Status:

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

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

11. Description of Marketing

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

12. Cost Support:

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

13. Federal Tax Identification Number:

75-2842014

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

None

15. Tariff

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

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

DATED this 8th day of April, 1999.

NetworkIP, LLC

By: 

Lance J.M. Steinhart, Its Counsel

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

STATE OF TEXAS

COUNTY OF GREGG

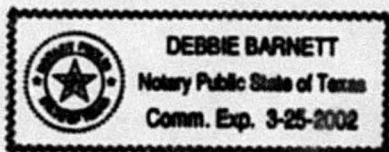
Toni Van Burkleo, being first duly sworn, deposes and says that she is the Chief Financial Officer of NetworkIP, LLC, the Applicant in the proceeding entitled above, that she has read the foregoing application and knows the contents thereof; that the same are true of her knowledge, except as to matters which are therein stated on information or belief, and to those matters she believes them to be true.

Toni Van Burkleo
Toni Van Burkleo

Subscribed and sworn to before this 2nd day of December, 1999.

Debbie Barnett
Notary Public

My Commission expires: 3-25-2002



LIST OF EXHIBITS

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

EXHIBIT A - CERTIFICATE OF ORGANIZATION

SDR-LLC



The State of Texas
Secretary of State

CERTIFICATE OF ORGANIZATION
OF

NETWORKIP, L.L.C.

FILING NUMBER 07056632

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF ORGANIZATION FOR THE
ABOVE NAMED COMPANY HAVE BEEN RECEIVED IN THIS OFFICE AND HAVE BEEN
FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF ORGANIZATION.

ISSUANCE OF THIS CERTIFICATE OF ORGANIZATION DOES NOT AUTHORIZE
THE USE OF A COMPANY NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF
ANOTHER ENTITY UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK
LAW, THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED SEP. 30, 1999

EFFECTIVE SEP. 30, 1999



Elton Bomer
Elton Bomer, Secretary of State

Nov. 17. 1999 2:06PM

NETWORK SOLUTIONS 903-323-4564

713-781-No. 6375 P. 4/5 P. 3

Sep 30 99 02:44p

Wilson & Johnson

713-781-7585

P. 3

Filed
In the Office of the
Secretary of State of Texas

**Articles of Organization
of
Network/P, L.L.C.**

SEP 30 1999

Corporations Section

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for Network/P, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is Network/P, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, or until the earlier dissolution of the Company in accordance with the provisions of its regulations.

ARTICLE THREE

The purpose for which the Company is organized is the transaction of any or all lawful business for which limited liability companies may be organized under the Act.

ARTICLE FOUR

The principal place of business of the Company in the State of Texas is 119 W. Tyler, Suite 260, Longview, Texas 75601.

ARTICLE FIVE

The name of the initial registered agent of the Company in the State of Texas is Ron Hutchison, and the address of such initial registered agent is 119 W. Tyler, Suite 260, Longview, Texas 75601.

ARTICLE SIX

The Company will not have managers. The names and addresses of the initial members are as follows:

No Nov. 17. 1999, 2:07PM

NETWORK SOLUTIONS 903-323-4564

713-781-No. 6375 P. 5/5 P. 4

Sep 30. 99 02:44p

Wilson & Johnson

713-781-7585

P. 4

Network Holding, L.L.P.
119 W. Tyler, Suite 104
Longview, Texas 75606

Pete Patullo
119 W. Tyler, Suite 104
Longview, Texas 75606

Simplified Telesys, Inc
5000 Plaza on the Lake, Suite 170
Austin, Texas 78746

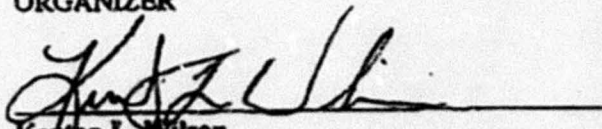
ARTICLE SEVEN

The name and address of the organizer is:

Kenton L. Wilson
2603 Augusta, Suite 1150
Houston, Texas 77057

IN WITNESS WHEREOF, these Articles of Organization have been executed on
September 30, 1999, by the undersigned.

ORGANIZER


Kenton L. Wilson

ARTICLES OF CORRECTION

This correction is submitted pursuant to Article 1302-7.01, Texas Miscellaneous Corporation Laws Act for a corporation or limited liability company, or pursuant to section 2.13, Texas Revised Limited Partnership Act for a limited partnership, to correct a document which is an inaccurate record of the entity action, contains an inaccurate or erroneous statement, or was defectively or erroneously executed, sealed, acknowledged or verified.

ARTICLE ONE

The name of the entity is Network/IP, L.L.C.

ARTICLE TWO

The document to be corrected is the Articles of Organization which was filed in the Office of Secretary of State on the 30th day of September, 1999.

ARTICLE THREE

The inaccuracy, error, or defect to be corrected is Article Six which erroneously listed the individual partners of Network Enhanced Telecom, L.L.P., a limited liability partnership, as the members of Network/IP, L.L.C., instead of the Partnership itself as the only member of Network/IP, L.L.C.

ARTICLE FOUR

As corrected, the inaccurate, erroneous, or defective portion of the document reads as follows:

ARTICLE SIX

The Company will not have managers. The name and address of the initial member is as follows:

Network Enhanced Telecom, L.L.P.
119 W. Tyler, Suite 168
Longview, Texas 75601

By:



Ron Hutchison, Authorized Limited Liability
Company Member

EXHIBIT B - CERTIFICATE OF AUTHORITY

EXHIBIT C - MARKETING MATERIAL
Not Available

EXHIBIT D - FINANCIAL INFORMATION

Nov. 18. 1999 11:46AM

NETWORK SOLUTIONS 903-323-4564
NETWORK, LLC
BALANCE SHEET
(UNAUDITED)
NOVEMBER 30, 1999

No. 6416 P. 4/7

ASSETS

Current Assets	\$300,000.00	
Cash & Short Term Investments		300,000.00
Total Current Assets		
Other Assets		.00
Total Other Assets		
Long Term Assets		.00
Total Long Term Assets		
Fixed Assets		.00
Total Fixed Assets		300,000.00
Total Assets		<u>300,000.00</u>

LIABILITIES & MEMBER'S EQUITY

Current Liabilities		.00
Total Current Liabilities		
Member's Equity	300,000.00	
Member Contributions		300,000.00
Total Member's Equity		<u>300,000.00</u>
Total Liabilities and Member's Equity		<u>300,000.00</u>

NETWORKSIP, LLC
INCOME STATEMENT
(UNAUDITED)

FOR THE ELEVEN PERIODS ENDED NOVEMBER 30, 1999

	PERIOD TO DATE		YEAR TO DATE	
	ACTUAL	%	ACTUAL	%
Revenue				
Total Revenue	\$.00	.0 %	.00	.0
Cost of Sales				
Total Cost of Sales	.00	.0	.00	.0
Gross Profit	.00	.0	.00	.0
Operating Expenses				
Total Operating Expenses	.00	.0	.00	.0
Net Inc (Loss) from Oper Before Inc Tax	\$.00	.0 %	.00	.0

EXHIBIT E - PROPOSED TARIFF

NETWORKIP, LLC

ORIGINAL SHEET 1

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by NetworkIP, LLC ("NetworkIP"), with principal offices at 119 West Tyler Street, Suite 168, Longview, TX 75601. This tariff applies for services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

NETWORKIP, LLC

ORIGINAL SHEET 2

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

RESERVED FOR FUTURE USE

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

NETWORKIP, LLC

ORIGINAL SHEET 3

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

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

<u>SHEET</u>	<u>REVISION</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original
25	Original
26	Original
27	Original
28	Original
29	Original
30	Original
31	Original
32	Original

* New or Revised Sheet

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

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ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFFTARIFF FORMAT

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

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

C. Paragraph Numbering Sequence: There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1
- 2.1.1
- 2.1.1.A
- 2.1.1.A.1
- 2.1.1.A.1.(a)
- 2.1.1.A.1.(a).I
- 2.1.1.A.1.(a).I.(i)
- 2.1.1.A.1.(a).I.(i).(1)

D. Check Sheets: When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current Revision Number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current filed with the Commission.

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFF

SYMBOLS

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

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

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFFSECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

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

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

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

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

Company or NetworkIP - Used throughout this tariff to mean NetworkIP, LLC, a Texas Limited Liability Company.

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

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

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

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

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFF

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

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

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

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

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

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFFSECTION 2 - RULES AND REGULATIONS2.1 Undertaking of the Company

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

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFF

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

2.2 Use of Services

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

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFF

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

2.3 Liability of the Company

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

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFF

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

ISSUED: December 8, 1999

EFFECTIVE: , 1999

ISSUED BY:

Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
Longview, TX 75601

TELECOMMUNICATIONS SERVICES TARIFF

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

2.4 Responsibilities of the Customer

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

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TELECOMMUNICATIONS SERVICES TARIFF

- 2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with NetworkIP's facilities or services, that the signals emitted into NetworkIP's network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, NetworkIP will permit such equipment to be connected with its channels without the use of protective interface devices. If the Customer fails to maintain the equipment and/or the system properly, with resulting imminent harm to NetworkIP equipment, personnel or the quality of service to other Customers, NetworkIP may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, NetworkIP may, upon written notice, terminate the Customer's service.
- 2.4.7 The Customer must pay NetworkIP for replacement or repair of damage to the equipment or facilities of NetworkIP caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.
- 2.4.8 The Customer must pay for the loss through theft of any NetworkIP equipment installed at Customer's premises.
- 2.4.9 If NetworkIP installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.

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TELECOMMUNICATIONS SERVICES TARIFF

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

2.5 Cancellation or Interruption of Services

- 2.5.1 Without incurring liability, upon five (5) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, NetworkIP may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:
- 2.5.1.A For nonpayment of any sum due NetworkIP for more than thirty (30) days after issuance of the bill for the amount due, unless the charge is in dispute;
 - 2.5.1.B For violation of any of the provisions of this tariff,
 - 2.5.1.C For violation of any law, rule, regulation, policy of any governing authority having jurisdiction over NetworkIP's services, or
 - 2.5.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting NetworkIP from furnishing its services.

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

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EFFECTIVE: , 1999

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TELECOMMUNICATIONS SERVICES TARIFF

2.6 Credit Allowance

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

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2.7 Restoration of Service

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

2.8 Deposit

The Company does not require deposits.

2.9 Advance Payments

NetworkIP does not require advance payments.

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TELECOMMUNICATIONS SERVICES TARIFF2.10 Payment and Billing

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

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TELECOMMUNICATIONS SERVICES TARIFF**2.11 Collection Costs**

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

2.12 Taxes

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

2.13 Late Charge

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

2.14 Returned Check Charge

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

2.15 Reconnection Charge

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

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EFFECTIVE: , 1999

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Toni Van Burkleo, CFO
119 West Tyler Street, Suite 168
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TELECOMMUNICATIONS SERVICES TARIFFSECTION 3 - DESCRIPTION OF SERVICE3.1 Computation of Charges

- 3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the call. The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. All calls are measured in increments as set forth in the Rates Section of this tariff. All calls are rounded up to the next whole increment.
- 3.1.2 Where mileage bands appear in a rate table, rates for all calls are based upon the airline distance between the originating and terminating points of the call, as determined by the vertical and horizontal coordinates associated with the exchange (the area code and three digit central office code) associated with the originating and terminating telephone numbers. If the Customer obtains access to the Company's network by a dedicated access circuit, that circuit will be assigned an exchange for rating purposes based upon the Customer's main telephone number at the location where the dedicated access circuit terminates. The vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.

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

3.2 Customer Complaints and/or Billing Disputes

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

119 West Tyler Street, Suite 168
Longview, TX 75601
(877) 638-7762

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

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TELECOMMUNICATIONS SERVICES TARIFF

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

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

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

3.3 Level of Service

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

3.4 Billing Entity Conditions

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

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Toni Van Burkleo, CFO
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TELECOMMUNICATIONS SERVICES TARIFF**3.5 Service Offerings****3.5.1 1+ Dialing**

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

3.5.2 Travel Cards

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

3.5.3 800 Service (Toll-Free)

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

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TELECOMMUNICATIONS SERVICES TARIFF

3.5.4 NetworkIP Prepaid Calling Cards

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

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

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

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TELECOMMUNICATIONS SERVICES TARIFF

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

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

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

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

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

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

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3.5.5 Directory Assistance.

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

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3.5.6 Specialized Pricing Arrangements.

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

3.5.7 Emergency Call Handling Procedures

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

3.5.8 Promotional Offerings

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

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES

4.1 1+ Dialing

\$0.15 per minute

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

4.2 Travel Cards

\$.199 per minute

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

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TELECOMMUNICATIONS SERVICES TARIFF**4.3 Toll Free**

\$0.15 per minute

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

4.4 Prepaid Calling Cards**Program**

A	\$.015	Per Telecom Unit
B	\$.019	Per Telecom Unit
C	\$.025	Per Telecom Unit
D	\$.029	Per Telecom Unit
E	\$.032	Per Telecom Unit
F	\$.035	Per Telecom Unit
G	\$.039	Per Telecom Unit
H	\$.045	Per Telecom Unit
I	\$.05	Per Telecom Unit
J	\$.06	Per Telecom Unit
K	\$.07	Per Telecom Unit
L	\$.08	Per Telecom Unit
M	\$.09	Per Telecom Unit
N	\$.10	Per Telecom Unit
O	\$.11	Per Telecom Unit
P	\$.12	Per Telecom Unit
Q	\$.13	Per Telecom Unit
R	\$.14	Per Telecom Unit
S	\$.15	Per Telecom Unit
T	\$.19	Per Telecom Unit
U	\$.20	Per Telecom Unit
V	\$.25	Per Telecom Unit
W	\$.29	Per Telecom Unit
X	\$.30	Per Telecom Unit
Y	\$.33	Per Telecom Unit
Z	\$.35	Per Telecom Unit
AA	\$.39	Per Telecom Unit
BB	\$.40	Per Telecom Unit
CC	\$.50	Per Telecom Unit

A \$.59 per call service charge applies.

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NETWORKIP, LLC

ORIGINAL SHEET 31
SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

4.5 Directory Assistance

\$.95

4.6 Returned Check Charge

\$20.00

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TELECOMMUNICATIONS SERVICES TARIFF**4.7 Rate Periods**

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

* To, but not including

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

4.8 Payphone Dial Around Surcharge

A dial around surcharge of \$.35 per call will be added to any completed INTRASTATE toll access code and subscriber 800/888 type calls placed from a public or semi-public payphone.

4.9 Universal Service Fund Assessment & Presubscribed Interexchange Carrier Charge

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

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NETWORK ENHANCED TELECOM, L.L.P.119 W. TYLER, STE. 260
LONGVIEW, TX 75601**LONGVIEW BANK & TRUST**300 E. WHALEY, P.O. BOX 3188
LONGVIEW, TEXAS 75608
903-237-5500**3508**

003508

88-2221
1119PAY *TWO HUNDRED FIFTY DOLLARS AND NO CENTS
TO THE
ORDER OFDATE 11/23/99
AMOUNT *****250.00*

South Dakota Public Utilities

SOUTHDA

⑈003508⑈ ⑆111923238⑆ 04 1107 8⑈

NETWORK ENHANCED TELECOM, L.L.P.DATE 11/15/99 INVOICE NO COMMENT
FILINGFEES

AMOUNT	DISCOUNT	NET AMOUNT
250.00	.00	250.00

3508

CHECK: 003508 11/23/99 South Dakota Public Utilities

CHK TOTAL: 250.00

NETWORK ENHANCED TELECOM, L.L.P.

119 W. TYLER, STE. 200
LONGVIEW, TX 75601

LONGVIEW BANK & TRUST

309 E. WHALEY, P.O. BOX 3188
LONGVIEW, TEXAS 75608
803-237-5500

3508

003508

88-2323,
1119

PAY *TWO HUNDRED FIFTY DOLLARS AND NO CENTS
TO THE
ORDER OF

DATE

AMOUNT

11/23/99

*****250.00*

South Dakota Public Utilities

SOUTHDA



⑈003508⑈ ⑆111923238⑆ 04 1107 8⑈

NETWORK ENHANCED TELECOM, L.L.P.

DATE INVOICE NO COMMENT
11/15/99 FILINGFEES

AMOUNT
250.00

DISCOUNT
.00

NET AMOUNT
250.00

3508

TC 99-116

CHECK: 003508 11/23/99 South Dakota Public Utilities

CHK TOTAL:

250.00

Security Features Included. Details on back.

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of December 9, 1999 through December 15, 1999

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

Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINTS

CE99-004 In the Matter of the Complaint filed by 72 Thomas, LLC, Sioux Falls, South Dakota, against Northern States Power Company Regarding Unauthorized Transfer of Account for Electric Service.

Steve Willis, on behalf of 72 Thomas, LLC, filed a formal complaint with the Commission on December 15, 1999. The Complainant alleges that Northern States Power Company transferred outstanding balances of previous tenants to the limited liability company without approval. The Complainant requests a detailed listing of account transfers, a credit for inappropriate transfers, and a review of Northern States Power Company's transfer policy.

Staff Analyst: Leni Healy/Keith Senger

Staff Attorney: Camron Hoseck

Date Filed: 12/15/99

Intervention Deadline: N/A

CT99-070 In the Matter of the Complaint filed by Christa Hansen, Aberdeen, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant noticed that her billing was twice as high as it was normally. After reviewing her billing, she determined that her service was switched to OLS. The Complainant recalls a telemarketing firm representing themselves as U S WEST calling her to discuss billing changes. The Complainant believes her long distance service was switched through this deception. The Complainant requests that the "PUC should go after this company and make them pay. They should not allow them to do business in any state."

Staff Analyst: Leni Healy

Staff Attorney: Karen Cremer

Date Received and Filed: 12/09/99

Intervention Deadline: NA

CT99-071 In the Matter of the Complaint filed by Donald D. Wynia, Tyndall, South Dakota, against Opex Communications, also doing business as Cognigen Regarding Faulty Billing Practices.

The Complainant requested a toll free number which restricted access to neighboring states. The billings included a majority of calls for Texas agencies, specifically the Texas Unemployment Office. The Complainant tried multiple times to resolve the issue without success. The Complainant is requesting removal of errant charges and implementation of restricted blocks as promised.

Staff Analyst: Leni Healy
Staff Attorney: Camron Hoseck
Date Received: 12/07/99
Date Filed: 12/09/99
Intervention Deadline: NA

CT99-072 In the Matter of the Complaint filed by Sun Gold Trophies, Mitchell, South Dakota, against Midco Communications, Inc. d/b/a Midcontinent Communications, Inc. and MCI WorldCom Regarding Poor Service.

Sun Gold Trophies is seeking compensation in regards to the loss of their 1-800 number. The number was assigned to another business without their knowledge.

Staff Analyst: Michele Farris
Staff Attorney: Camron Hoseck
Date Received: 12/07/99
Date Filed: 12/10/99
Intervention Date: NA

CT99-073 In the Matter of the Complaint filed by Harlan L. Hammer, Sisseton, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant received a telemarketing call from a representative of OLS indicating he could get 7 cents per minute with no minimum fee. When the Complainant received his billing, he did not receive the promised rates, terms or conditions. The Complainant is seeking penalties on behalf of all people who were switched to OLS.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Filed: 12/07/99
Date Docketed: 12/10/99
Intervention Date: NA

CT99-074 In the Matter of the Complaint filed by Darrell Finwall, Aberdeen, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant received a call in October from someone claiming to be U S WEST to discuss billing arrangements. As a result of that call the Complainant's long distance service was switched to OLS.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Received and Filed: 12/10/99
Intervention Deadline: NA

CT99-075 In the Matter of the Complaint filed by Jeanette Hansen, Yankton, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant was contacted by someone identifying themselves as an employee of U S WEST. As a result of this conversation, her service was switched to OLS. She is seeking justice and protection.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Received and Filed: 12/13/99
Intervention Date: NA

CT99-076 In the Matter of the Complaint filed by Richard L. Dixon, DeSmet, South Dakota, against Telephone Billing Services and RTR Consultants Regarding Unauthorized Switching of Services.

The Complainant claims that there were charges for calls on his telephone bill that were not made by him. The Complainant would like the charges removed from his phone bill.

Staff Analyst: Heather Forney
Staff Attorney: Camron Hoseck
Date Received and Filed: 12/13/99
Intervention Deadline: NA

CT99-077 In the Matter of the Complaint filed by Hazel Matteson, Watertown, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant indicated that she was contacted by a telemarketer claiming to represent her local telephone company to discuss billing changes. As a result her service was switched to OLS. She requests that all the charges and change fees be credited to the account.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Received and Filed: 12/14/99
Intervention Deadline: NA

CT99-078 In the Matter of the Complaint filed by Ruth Wilcox, Watertown, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant claims that she was contacted in October to switch her service. The Complainant claims she declined the service but her service was switched anyway. She is requesting that all charges be removed from her billing.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Received and Filed: 12/14/99
Intervention Deadline: NA

CT99-079 In the Matter of the Complaint filed by Mary E. Bowen, Watertown, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant received a call from someone representing themselves as an AT&T employee to discuss billing changes. As a result, her service was switched to OLS. She wants her service restored to AT&T and charges removed.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Received and Filed: 12/14/99
Intervention Deadline: NA

CT99-080 In the Matter of the Complaint filed by Keith Enstad, Watertown, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant indicates that his long distance service was switched to OLS without authorization. As a result of the switch, the Complainant incurred charges and fees which were higher than expected. The Complainant requests restoration of service,

compensation for higher fees and charges, and compensation for his time straightening out the problem.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Received and Filed: 12/15/99
Intervention Deadline: NA

TELECOMMUNICATIONS

TC99-116 In the Matter of the Application of NetworkIP, LLC for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

NetworkIP, LLC seeks a Certificate of Authority to provide resold interexchange telecommunication services. NetworkIP, LLC intends to offer 1+ and 101XXXX direct outbound dialing, 800/888 toll-free inbound dialing, travel card services, and prepaid calling card services throughout South Dakota.

Staff Analyst: Heather Forney
Staff Attorney: Camron Hoseck
Date Filed: 12/09/99
Intervention Date: 12/31/99

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FEB 23 2000

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

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

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

Also Admitted in New York
and Maryland

February 22, 2000

VIA OVERNIGHT DELIVERY

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

Re: NetworkIP, LLC
Docket No. TC99-116

Dear Mr. Bullard:

Pursuant to a letter from Heather Forney, enclosed please find an original and two (2) copies of an Indemnity Bond in the amount of \$25,000, and three (3) copies of Applicant's Certificate of Authority issued by the Secretary of State. Finally, the Applicant's toll-free number for complaints is 877-638-7762.

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

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

Respectfully submitted


Lance J.M. Steinhart
Attorney for NetworkIP, LLC

Enclosures

cc: Toni Van Burkleo

IDEMNITY BOND
TO THE
PEOPLE OF THE STATE OF SOUTH DAKOTA

Bond No. S260214

NetworkIP LLC dba

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

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

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

Dated this 4th day of February, 2000.

To be effective this 4th day of February, 2000.

*The original bond
is in Delaine's
bottom desk drawer.*

Countersigned this 17th day of

February, 2000

Countersigned for South Dakota

By John D. Delaine
Resident Agent

By NetworkIP LLC dba NetworkIP

RH

Ron Hutchinson, Managing Partner

By Employers Mutual Casualty Company (Surety)

By Darren Halbur
Darren Halbur, Attorney-In-Fact

EMC Insurance Companies

P.O. Box 712 • Des Moines, Iowa 50303

No. 381703

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

1. Employers Mutual Casualty Company, an Iowa Corporation
2. EMCASCO Insurance Company, an Iowa Corporation
3. Union Insurance Company of Providence, an Iowa Corporation
4. Illinois EMCASCO Insurance Company, an Illinois Corporation

5. Dakota Fire Insurance Company, a North Dakota Corporation
6. EMC Property & Casualty Company, an Iowa Corporation
7. The Hamilton Mutual Insurance Company, an Ohio Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint:

HOWARD O. DUGGER, LINDA ANN MCALLISTER, DARREN A. HALBUR, INDIVIDUALLY, RICHARDSON, TEXAS.....

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

ANY AND ALL BONDS

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire April 1, 2002 unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each company duly called and held in 1999:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this 19th day of May, 1999.

Seals



Bruce G. Kelley
Bruce G. Kelley, Chairman
of Companies 2, 3, 4, 5 & 6; President
of Company 1; Vice Chairman and
CEO of Company 7

Donald L. Coughenower
Donald L. Coughenower
Assistant Secretary

On this 19th day of May, AD 1999 before me a
Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Donald
L. Coughenower, who, being by me duly sworn, did say that they are, and are known to me
to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Secretary,
respectively, of each of The Companies above; that the seals affixed to this instrument are
the seals of said corporations; that said instrument was signed and sealed on behalf of each
of the Companies by authority of their respective Boards of Directors; and that the said
Bruce G. Kelley and Donald L. Coughenower, as such officers, acknowledge the execution
of said instrument to be the voluntary act and deed of each of the Companies.
My Commission Expires September 30, 2000.

Ruta Krums
Notary Public in and for the State of Iowa

CERTIFICATE

I, David L. Hixenbaugh, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the
Companies, and this Power of Attorney issued pursuant thereto on May 19, 1999
on behalf of Howard O. Dugger, Linda Ann McAllister, Darren A. Halbur
are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 4 day of February, 2000

David L. Hixenbaugh
Vice-President

State of South Dakota



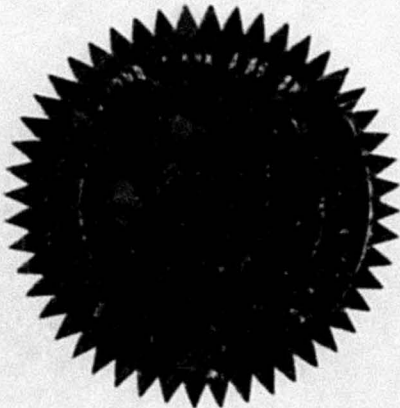
OFFICE OF THE SECRETARY OF STATE

Certificate of Authority Limited Liability Company

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 **NETWORKIP, L.L.C. (TX) d/b/a NETWORKIP COMMUNICATIONS, L.L.C.** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Limited Liability Company Act, have been received in this office and are found to conform to law.

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this February 17, 2000.



A handwritten signature of Joyce Hazeltine in cursive script.

Joyce Hazeltine
Secretary of State

SECRETARY OF STATE
STATE CAPITOL
500 E. CAPITOL AVE.
PIERRE, S.D. 57501
(605)773-4843
FAX (605)773-4540

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

The name of the foreign Limited Liability Company is: NETWORKIP, L.L.C.

assured / Network IP Communications, L.L.C.

2. The name of the state or country under whose law it is organized is: Texas

3. The street address of its principal office is: _____

119 West Tyler Street, Suite 168, Longview, TX 75601

4. The address of its initial designated office in South Dakota is: _____

c/o Marilyn Person, 819 West Third, Pierre, SD 57501

5. The name and street address of its initial agent for service of process in South Dakota is: National Corporate Research, Ltd.

c/o Marilyn Person, 819 West Third, Pierre, SD 57501

6. The date of organization is: 9/30/99, and the period of duration is: perpetual

7. If the company is manager-managed, rather than member-managed, the name and address of each initial manager:

The company is a manager-managed company.

Ron Hutchison

119 West Tyler St, Ste 168, Longview, TX 75601

8. Whether one or more of the members of the company are to be liable for its debts and obligations under a provision similar to SDCL 47-34A-303 (c).

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

Date: 12/2/99

 , manager
(Signature and Title)

FILING INSTRUCTIONS:

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

callc.pdf

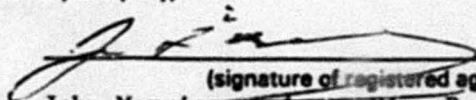
The Consent of Appointment below must be signed by the registered agent

CONSENT OF APPOINTMENT BY THE REGISTERED AGENT

I, NATIONAL CORPORATE RESEARCH, LTD., hereby give my consent to serve as the
(name of registered agent)

registered agent for NetworkIP, L.L.C.
(limited liability company)

Dated January 6, 2000 19


(signature of registered agent)
John Morrissey, Asst. Vice President

The amended application for certificate of authority shall be filed when any changes have occurred, including a change in the name or address of registered agent in South Dakota, which makes the original application inaccurate in any respect.

Filing Fee: \$5.00 If the amendment increases the capital there is an additional fee due based on the fee schedule listed:

Fee Schedule

Not in excess of \$50,000	\$50
50,001 to 100,000	\$100
in excess of \$100,000	\$100 for first \$100,000 plus \$.50 for each additional \$1,000

*** Submit one original and one exact or photocopy ***

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

**FIRST ANNUAL REPORT
OF A
LIMITED LIABILITY COMPANY**

RECEIVED

FEB 10 1999

RECEIVED
S.D. SEC. OF STATE

JAN 07 1999

S.D. SEC. RECEIVED

FEB 17 1999

S.D. SEC. OF STATE

1. The name of the Limited Liability Company is: NETWORKIP, L.L.C.
2. The state or country under whose law it is organized is: Texas
3. The address of its registered office and the name and address of its registered agent for service of process in South Dakota is:
National Corporate Research, Ltd.
c/o Marilyn Person, 819 West Third, Pierre, SD 57501
4. The address of its principal office is: 119 West Tyler Street, Suite 168, Longview, TX 75601
5. The names and business addresses of any managers:

Ron Hutchison
119 West Tyler St, Ste 168, Longview, TX 75601
6. The dollar amount of the total agreed contributions to the Limited Liability Company is \$ 300,000.00.

Date: 12/2/99

Joni Van Buitke
Chief Financial Officer

(Signature and Title)

*** FILING FEE:**

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

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

llcar.doc

RESOLUTION OF THE MANAGERS OF
NETWORKIP, LLC

RECEIVED

FEB 17 11

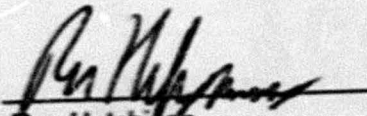
S.D. SEC. OF STATE

I hereby certify that the following resolution was adopted by the Managers of NetworkIP, L.L.C.

- (a) That the Limited Liability Company is organized under the name of NetworkIP, L.L.C.
- (b) That the Limited Liability Company is unable to register or qualify to do business under its company name in the State of South Dakota.
- (c) That the Limited Liability Company agrees to adopt the assumed name of NetworkIP Communications, L.L.C. in all of its dealings with the Secretary of State of South Dakota and the conduct of its affairs in this State.

NetworkIP, L.L.C.

BY:


Ron Hutchison
Manager

State Capitol Suite 204
500 East Capitol Avenue
Pierre SD 57501-5070
sdsos@sos.state.sd.us
Phone: 605-773-4845

Secretary of State

Joyce Hazeltine
Secretary of State

Tom Leckey
Deputy



January 2000

RE: Article XVII, §21, South Dakota Constitution ("Amendment E")

Dear Authorized Representative:

According to the South Dakota Constitution, corporations and syndicates are prohibited from owning agricultural land or engaging in farming unless exempted by the State Constitution. Enclosed you will find 1) a copy of the constitutional provisions; 2) the rules adopted by the Secretary of State for your type of organization, and 3) a form and instructions for filling out the form. Any corporation or syndicate claiming to be exempt under the constitution must complete and return the enclosed form to the office of Secretary of State, 500 E Capitol Ave., Pierre, SD 57501 on or before **March 1, 2000**.

Filing this form does not automatically give you authority to own agricultural land or to begin farming in the State. **This office does not make the determination.** To determine whether your corporation or syndicate is authorized to acquire or obtain an interest in real estate used for farming in this state, or engage in farming, under Section 21 through 24 of Article XVII of the South Dakota Constitution, you should see your lawyer.

Sincerely,

A handwritten signature in cursive script that reads "Joyce Hazeltine".

Joyce Hazeltine

Amendment E – an Amendment to the Constitution of the State of South Dakota

Effective November 14, 1998

Article XVII § 21. No corporation or syndicate may acquire, or otherwise obtain an interest, whether legal, beneficial, or otherwise, in any real estate used for farming in this state, or engage in farming. The term, corporation, means any corporation organized under the laws of any state of the United States or any country. The term, syndicate, includes any limited partnership, limited liability partnership, business trust, or limited liability company organized under the laws of any state of the United States or any country. A syndicate does not include general partnerships, except general partnerships in which nonfamily farm syndicates or nonfamily farm corporations are partners. The term, farming, means the cultivation of land for the production of agricultural crops, fruit, or other horticultural products, or the ownership, keeping, or feeding of animals for the production of livestock or livestock products.

Article XVII § 22. The restrictions in § 21 of this Article do not apply to:

(1) A family farm corporation or syndicate. A family farm corporation or syndicate is a corporation or syndicate engaged in farming or the ownership of agricultural land, in which a majority of the partnership interests, shares, stock, or other ownership interests are held by members of a family or a trust created for the benefit of a member of that family. The term, family, means natural persons related to one another within the fourth degree of kinship according to civil law, or their spouses. At least one of the family members in a family farm corporation or syndicate shall reside on or be actively engaged in the day-to-day labor and management of the farm. Day-to-day labor and management shall require both daily or routine substantial physical exertion and administration. None of the corporation's or syndicate's partners, members, or stockholders may be nonresident aliens, or other corporations or syndicates, unless all of the stockholders, members, or partners of such entities are persons related within the fourth degree of kinship to the majority of partners, members, or stockholders in the family farm corporation or syndicate;

(2) Agricultural land acquired or leased, or livestock kept, fed or owned, by a cooperative organized under the laws of any state, if a majority of the shares or other interests of ownership in the cooperative are held by members in the cooperative who are natural persons actively engaged in the day-to-day labor and management of a farm, or family farm corporations or syndicates, and who either acquire from the cooperative, through purchase or otherwise, such livestock, or crops produced on such land, or deliver to the cooperative, through sale or otherwise, crops to be used in the keeping or feeding of such livestock;

(3) Nonprofit corporations organized under state non-profit corporation law;

(4) Agricultural land, which, as of the approval date of this amendment, is being farmed, or which is owned or leased, or in which there is a legal or beneficial interest, directly or indirectly owned, acquired, or obtained by a corporation or syndicate, if such land or other interest is held in continuous ownership or under continuous lease by the same such corporation or syndicate. For the purposes of this exemption, land purchased on a contract signed as of the approval date of this amendment is considered as owned on that date;

(5) Livestock, which as of the approval date of this amendment, is owned by a corporation or syndicate. For the purposes of this exemption, livestock to be produced under contract for a corporation or syndicate are considered as owned, if the contract is for the keeping or feeding of livestock and is signed as of the approval date of this amendment, and if the contract remains in effect and is not terminated by either party to the contract. This exemption does not extend beyond the term of any contract signed as of the approval date of this amendment;

(6) A farm operated for research or experimental purposes, if any commercial sales from the farm are only incidental to the research or experimental objectives of the corporation or syndicate;

- (7) Land leases by alfalfa processors for the production of alfalfa;
- (8) Agricultural land operated for the purpose of growing seed, nursery plants, or sod;
- (9) Mineral rights on agricultural land;
- (10) Agricultural land acquired or leased by a corporation or syndicate for immediate or potential nonfarming purposes, for a period of five years from the date of purchase. A corporation or syndicate may hold such agricultural land in such acreage as may be necessary to its nonfarm business operation, but pending the development of the agricultural land for nonfarm purposes, such land may not be used for farming except under lease to a family farm corporation or family farm syndicate or a non syndicate or noncorporate farm;
- (11) Agricultural lands or livestock acquired by a corporation or syndicate by process of law in the collection of debts, or by any procedures for the enforcement of a lien, encumbrance, or claim thereon, whether created by mortgage or otherwise. Any lands so acquired shall be disposed of within a period of five years and may not be used for farming before being disposed of, except under a lease to a family farm corporation or syndicate, or a nonsyndicate or noncorporate farm. Any livestock so acquired shall be disposed of within six months;
- (12) Agricultural lands held by a state or nationally chartered bank as trustee for a person, corporation or syndicate that is otherwise exempt from the provisions of sections 21 to 24, inclusive, of this Article;
- (13) A bona fide encumbrance taken for purposes of security;
- (14) Custom spraying, fertilizing, or harvesting;
- (15) Livestock futures contracts, livestock purchased for slaughter within two weeks of the purchase date, or livestock purchased and resold within two weeks.

Article XVII § 23. If a family farm corporation or family farm syndicate that has qualified under all the requirements of a family farm corporation or a family farm syndicate ceases to meet the defined criteria, it has twenty years, if the ownership of the majority of the stock of such corporation, or the majority of the ownership interest of such syndicate, continues to be held by persons related to one another within the fourth degree of kinship or their spouses, and their land holdings are not increased, to either requalify as a family farm corporation or family farm syndicate or dissolve and return to personal ownership.

Article XVII § 24. Any corporation or syndicate that owns agricultural land or engages in farming is required to report information necessary for the enforcement of sections 21 to 24, inclusive, of this Article to the Secretary of State on an annual basis, under rules promulgated by the Secretary pursuant to state law. The Secretary of State shall monitor such reports and notify the Attorney General of any possible violations, and any resident of the state may also notify the Attorney General of any possible violations. If a corporation or syndicate violates any provision of sections 21 to 24, inclusive, of this Article, the Attorney General shall commence an action in circuit court to enjoin any pending illegal purchase of land or livestock, or to force divestiture of land or livestock held in violation of sections 21 to 24, inclusive, of this Article. The court shall order any land held in violation of sections 21 to 24 of this Article to be divested within two years and any livestock to be divested within six months. If land so ordered by the court has not been divested within two years, the court shall declare the land escheated to the state. If the Attorney General fails to bring an action in circuit court to enforce sections 21 to 24, inclusive, of this Article, any resident of the state has standing in circuit court to sue for enforcement.

Limited Liability Company Report Instructions

If you need additional space to answer a question, please attach an additional sheet. Number your responses accordingly. Listed here are additional instructions for some of the questions.

QUESTION #:

2. If you are a foreign LLC (organized under laws other than the laws of SD), list the address of your principal office at your place of organization.
3. You need only answer if the LLC is claiming exemption as a family farm syndicate.
4. If the LLC is claiming exemption as a family farm syndicate explain the degree of kinship among the members, if any. *Relationships and Degrees of Kindred According to the Civil Law* printed below will assist in providing this description. It may be helpful to choose one member (represented by the unnumbered circle on the chart) and explain the degree of kinship that each other member has to the first member.
5. You need only answer if the LLC is claiming exemption as a family farm syndicate.
6. If your LLC is managed by someone other than a member, provide the name and business address of each manager.
- 7b. Examples of ownership interests would be sole ownership, joint tenancy, tenants-in-common, leasehold, etc.
13. Examples of ownership interests would be sole ownership, joint tenancy, tenants-in-common, leasehold, production contracts, etc.
15. Grounds for exemption are listed in Article XVII, § 22 of the South Dakota Constitution. One or more of these grounds must be provided along with the factual basis for requesting the exemption.

Relationships and Degrees of Kindred According to the Civil Law

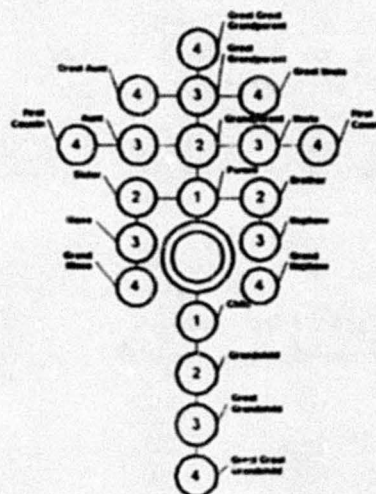
§ 23A-20-30. Degree of kindred - Direct and collateral line - Descending and ascending direct line - Degrees in collateral line

The degree of kindred is established by the number of generations, and each generation is called a degree. The series of degrees form the line; the series of degrees between persons who descend from one another is called direct or lineal consanguinity; and the series of degrees between persons who do not descend from one another, but spring from a common ancestor, is called the collateral line or collateral consanguinity.

The direct line is divided into a direct line descending and a direct line ascending. The first is that which connects the ancestor with those who descend from that ancestor. The second is that which connects a person with those from whom that person descends. In the direct line there are as many degrees as there are generations. Thus the son is, with regard to the father, in the first degree; the grandson in the second; and vice versa with regard to the father and grandfather toward the sons and grandsons.

In the collateral line the degrees are counted by generations from one of the relations up to the common ancestor, and from the common ancestor to the other relations. In such computation the person whose consanguinity or affinity is being determined is excluded, the relative included, and the ancestor counted but once. Thus brothers are related in the second degree, uncle and nephew in the third degree, cousins germane in the fourth degree, and so on.

RELATIONSHIPS AND DEGREES OF KINSHIP ACCORDING TO CIVIL LAW



Limited Liability Company Report of South Dakota Agriculture Activity

RETURN TO: Corporations Department, Secretary of State, 500 E Capitol Ave, Suite 204, Pierre, SD 57501

Please read instructions on back of the page before filling out this form.

~~This document is to be filed on or before March 1, 2000.~~

Only Limited Liability Companies which have an interest, whether legal, beneficial or otherwise in any real estate used for farming in this state or which engage in farming as defined in the rules enclosed with this document must file this form.

1. Address of principal office in South Dakota _____
2. Address if a foreign LLC _____
3. Name & address of each member _____
4. Explanation of degree of kinship _____
5. The interest of each member _____
6. The name and business address of each manager _____
7. For each lot or parcel of real estate in this state owned or leased by the corporation and used for farming list
 - a. the legal description _____
 - b. type of ownership interest in the real estate _____
 - c. date real estate interest acquired _____
8. The name and address of each member residing on the farm or actively engaged in the day-to-day labor and management of the farm _____
9. Description of the farming conducted on the real estate _____
10. Number of head of livestock, if any, owned by the LLC _____
11. Were all of the livestock acquired prior to November 3, 1998? _____
12. Type of livestock _____
13. Type of ownership _____
14. Attach a copy of each contract for the keeping and feeding of livestock to which the LLC is a party.
15. The type of exemption claimed and the factual basis for the claim _____

State of _____)

) ss

County of _____)

_____, who, being by me duly sworn, declares that the above and attached statement
(Print name of Authorized Representative)

is true and correct to the best of my knowledge and belief and that the information is accurate as of this date.

Signature of Authorized Representative

Subscribed and sworn /affirmed to before me this _____ day of _____ 2000.

Notary Signature

SEAL

My commission expires on _____

Administrative Rules: LIMITED LIABILITY COMPANY

ARTICLE 5:05 FARM CORPORATIONS AND SYNDICATES

5:05:01:01. Definitions. Words and phrases defined in sections 21 and 22, Article XVII of the South Dakota Constitution have the same meaning when used in this chapter. Terms used in this chapter mean:

- (1) "Agricultural land," real estate used for farming;
- (2) "Exemption," any of the exemptions from section 21 of Article XVII of the South Dakota Constitution listed in section 22 of Article XVII of the South Dakota Constitution;
- (3) "Fourth degree of kinship," the fourth degree of lineal or collateral consanguinity as defined in SDCL 23A-20-30;
- (4) "Livestock," cattle, swine, poultry, ratite, sheep, bison, goats, horses, mules, or other equines;
- (5) "Nonresident alien," a citizen of a foreign country who is not a resident of this state, of some state or territory of the United States or of the District of Columbia;
- (6) "Secretary," the South Dakota secretary of state or other person authorized by the secretary to enforce the provisions of this chapter.

Source:

General Authority: SD Const. Article XVII, § 24.

Law Implemented: SD Const. Article XVII, §§ 21 to 24, inclusive.

5:05:01:02. Authorized representative. An authorized representative is a person who is authorized to represent a corporation or syndicate and shall be:

- (1) The chairman of the board of directors, president, or any other officer designated by appropriate resolution, if it is a corporation;
- (2) A manager if the limited liability company is manager-managed or a member if the limited liability company is member managed;
- (3) A general partner if it is a limited partnership;
- (4) A partner if it is a limited liability partnership;
- (5) A trustee, if it is a business trust; and
- (6) The chairman of the board of directors, president, or any other officer designated by appropriate resolution, if it is a cooperative.

Source:

General Authority: SD Const. Article XVII, § 24.

Law Implemented: SD Const. Article XVII, §§ 21 to 24, inclusive.

5:05:01:03. Corporations and syndicates required to file claim of exemption. Any corporation or syndicate claiming an exemption shall file a claim of exemption with the secretary. The claim of exemption shall be on a form approved by the secretary, and shall be signed by an authorized representative of the corporation or syndicate under oath and notarized.

Source:

General Authority: SD Const. Article XVII, § 24.

Law Implemented: SD Const. Article XVII, §§ 21 to 24, inclusive.

5:05:01:05. Claim of exemption by limited liability company. Unless the information is already included in the last annual report filed with the Secretary, a claim of exemption filed by a limited liability company shall contain:

- (1) The name of the limited liability company, the date of its organization, and its place of organization;
- (2) The name and address of its registered agent in this state, the address of its principal office in this state, and, in the case of a foreign company, the address of its principal office in its place of organization;

Administrative Rules: LIMITED LIABILITY COMPANY

- (3) If the company is claiming an exemption as a family farm syndicate, the name and address of each member, an explanation of the degree of kinship among the members, if any, and the membership interest owned by each;
- (4) The legal description of each lot or parcel of real estate in this state owned or leased by the company and used for farming, the date the real property was acquired by the company, and the type of ownership interest held by the company;
- (5) A description of the farming conducted on the real estate;
- (6) The name and business address of each manager;
- (7) The name and address of each member residing on the farm or actively engaged in the day-to-day labor and management of the farm;
- (8) The number of head of livestock, if any, owned by the company, a description of the type of livestock, the type of ownership in the livestock held by the company, and a statement of whether the livestock were acquired prior to November 3, 1998;
- (9) A copy of each contract for the keeping and feeding of livestock to which the company is a party;
- (10) The type of exemption claimed and the factual basis for the claim; and
- (11) A statement that the information contained in the claim of exemption form is accurate as of the date the form is signed.

Source:

General Authority: SD Const. Article XVII, § 24.

Law Implemented: SD Const. Article XVII, §§ 21 to 24, inclusive.

5:05:01:10. Filing date for claim of exemption. Any corporation or syndicate created prior to the effective date of these rules shall file a claim of exemption with the secretary on or before the March 1, 2000. Any corporation or syndicate created after the effective date of these rules, or which becomes eligible to file a claim for exemption after the effective date of these rules, shall file a claim of exemption with the secretary prior to the first day of the second month following the anniversary date of the corporation or syndicate.

Source:

General Authority: SD Const. Article XVII, § 24.

Law Implemented: SD Const. Article XVII, §§ 21 to 24, inclusive.

5:05:01:11. Certificate of filed exemption. If the claim of exemption has been filed in conformance with this chapter, the secretary shall issue a certificate of filed exemption to the corporation or syndicate which filed the claim.

Source:

General Authority: SD Const. Article XVII, § 24.

Law Implemented: SD Const. Article XVII, §§ 21 to 24, inclusive.

5:05:01:12. Annual disclosure report. Any corporation or syndicate receiving a certificate of filed exemption shall file an annual report regarding its farming activities and interests, on a form provided by the secretary. The annual report shall be signed by an authorized representative under oath, notarized, and filed annually prior to the first day of the second month following the anniversary date of the corporation or syndicate. The annual disclosure report shall contain:

- (1) The name and address of the corporation or syndicate;
- (2) The certificate of filing number; and
- (3) A description of any changes since the claim of exemption or the last annual report was filed.

Source:

General Authority: SD Const. Article XVII, § 24.

Law Implemented: SD Const. Article XVII, §§ 21 to 24, inclusive.

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
NETWORKIP, LLC FOR A CERTIFICATE OF)	CERTIFICATE OF
AUTHORITY TO PROVIDE)	AUTHORITY
TELECOMMUNICATIONS SERVICES IN)	
SOUTH DAKOTA)	TC99-116

On December 9, 1999, 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 NetworkIP, LLC (NetworkIP).

NetworkIP is a switch-based reseller which proposes to offer 1+ and 101XXXX direct outbound dialing, 800/888 toll-free inbound dialing, travel card service, and prepaid calling card service. A proposed tariff was filed by NetworkIP. The Commission has classified long distance service as fully competitive.

On December 16, 1999, the Commission electronically transmitted notice of the filing and the intervention deadline of December 31, 1999, to interested individuals and entities. No petitions to intervene or comments were filed and at its March 14, 2000, meeting, the Commission considered NetworkIP's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to a continuous \$25,000 surety bond. Commission Staff further recommended a waiver of ARSD 20:10:24:02(8).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that NetworkIP has met the legal requirements established for the granting of a certificate of authority. NetworkIP has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive ARSD 20:10:24:02(8). The Commission approves NetworkIP's application for a certificate of authority, subject to a continuous \$25,000 surety bond. As the Commission's final decision in this matter, it is therefore

ORDERED, that NetworkIP's application for a certificate of authority is hereby granted, subject to a continuous \$25,000 surety bond. It is

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

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

Dated at Pierre, South Dakota, this 20th day of March, 2000.

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: *Helaine Kalbo*

Date: 3/22/00

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted March 14, 2000
Docket No. TC99-116

This is to certify that

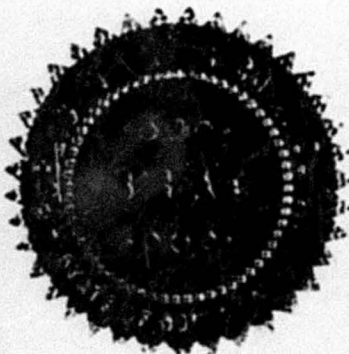
NETWORKIP, LLC

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 20th day of March, 2000.

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner