

TCDD-202

October 31, 2000

Commission Secretary
South Dakota Public Utility Commission
500 E Capitol Ave
Pierre, SD 57501-5070

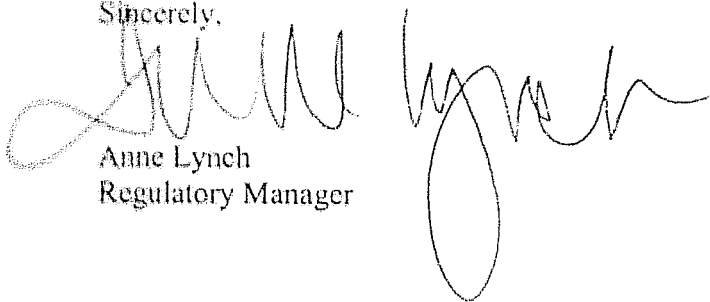
Re: Application for Certificate of Authority to Operate as a Reseller of Long
Distance Telecommunications Service

Commission Secretary:

Enclosed please find the above-referenced Application for 1-800-Reconex, Inc.

If you have any questions or need any further information, please do not hesitate to
contact me directly at 503-982-5572 or anne.lynch@reconex.com.

Sincerely,



Anne Lynch
Regulatory Manager

RECEIVED
NOV 06 2000
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

2. Exhibits and Supplemental Information

a. Exact Legal Name:

1-800-RECONEX, Inc.

b. Reconex's principal place of business is:

2500 Industrial Avenue
Hubbard, Oregon 97032
503-982-8000

c. Reconex is a corporation duly organized and existing under the laws of the State of Oregon. Please see Reconex's Certificate of Good Standing and Articles of Incorporation for the State of Oregon, attached hereto as Exhibits "A" and "B".

d. Applicant has been granted a Business License from the South Dakota Secretary of State's Office, attached hereto as Exhibit "C".

e. Applicant's Corporate Officers are attached hereto as Exhibit "D"

3. Correspondence and Communications

a. all communications and correspondence regarding this Application should be addressed to:

Anne Lynch
Regulatory Manager
1-800-Reconex, Inc.
2500 Industrial Avenue
Hubbard, Oregon 97032
503-982-5572 (telephone)
503-982-6077 (facsimile)
anne.lynch@reconex.com

4. Contact for Regulatory and Legal Matters

Regulatory: Anne Lynch
Regulatory Manager
1-800-Reconex, Inc.
2500 Industrial Avenue
Hubbard, Oregon 97032
503-982-5572 (telephone)
503-982-6077 (facsimile)
anne.lynch@reconex.com

Legal: William Braun
General Counsel
1-800-Reconex, Inc.
2500 Industrial Avenue
Hubbard, Oregon 97032
503-982-5573 (telephone)
503-982-6077 (facsimile)
bill.braun@reconex.com

5. Technical and Managerial Expertise

Although Reconex relies upon the technical expertise of its underlying carrier, individuals with considerable telecommunications and business management experience manage the company. Below please find the biographies of Reconex's senior management team.

Todd Meislahn: President & CEO

Mr. Meislahn started 1-800-RECONEX in 1992. 1-800-RECONEX provides local exchange service to over 26,000 customers in 27 states. For ten years prior to 1-800-RECONEX, Mr. Meislahn was Vice President of Operations for Forentco, Inc., a multistate furniture rental company. Mr. Meislahn graduated cum laude from Lewis and Clark College in Portland, Oregon with a BS in Music and Business & Administrative Studies.

Joe Brandes: Senior Vice President

Mr. Brandes joined 1-800-RECONEX in 1996. From 1990 to 1996 he was President of ProVision, Inc., a consumer products company manufacturing, marketing, and distributing golf products internationally. From 1987 to 1990, Mr. Brandes was Vice President of Marketing for O'Callahan's Restaurants, Inc., a \$9M multiple unit food and beverage operation. From 1978 to 1987, Mr. Brandes was Director of Marketing Operations and Distribution for Floating Point Systems, a \$150M scientific computer company. From 1972 to 1978 he served as controller for several business units including Wood Products, Heavy Equipment Manufacturing, and Retail Home Improvement with Columbia Corporation, a diversified \$175M company. Mr. Brandes holds a BS in Finance from the University of Oregon and an MBA from the University of Portland.

William E. Braun: Vice President/General Counsel

Mr. Braun joined 1-800-RECONEX in 1997. Mr. Braun is an attorney licensed to practice in the states of Oregon and California. As an attorney for the past 16 years, he has served in a litigation and advisory capacity for private firms, corporations and governmental entities. Mr. Braun holds a BA in Political Science from California State University, Long Beach and JD from Northwestern School of Law of Lewis and Clark College. He is a member of the American Bar Association, the Oregon Bar Association and the California Bar Association.

William R. Conner: Vice President of Information Technology

Mr. Conner joined 1-800-RECONEX in July 2000 with over 27 years experience in the telecommunications and information technology field. Prior to joining 1-800-RECONEX, Mr. Conner served as the Strategic Manager for a \$1.5B international telecommunication consulting firm. Mr. Conner has also lead the quality control process for Wang Communications, a subsidiary of Wang Laboratories; served as the Chief Architect for the renovation of all technology at PNG, a major energy company in Pennsylvania; and served as the Senior Manager of Engineering for a major division of MCI in South Dakota D.C. Mr. Conner holds a BS in Electrical Engineering and served ten years in the U.S. Marine Corps.

Dale N. Powers: Vice President of Finance

Mr. Powers joined 1-800-RECONEX in October 1999. Previously Mr. Powers served as Chief Financial Officer for INTEX, a construction company. Between 1996 and 1998 he was Corporate Controller for NOW Software, a developer of consumer oriented PIM software. For six years prior to NOW, Mr. Powers served as Controller for Atlas Telecom, a \$40 million dollar international telecommunications supplier of enhanced messaging software and hardware. In addition, Mr. Powers has served in various financial capacities at several other high tech, manufacturing and distribution companies. Mr. Powers holds a BA from Knox College and a MSBA in Accounting from Northern Illinois University. He also holds an inactive CPA certificate for the State of Oregon.

Applicant possesses the managerial qualifications to provide interexchange services within the State of South Dakota. The senior management team has guided Reconex from a small start-up in 1992 to the largest residential telephone company in the United States. Since 1996, Reconex has been publicly recognized every year as one of the fastest growing private companies in the Pacific Northwest (Exhibit "E").

6. Financial

For the Commission's review we are attaching, hereto as Exhibit "F", Reconex's most current income statement and balance sheet to demonstrate that Reconex possesses the financial ability to provide subscriber with comprehensive local and long distance exchange telecommunications service throughout the State of South Dakota.

Reconex respectfully requests that the Commission maintain the confidential nature of the financial documents contained in Exhibit "F" to this Application.

7. Tariff

A proposed tariff reflecting services to be offered, including rates and regulations applicable to each service is submitted hereto as Exhibit "G".

8. Public Interest

Certification of Applicant will provide South Dakota consumers with an additional potential choice among interexchange carriers. As the number of competitors increase, so does the incentive for each provider to offer unique service and service packages, at competitive prices, in the marketplace. In such a competitive marketplace, no provider will survive unless it provides high quality customer and technical services. Applicant believes, given the resources outlined in this Application, that it has the qualifications necessary to offer quality customer and technical support to its South Dakota subscribers.

WHEREFORE, Applicant, 1-800-RECONEX, Inc., respectfully requests that the Commission enter an Order issuing a Certificate of Authority to provide interexchange services within the State of South Dakota and grant other such relief as the Commission deems necessary and appropriate.

Dated at Hubbard, Oregon, this 30th day of October 2000.

By: 

William E. Braun

General Counsel/Corporate Secretary for
1-800-RECONEX, Inc.

VERIFICATION

This application shall be verified under oath

OATH

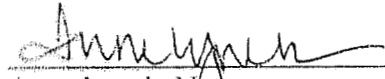
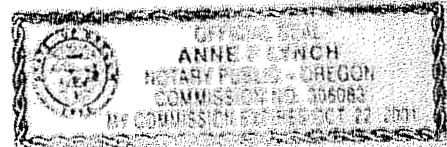
State of Oregon)
) ss
County of Marion)

William E. Braun makes oath and says that he is the Corporate Secretary/General Counsel of 1-800-RECONEX, Inc., and that he has examined the foregoing application and that to the best of his knowledge, information, and belief, all statements of fact contained in this said application are true, and the said application is a correct statement of the business and affairs of the above-named applicant in respect to each and every matter set forth therein.



William E. Braun, Corporate Secretary/General Counsel

Subscribed and sworn to before me, a Notary Public


Anne Lynch, Notary

In the State and County above named, this 30th day of October 2000.

EXHIBIT
“A”

CERTIFICATE

State of Oregon

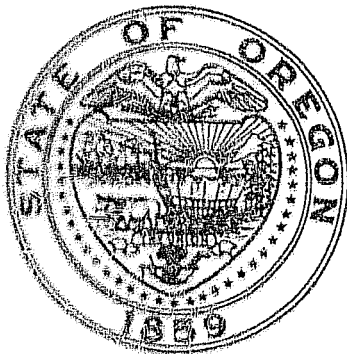
OFFICE OF THE SECRETARY OF STATE
Corporation Division

I, **BILL BRADBURY**, Secretary of State of Oregon, and Custodian of the Seal
of said State, do hereby certify:

1-800-RECONEX, INC.

was
incorporated
under the Oregon
Business Corporation Act
on
March 5, 1998


and is active on the records of the Corporation Division as
of the date of this certificate.



In Testimony Whereof, I have hereunto set
my hand and affixed hereto the Seal of the
State of Oregon.

BILL BRADBURY, Secretary of State

By



Marilyn R. Smith

October 13, 2000

EXHIBIT
“B”

CERTIFICATE

State of Oregon

OFFICE OF THE SECRETARY OF STATE
Corporation Division

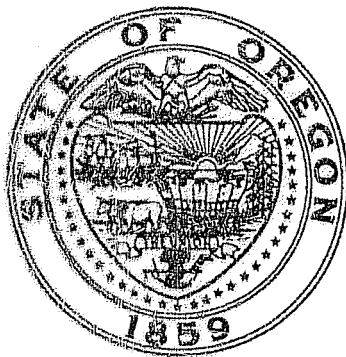
I, BILL BRADBURY, Secretary of State of Oregon, and Custodian of the Seal of said State, do hereby certify:

That the attached Document File for:
1-800-RECONEX, INC.

is a true copy of the original documents
that have been filed with this office.

In Testimony Whereof, I have hereunto set
my hand and affixed hereto the Seal of the
State of Oregon.

BILL BRADBURY, Secretary of State



By

Marilyn R. Smith

Marilyn R. Smith

October 13, 2000

621283-85

ARTICLES OF INCORPORATION

OF

1-500-RECONEX, Inc.

FILED

MAR 05 1999

OREGON
SECRETARY OF STATE

The undersigned individual of the age of eighteen years or more, acting as incorporator under the Oregon Business Corporation Act, adopts the following articles of incorporation:

ARTICLE I

CORPORATION NAME

The name of the corporation is 1-500-RECONEX, Inc.

ARTICLE II

STOCK

A. The aggregate number of shares which the corporation shall have authority to issue shall consist of 10,000,000 shares of common stock ("Common Stock"), \$0.01 par value and 1,000,000 shares of preferred stock ("Preferred Stock"), \$0.01 par value.

B. The Board of Directors is hereby authorized to fix or alter the rights, preferences, privileges and restrictions granted to or imposed upon additional series of Preferred Stock, and the number of shares constituting any such series and the designation thereof, or of any of them. Subject to compliance with applicable protective voting rights which have been or may be granted to the Preferred Stock or series thereof by law or in Articles of Amendment adopted by the Board of Directors ("Protective Provisions"), but notwithstanding any other rights of the Preferred Stock or any series thereof, the rights, privileges, preferences and restrictions of any such additional series may be subordinated to, made pari passu with including, without limitation, inclusion in provisions with respect to liquidation and acquisition preferences, redemption and/or approval of matters by vote or written consent, or made senior to any of those of any present or future class or series of Preferred or Common Stock. Subject to compliance with applicable Protective Provisions, the Board of Directors is also authorized to increase or decrease the number of shares of any series, prior or subsequent to the issue of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall assume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

621283-85

ARTICLE III.

REGISTERED AGENT

The address of the initial registered office of the corporation is Ater Wynne Hewitt Dodson & Skerritt, LLP, 222 S.W. Columbia, Suite 1800, Portland, Oregon 97201 and the name of the initial registered agent of the corporation at such address is AW Services, Inc. The mailing address of the corporation for notices is c/o Ater Wynne Hewitt Dodson & Skerritt, LLP, 222 S.W. Columbia, Suite 1800, Portland, Oregon 97201.

4 285-500

ARTICLE IV.

INCORPORATOR

The name and address of the incorporator are: Jack W. Schifferdecker, Jr., Ater Wynne Hewitt Dodson & Skerritt, LLP, 222 S.W. Columbia, Suite 1800, Portland, Oregon 97201.

ARTICLE V

DIRECTOR LIABILITY

No director of the corporation shall be personally liable to the corporation or its shareholders for monetary damages for conduct as a director; provided that this Article V shall not eliminate the liability of a director for any act or omission for which such elimination of liability is not permitted under the Oregon Business Corporation Act. No amendment to the Oregon Business Corporation Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director for any act or omission that occurs prior to the effective date of such amendment.

ARTICLE VI

INDEMNIFICATION

A. Indemnification. The corporation shall indemnify to the fullest extent not prohibited by law any Person who was or is a party or is threatened to be made a party to any Proceeding against all expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by the Person in connection with such Proceeding. Notwithstanding the foregoing, the corporation shall not indemnify any Person from or on account of acts or omissions of such Person of a type for which liability could not be eliminated for a director under ORS 60.047(2)(d).

B. Advancement of Expenses. Expenses incurred by a Person in defending a Proceeding shall in all cases be paid by the corporation in advance of the final disposition of such Proceeding at the written request of such Person, if the Person:

621283-85

1. furnishes the corporation a written affirmation of the Person's good faith belief that such Person has met the standard of conduct described in the Oregon Business Corporation Act or is entitled to be indemnified by the corporation under any other indemnification rights granted by the corporation to such Person; and

2. furnishes the corporation a written undertaking to repay such advance to the extent it is ultimately determined by a court that such Person is not entitled to be indemnified by the corporation under this Article or under any other indemnification rights granted by the corporation to such Person.

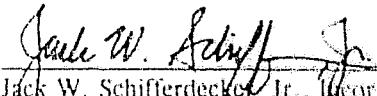
Such advances shall be made without regard to the Person's ability to repay such advances and without regard to the Person's ultimate entitlement to indemnification under this Article or otherwise.

C. Definition of "Proceeding" and "Person". The term "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether brought in the right of the corporation or otherwise and whether of a civil, criminal, administrative, or investigative nature, in which an individual may be or may have been involved as a party or otherwise by reason of the fact that the individual is or was a director or officer of the corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the corporation, or is or was serving at the request of the corporation as a director, officer, or fiduciary of an employee benefit plan of another corporation, partnership, joint venture, trust, or other enterprise, whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification or advancement of expenses can be provided under this Article. The term "Person" means any individual serving in a capacity described in this Paragraph.

D. Non-Exclusivity and Continuity of Rights. This Article: (i) shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, agreement, general or specific action of the board of directors, vote of stockholders or otherwise, both as to action in the official capacity of the Person indemnified and as to action in another capacity while holding office, (ii) shall continue as to a Person who has ceased to be a director or officer, (iii) shall inure to the benefit of the heirs, executors, and administrators of such Person, and (iv) shall extend to all claims for indemnification or advancement of expenses made after the adoption of this Article.

E. Amendments. Any repeal of this Article shall only be prospective and no repeal or modification hereof shall adversely affect the rights under this Article in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any Proceeding.

Date: March 2, 1998


Jack W. Schifferdecker, Jr., Incorporator

NEXT

DOCUMENT (S)

BEST IMAGE

POSSIBLE



Phone (503) 378-2200
Fax (503) 378-4381

ARTICLES OF MERGER

For other information

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327

Check the appropriate box below

- ☒ BUSINESS/PROFESSIONAL CORPORATION
(Complete only 1, 2, 3, 4, 10, 11)
☐ FOR PARENT AND 90% OWNED SUBSIDIARY
WITHOUT SHAREHOLDER APPROVAL
(Complete only 5, 6, 7, 8, 9, 10, 11)

FILED

MAR 05 1998

OREGON
SECRETARY OF STATE

Document Number 621283-85
Attach Additional Sheet if Necessary
Print Name and Title Legibly in Black Ink

BUSINESS/PROFESSIONAL/NONPROFIT CORPORATION ONLY

1. NAMES OF THE CORPORATIONS PROPOSING TO MERGE

A 1-800-RECONEX, Inc., an Oregon corporation

B Sterling International Funding, Inc., a Nevada corporation

NAME OF THE SURVIVING CORPORATION 1-800-RECONEX, Inc., an Oregon corporation

☐ Check this box if there is a name change in this plan of merger

☒ A COPY OF THE MERGER PLAN IS ATTACHED.

☒ CHECK THE APPROPRIATE STATEMENTS FOR CORPORATION A AND CORPORATION B BELOW

CORPORATION A

- ☒ Shareholder membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☐ Shareholder membership approval was required. The vote was as follows:

If Corporation A is a business/professional corporation:

| Class or Series of Shares | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|-------------------------------------|--------------------------|------------------------------|
| Common | 25,000 | 25,000 | 0 |

If Corporation A is a nonprofit corporation:

| Class or Series of Shares | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|------------------------------------|-------------------------------------|--------------------------|------------------------------|
| Common | | | | |

CORPORATION B

- ☐ Shareholder membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☒ Shareholder membership approval was required. The vote was as follows:

If Corporation B is a business/professional corporation:

| Class or Series of Shares | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|-------------------------------------|--------------------------|------------------------------|
| Common | 25,000 | 25,000 | 0 |

If Corporation B is a nonprofit corporation:

| Class or Series of Shares | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|------------------------------------|-------------------------------------|--------------------------|------------------------------|
| Common | | | | |

FOR PARENT AND 90% OWNED SUBSIDIARY WITHOUT SHAREHOLDER APPROVAL

1. NAME OF PARENT CORPORATION _____

(Oregon Registry Number) _____

2. NAME OF SUBSIDIARY CORPORATION _____

(Oregon Registry Number) _____

3. NAME OF SURVIVING CORPORATION _____

4. COPY OF PLAN _____

☐ A copy of the plan of merger setting forth the manner and basis of converting shares of the subsidiary into shares, debentures, or other securities of the parent, corporation or any other corporation or into cash or other property is attached.

☒ CHECK THE APPROPRIATE BOX

☐ A copy of the plan of merger or summary was mailed to each shareholder of record of the subsidiary corporation on _____, 19__.

☐ The sharing of a copy of the plan or summary was waived by all outstanding shares.

5. EXECUTION

Print Name

Todd M. Meislahn

Signature

[Signature]

Title

President

6. CONTACT NAME
Brandi Weller, Paralegal

DAYTIME PHONE NUMBER
(503) 226-1191

FEES

NOTE: This fee is for the preparation and filing of the Articles of Merger. It does not include the cost of the plan of merger or summary, or the cost of the shares of the surviving corporation.

[Signature]

621283-85

PLAN OF MERGER

Plan of Merger dated as of March 5, 1998 ("Plan of Merger") between Sterling International Funding, Inc., a Nevada corporation ("Sterling"), and 1-800-RECONEX, Inc., an Oregon corporation ("Reconex").

TERMS AND CONDITIONS:

The Boards of Directors of Sterling and Reconex deem it advisable and in the best interests of Sterling and Reconex and in the best interests of the shareholders of Sterling and Reconex that Sterling be merged with and into Reconex (the "Merger").

NOW, THEREFORE, Sterling and Reconex hereby agree as follows:

I Constituent Corporations.

A Sterling is duly incorporated and validly existing under the laws of the state of Nevada and its principal place of business is P.O. Box 9, Hubbard, Oregon 97032.

B Reconex is duly incorporated and validly existing under the laws of the state of Oregon and its principal place of business is P.O. Box 9, Hubbard, Oregon 97032.

II The Merger.

2.01 In accordance with Or. Rev. Stat. § 60.494 and Nevada Revised Statutes Chapter 78, the Merger shall become effective at the time therein referred to as the "Effective Time": (i) Articles of Merger in substantially the form of Exhibit I hereto, together with this Plan of Merger annexed thereto, are filed with the respective Secretary of State of the State of Oregon and the State of Nevada; or (ii) such later date or time as may be specified in the Articles of Merger by agreement of Sterling and Reconex.

2.02 At the Effective Time, Sterling shall be merged with and into Reconex upon the terms and conditions set forth in this Plan of Merger in accordance with the requirements of Oregon law and Nevada law. Thereupon, the separate corporate existence of Reconex, with all of its rights, privileges, immunities, powers, and purposes shall continue unaffected and unimpaired by the Merger, and Reconex, as the corporation surviving the Merger, shall be fully vested therewith. The separate corporate existence of Sterling shall cease upon the Merger becoming effective as herein provided and thereupon Reconex and Sterling shall be a single corporation.

2.03 At the Effective Time, Reconex shall succeed to all of the rights, privileges, powers, immunities and franchises of Sterling, all of the properties and assets of Sterling, and all of the debts, claims in action and other interest due or belonging to Sterling, and shall be subject to, and responsible for, all of the debts, liabilities, and obligations of Sterling, with the effect set forth in the Oregon Business Corporation Act and the Nevada Business Corporation Act.

621283-85

III. Articles of Incorporation, Bylaws and Board of Directors and Officers of Reconex.

3.01 The Articles of Incorporation of Reconex in effect immediately prior to the Effective Time shall be the Articles of Incorporation of Reconex after the Effective Time until amended in accordance with provisions of the Oregon Business Corporation Act.

3.02 The Bylaws of Reconex in effect immediately prior to the Effective Time shall be the Bylaws of Reconex after the Effective Time until amended thereafter as provided therein or in accordance with provisions of the Oregon Business Corporation Act.

3.03 The directors and officers of Reconex immediately prior to the Effective Time shall constitute the Board of Directors and the officers, respectively, of Reconex after the Effective Time until expiration of their current terms as such, or prior resignation, removal or death, subject to the Articles of Incorporation and Bylaws of Reconex.

IV. Conversion of Shares.

At the Effective Time, each share of the issued and outstanding Common Stock having \$0.001 par value of Sterling shall be converted into the right to receive from Reconex 44.1176 fully paid, validly issued and nonaccessible shares of Reconex Common Stock and all shares of Sterling Common Stock shall be canceled without any further consideration being issued or paid therefor.

V. Abandonment of the Merger.

Notwithstanding the approval of this Plan of Merger by the Boards of Directors of Reconex or Sterling, the Merger may be abandoned in this Plan of Merger may be terminated at any time prior to the Effective Time.

VI. Articles of Merger.

Articles of Merger as required by Or. Rev. Stat. § 60.494 and the Nevada Revised Statutes Chapter 78 shall be filed with the Secretary of State of the State of Oregon and the Secretary of State of the State of Nevada on such date as may be designated by the Boards of Directors of Reconex and Sterling.

IN WITNESS WHEREOF, this Plan of Merger has been executed as of the day and year first above written.

1-800-RECONEX, INC.

By: Todd M. Meislahn
Todd M. Meislahn, President

STERLING INTERNATIONAL FUNDING, INC.

By: Todd M. Meislahn
Todd M. Meislahn, President



Phone: (503) 986-2200
Fax: (503) 378-4381

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327

ARTICLES OF MERGER

FILED

MAY 01 1998

OREGON
SECRETARY OF STATE

Registry Number 62128385
Attach Additional Sheet if Necessary
Write Type or Print Legibly in Black Ink

Check the appropriate box below:

- ☐ BUSINESS/PROFESSIONAL CORPORATION
(Complete only 12341011)
☒ FOR PARENT AND 90% OWNED SUBSIDIARY
WITHOUT SHAREHOLDER APPROVAL
(Complete only 567891011)

BUSINESS/PROFESSIONAL/Nonprofit CORPORATION ONLY

NAMES OF THE CORPORATIONS PROPOSING TO MERGE

A. _____
B. _____

NAME OF THE SURVIVING CORPORATION _____

☐ Check here if there is a name change in this plan of merger

A COPY OF THE MERGER PLAN IS ATTACHED.

CHECK THE APPROPRIATE STATEMENTS FOR CORPORATION A AND CORPORATION B BELOW

CORPORATION A

- ☐ Shareholder/membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☐ Shareholder/membership approval was required. The vote was as follows:

If Corporation A is a business/professional corporation:

| Class of Shares of Stock | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|--------------------------------|---|--------------------------------|------------------------------------|
| | | | |

If Corporation A is a nonprofit corporation:

| Class of Shares of Stock | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|--------------------------------|--|---|--------------------------------|------------------------------------|
| | | | | |

CORPORATION B

- ☐ Shareholder/membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☐ Shareholder/membership approval was required. The vote was as follows:

If Corporation B is a business/professional corporation:

| Class of Shares of Stock | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|--------------------------------|---|--------------------------------|------------------------------------|
| | | | |

If Corporation B is a nonprofit corporation:

| Class of Shares of Stock | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|--------------------------------|--|---|--------------------------------|------------------------------------|
| | | | | |

FOR PARENT AND 90% OWNED SUBSIDIARY WITHOUT SHAREHOLDER APPROVAL

NAME OF PARENT CORPORATION 1-800-RECONEX, Inc., an Oregon corporation

Oregon Registry Number 621283-85

NAME OF SUBSIDIARY CORPORATION Fast Connections, Inc., a Texas corporation

Oregon Registry Number _____

NAME OF SURVIVING CORPORATION 1-800-RECONEX, Inc.

COPY OF PLAN

A copy of the plan of merger setting forth the manner and basis of converting shares of the corporation into cash or other property, as applicable.

CHECK THE APPROPRIATE BOX

A copy of the plan of merger is submitted with this filing and is available for inspection and copying.

A copy of the plan of merger is submitted with this filing and is available for inspection and copying.

EXECUTION

Printed Name
Todd M. Meislahn

Signature

Title
President

CONTACT NAME

Brenda Weller, Paralegal

DAYTIME PHONE NUMBER
(503) 226-1191

FEES

621283-85

PLAN OF MERGER

Plan of Merger dated as of April 30, 1998 ("Plan of Merger") between Fast Connections, Inc., a Texas corporation ("FC"), and 1-800-RECONEX, Inc., an Oregon corporation ("Reconex").

RECITALS:

A. FC has authorized Stock consisting of 10,000 shares of Common Stock having \$0.10 par value, of which 1,517,714 shares are issued and outstanding.

B. Reconex owns beneficially and of record 1,517,714 shares of the Common Stock of FC, representing 100 percent of the issued and outstanding common stock of FC.

C. The Boards of Directors of FC and Reconex deem it advisable and in the best interests of FC and Reconex and in the best interests of the shareholders of FC and Reconex that FC be merged with and into Reconex (the "Merger").

D. The Board of Directors of Reconex desires to accomplish the merger in accordance with the provisions of Or. Rev. Stat. § 60.491.

TERMS AND CONDITIONS:

NOW, THEREFORE, FC and Reconex hereby agree as follows:

I. Constituent Corporations.

1.1 FC is duly incorporated and validly existing under the laws of the state of Texas and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

1.2 Reconex is duly incorporated and validly existing under the laws of the state of Oregon and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

II. The Merger.

2.1 In accordance with Or. Rev. Stat. § 60.494 and Texas Business Corporation Act, Article §.16(B), the Merger shall become effective at the time (herein referred to as the "Effective Time"): (i) Articles of Merger in substantially the form of Exhibit 1 hereto, together with this Plan of Merger annexed thereto are filed with the Secretary of State of the State of Oregon and the Secretary of State of the State of Texas; or (ii) such later date or time as may be specified in the Articles of Merger by agreement of FC and Reconex.

2.2 At the Effective Time, FC shall be merged with and into Reconex upon the terms and conditions set forth in this Plan of Merger in accordance with the requirements of Oregon law. Thereupon, the separate corporate existence of Reconex, with all of its rights, privileges, immunities, powers, and purposes shall continue unaffected and unimpaired by the Merger, and Reconex, as the corporation surviving the Merger, shall be fully vested therewith. The separate corporate existence of

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FC shall cease upon the Merger becoming effective as herein provided and thereupon Reconex and FC shall be a single corporation.

2.3 At the Effective Time, Reconex shall succeed to all of the rights, privileges, powers, immunities and franchises of FC, all of the properties and assets of FC, and all of the debts, choices in action and other interest due or belonging to FC, and shall be subject to, and responsible for, all of the debts, liabilities, and obligations of FC, with the effect set forth in the Oregon Business Corporation Act.

III. Articles of Incorporation, Bylaws and Board of Directors and Officers of Reconex.

3.1 The Articles of Incorporation of Reconex in effect immediately prior to the Effective Time shall be the Articles of Incorporation of Reconex after the Effective Time until amended in accordance with provisions of the Oregon Business Corporation Act.

3.2 The Bylaws of Reconex in effect immediately prior to the Effective Time shall be the Bylaws of Reconex after the Effective Time until amended thereafter as provided therein or in accordance with provisions of the Oregon Business Corporation Act.

3.3 The directors and officers of Reconex immediately prior to the Effective Time shall constitute the Board of Directors and the officers, respectively, of Reconex after the Effective Time until expiration of their current terms as such, or prior resignation, removal or death, subject to the Articles of Incorporation and Bylaws of Reconex.

IV. Cancellation of Shares.

At the Effective Time, each share of the issued and outstanding Common Stock of FC shall be canceled without any consideration being issued or paid therefor.

V. Abandonment of the Merger.

Notwithstanding the approval of this Plan of Merger by the Boards of Directors of Reconex or FC, the Merger may be abandoned in this Plan of Merger may be terminated at any time prior to the Effective Time.

VI. Articles of Merger.

Articles of Merger as required by Or. Rev. Stat. § 60.494 and Texas Business Corporation Act, Article 5.16(B), shall be filed with the Secretary of State of the State of Oregon and the Secretary of state of the State of Texas on such date as may be designated by the Boards of Directors of Reconex and FC.

IN WITNESS WHEREOF, this Plan of Merger has been executed as of the day and year first above written.

1-800-RECONEX, INC.

By:

Todd M. Meislahn, President

FAST CONNECTIONS, INC.

By:

Todd M. Meislahn, President

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PLAN OF MERGER

Plan of Merger dated as of April 30, 1998 ("Plan of Merger") between Ameritel Corporation, an Oregon corporation ("Ameritel"), and 1-800-RECONEX, Inc., an Oregon corporation ("Reconex").

RECITALS:

A. Ameritel has authorized Stock consisting of 1,000,000 shares of Common Stock having no par value, of which 1,000 shares are issued and outstanding.

B. Reconex owns beneficially and of record 1,000 shares of the Common Stock of Ameritel, representing 100 percent of the issued and outstanding common stock of Ameritel.

C. The Boards of Directors of Ameritel and Reconex deem it advisable and in the best interests of Ameritel and Reconex and in the best interests of the shareholders of Ameritel and Reconex that Ameritel be merged with and into Reconex (the "Merger").

D. The Board of Directors of Reconex desires to accomplish the merger in accordance with the provisions of Or. Rev. Stat. § 60.491.

TERMS AND CONDITIONS:

NOW, THEREFORE, Ameritel and Reconex hereby agree as follows:

I. Constituent Corporations.

1.1 Ameritel is duly incorporated and validly existing under the laws of the state of Oregon and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

1.2 Reconex is duly incorporated and validly existing under the laws of the state of Oregon and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

II. The Merger.

2.1 In accordance with Or. Rev. Stat. § 60.494, the Merger shall become effective at the time (herein referred to as the "Effective Time"): (i) Articles of Merger in substantially the form of Exhibit 1 hereto, together with this Plan of Merger annexed thereto are filed with the Secretary of State of the State of Oregon; or (ii) such later date or time as may be specified in the Articles of Merger by agreement of Ameritel and Reconex.

2.2 At the Effective Time, Ameritel shall be merged with and into Reconex upon the terms and conditions set forth in this Plan of Merger in accordance with the requirements of Oregon law. Thereupon, the separate corporate existence of Reconex, with all of its rights, privileges, immunities, powers, and purposes shall continue unaffected and unimpaired by the Merger, and Reconex, as the corporation surviving the Merger, shall be fully vested therewith. The separate corporate existence of Ameritel shall cease upon the Merger becoming effective as herein provided and thereupon Reconex and Ameritel shall be a single corporation.

III. Articles of Incorporation, Bylaws and Board of Directors and Officers of Recreone

3.2 The Bylaws of Reconex in effect immediately prior to the Effective Time shall be the Bylaws of Reconex after the Effective Time until amended thereafter as provided therein or in accordance with provisions of the Oregon Business Corporation Act.

IV. Cancellation of Shares.

V. Abandonment of the Merger.

VI. Articles of Merger.

IN WITNESS WHEREOF, this Plan of Merger has been executed as of the day and year first above written.

AMERITEL CORPORATION

134:

Todd M. Meislahn, President

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Todd M. Meislahn, President

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**CERTIFICATE ACCOMPANYING
AMENDMENT TO ARTICLES OF INCORPORATION
OF 1-800-RECONEX, INC.
DESIGNATING SERIES A PREFERRED STOCK**

FILED
MAR 15 1999
OREGON
SECRETARY OF STATE

Pursuant to ORS 60.447, 1-800-RECONEX, Inc. (the "Corporation") submits for filing this certificate, together with the Corporation's Amendment to its Articles of Incorporation (the "Amendment"). The Corporation hereby certifies that:

1. The name of the Corporation, prior to the filing of the attached Amendment is 1-800-RECONEX, Inc.
2. A copy of the Amendment is attached hereto.
3. The Amendment was adopted by a designation of the Board of Directors of the Corporation pursuant to ORS 60.134 and the Amendment does not require shareholder approval.
4. The date of adoption of the Amendment was March 6, 1998.

1-800-RECONEX, INC.

By: Todd M. Meislahn
Todd M. Meislahn, President

Person to contact about this filing:

Jack W. Schifferdecker, Jr.
(503) 226-8614 (direct dial)

CERTIFICATE ACCOMPANYING AMENDMENT TO ARTICLES
OF INCORPORATION OF 1-800-RECONEX, INC.

1-800-RECONEX (444) 4845

**AMENDMENT TO ARTICLES OF INCORPORATION
OF 1-800-RECONEX, INC.
DESIGNATING SERIES A PREFERRED STOCK**

The Board of Directors of 1-800-RECONEX, Inc., an Oregon corporation ("Corporation"), under authority of Article II. B of the Corporation's Articles of Incorporation, and pursuant to an action of the Board of Directors authorizing the creation of shares of Series A Preferred Stock hereby establishes the preferences, limitations, conversion features and relative rights of the Series A Preferred Stock as follows:

1. Series Designation. The Corporation shall be authorized to issue 370,000 shares of Series A Preferred Stock, to be known as the ("Series A Preferred Stock").

2. Dividend Provisions.

2.1 The holders of the Series A Preferred Stock shall be entitled to receive dividends at the rate of \$0.14526 per share (i.e. 9% of the original issue price of \$1.614 for the Series A Preferred Stock) (as adjusted for any stock dividends, combinations or splits with respect to such shares) per annum payable out of funds legally available therefor. Dividends shall accrue on each share of Series A Preferred Stock from the date of issue of such share, and shall accrue from day to day, whether or not earned. Dividends on each share of Series A Preferred Stock shall accumulate from the date of issue of such share. Any accumulation of dividends on the Series A Preferred Stock shall not bear interest. Dividends on the Series A Preferred Stock shall be payable in cash and shall be due and payable quarterly in arrears on March 31, June 30, September 30 and December 31 each year; provided, however, that for the first 18 months following the date of issue of the Series A Preferred Stock, the Corporation shall have the option to (i) pay or defer payment of the dividends, and (ii) pay the dividends in cash or in shares of Series A Preferred Stock valued for purposes of the dividend payment at a price equal to the Liquidation Price as defined in Section 3.1 below.

2.2 No dividends (other than a dividend payable solely in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock) shall be paid on any Common Stock during any fiscal year until full dividends on the Series A Preferred Stock for all past dividend periods and the then current dividend period shall have been paid or declared and set apart during that fiscal year and any prior year in which dividends accumulated but remain unpaid.

2.3 No dividends shall be paid on or declared and set apart for any share of Common Stock unless a dividend (including the amount of any dividends required to be paid under Section 2.1 above) is paid with respect to all outstanding shares of Series A Preferred Stock equal to or greater than the aggregate amount of such dividends for all

shares of Common Stock into which each such share of Series A Preferred Stock could then be converted.

3. Liquidation Preference.

3.1 Preferred Stock. In the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of Series A Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Corporation to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the sum of (i) \$1.614 for each outstanding share of Series A Preferred Stock, and (ii) an amount equal to all accrued but unpaid dividends on such share, which sum shall be the "Liquidation Price." If upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series A Preferred Stock shall be insufficient to permit the payment to such holders of the Liquidation Price, then the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders of the Series A Preferred Stock in proportion to the preferential amount each such holder is otherwise entitled to receive, but in no event may such holder receive in excess of the preferential amount established for such series.

3.2 Common Stock. Upon the completion of the distributions of the Liquidation Price, and the completion of any requisite distributions to the holders of any other series or class of stock entitled to preference over the Common Stock in liquidation, the entire remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed among the holders of the Common Stock in proportion to the shares of Common Stock then held by them.

3.3 Treatment of Reorganizations, Consolidations, Mergers, and Sales of Assets. A reorganization, a consolidation or merger of the Corporation (other than for the sole purpose of reincorporating) or sale of all or substantially all of the assets of the Corporation shall be regarded as a liquidation, dissolution or winding up of the affairs of the Corporation within the meaning of this Section 3; provided, however, that, in any such event, each holder of Series A Preferred Stock shall have the right to elect the benefits of the provisions of Section 5 hereof in lieu of receiving payment pursuant to this Section 3.

3.4 Noncash Distributions. Whenever the distribution provided for in this Section 3 shall be payable in securities or property other than cash, the value of such distribution shall be the fair market value of such securities or other property as determined in good faith by the Board of Directors.

4. Conversion. The holders of the Series A Preferred Stock shall have conversion rights as follows (the "Conversion Rights"):

4.1 Right to Convert. Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such

share, at the office of the Corporation or any transfer agent for the Series A Preferred Stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the \$1.614 by the Conversion Price (as defined in the following sentence) at the time in effect for such share. The price at which shares of Common Stock shall be issued upon conversion of shares of the Series A Preferred Stock (the "Conversion Price") shall initially be the \$1.614; provided, however, that the Conversion Price for the Series A Preferred Stock shall be subject to adjustment as set forth in Section 4.4.

4.2 Automatic Conversion. Each share of Series A Preferred Stock shall automatically be converted into shares of Common Stock at the then-effective Conversion Price immediately prior to the consummation of the Corporation's public sale of its Common Stock in a firm commitment, underwritten public offering registered under the Securities Act of 1933, as amended (the "Securities Act") at a per share issue price equal to or greater than 150% of the Conversion Price then in effect (as adjusted for stock splits, stock dividends, combinations of shares or similar recapitalization events) and resulting in aggregate proceeds to the Corporation and/or any selling shareholders (before deduction for underwriter's discounts and expenses relating to the issuance, including without limitation fees of the Corporation's counsel) of at least \$10 million.

4.3 Mechanics of Conversion. Before any holder of Series A Preferred Stock shall be entitled to convert the same into shares of Common Stock, he shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series A Preferred Stock, and shall give written notice by mail, postage prepaid, to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date. If the conversion is in connection with an underwritten offer of securities registered pursuant to the Securities Act, the conversion may, at the option of any holder tendering Series A Preferred Stock for conversion, be conditioned upon the closing with the underwriter of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common Stock issuable upon such conversion of the Series A Preferred Stock shall not be deemed to have converted such Series A Preferred Stock until immediately prior to the closing of such sale of securities.

4.4 Adjustments to Conversion Price for Certain Diluting Issues

4.4.1 Special Definitions. For purposes of this Section 4.4, the following definitions apply:

- (a) "Options" shall mean rights, options, or warrants to subscribe for, purchase or otherwise acquire Common Stock, Series A Preferred Stock, or Convertible Securities (defined below).
- (b) "Original Issue Date" shall mean the date on which a share of Series A Preferred Stock was first issued.
- (c) "Convertible Securities" shall mean any evidences of indebtedness, shares (other than Common Stock and Series A Preferred Stock) or other securities convertible into or exchangeable for Common Stock.
- (d) "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Section 4.4.3, deemed to be issued) by the Corporation after the Original Issue Date, other than shares of Common Stock issued or issuable:
- (i) upon conversion of shares of Series A Preferred Stock;
 - (ii) to officers, directors, or employees of, or consultants to, the corporation pursuant to stock option or stock purchase plans or agreements on terms approved by the Board of Directors, but not exceeding 416,667 shares of Common Stock (net of any repurchases of such shares or cancellations or expirations of options), subject to adjustment for all subdivisions and combinations;
 - (iii) as a dividend or distribution on Series A Preferred Stock;
 - (iv) upon exercise or conversion of outstanding options or warrants, respectively; or
 - (v) for which adjustment of the Series A Conversion Price is made pursuant to Section 5.

4.4.2 No Adjustment of Conversion Price. Any provision herein to the contrary notwithstanding, no adjustment in the Conversion Price shall be made in respect of the issuance of Additional Shares of Common Stock unless the consideration per share (determined pursuant to Section 4.4.5 hereof) for an Additional Share of Common Stock issued or deemed to be issued by the Corporation is less than the Conversion Price in effect on the date of, and immediately prior to, such issue.

4.4.3 Deemed Issue of Additional Shares of Common Stock. In the event the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities then entitled to receive any such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein designed to protect against dilution) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities and Options for Convertible Securities or for Series A Preferred Stock, the conversion or exchange of such Convertible Securities or Series A Preferred Stock, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which Additional Shares of Common Stock are deemed to be issued:

(a) no further adjustments in the Series A Conversion Price shall be made upon the subsequent issue of such Convertible Securities, or Series A Preferred Stock or shares of Common Stock upon the exercise of such Options or conversion or exchange of such Convertible Securities or Series A Preferred Stock;

(b) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase or decrease in the consideration payable to the Corporation, or decrease or increase in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase or decrease become effective, be recomputed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities (provided, however, that no such adjustment of the Conversion Price shall affect Common Stock previously issued upon conversion of the Series A Preferred Stock);

(c) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon such expiration, be recomputed as if:

(i) in the case of Convertible Securities or Options for Common Stock the only Additional Shares of Common Stock issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration actually received by the Corporation upon such exercise, or for the issue of all such Convertible Securities which

were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange; and

(ii) in the case of Options for Convertible Securities or Series A Preferred Stock only the Convertible Securities or Series A Preferred Stock, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Corporation for the Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration deemed to have been received by the Corporation (determined pursuant to Section 4.4) upon the issue of the Convertible Securities or Series A Preferred Stock with respect to such Options were actually exercised;

(d) no readjustment pursuant to clause 4.4.3(c)(i) or 4.4.3(c)(ii) above shall have the effect of increasing the Conversion Price to an amount which exceeds the lower of (a) Conversion Price on the original adjustment date, or (b) the Conversion Price that would have resulted from any issuance of Additional Shares of Common Stock between the original adjustment date and such readjustment date;

(e) in the case of any Options which expire by their terms not more than 30 days after the date of issue thereof, no adjustment of the Conversion Price shall be made until the expiration or exercise of all such Options, whereupon such adjustment shall be made in the same manner provided in clause 4.4.3(c) above.

4.4.4. Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation, at any time after the Original Issue Date shall issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4.4.3) without consideration or for a consideration per share less than the Conversion Price in effect on the date of and immediately prior to such issue, then and in such event, the Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of shares of Common Stock which the aggregate consideration received by the Corporation for the total number of Additional Shares of Common Stock so issued would purchase at such Conversion Price in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of such Additional Shares of Common Stock so issued. For the purpose of the above calculation, the number of shares of Common Stock outstanding immediately prior to such issue shall be calculated on a fully diluted basis, as if all shares of Series A Preferred Stock and all Convertible Securities had been fully converted into shares of Common Stock immediately prior to such issuance and any outstanding warrants, options or other rights for the purchase of shares of stock or convertible securities had been fully exercised immediately prior to such issuance (and the

resulting securities fully converted into shares of Common Stock, if so convertible) as of such date, but not including in such calculation any additional shares of Common Stock issuable with respect to shares of Series A Preferred Stock, Convertible Securities, or outstanding options, warrants or other rights for the purchase of shares of stock or convertible securities, solely as a result of the adjustment of the Conversion Price (or other conversion ratios) resulting from the issuance of the Additional Shares of Common Stock causing the adjustment in question.

4.4.5 Determination of Consideration. For purposes of this Section 4.4, the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(a) *Cash and Property.* Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation excluding amounts paid or payable for accrued interest or accrued dividends;

(ii) insofar as it consists of property other than cash, be computed at the fair value thereof at the time of such issue, as determined in good faith by the Board of Directors; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses 4.4.5(a)(i) and 4.4.5(a)(ii) above, as determined in good faith by the Board of Directors.

(b) *Options and Convertible Securities.* The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4.4.3, relating to Options and Convertible Securities shall be determined by dividing:

(i) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein designed to protect against dilution) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities or Series A Preferred Stock, the exercise of such Options for Convertible Securities or Series A Preferred Stock and the conversion or exchange of such Convertible Securities or Series A Preferred Stock by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein designed to protect against the dilution) issuable upon the exercise of such Options or conversion or exchange of such Convertible Securities.

4.5 Adjustments to Conversion Prices for Stock Dividends and for Combinations or Subdivisions of Common Stock. In the event that the Corporation at any time or from time to time after the Original Issue Date shall declare or pay, without consideration, any dividend on the Common Stock payable in Common Stock or in any right to acquire Common Stock for no consideration, or shall effect a subdivision of the outstanding shares of Common Stock into a greater number of shares of Common Stock (by stock split, reclassification or otherwise than by payment of a dividend in Common Stock or in any right to acquire Common Stock), or in the event the outstanding shares of Common stock shall be combined or consolidated, by reclassification or otherwise, into a lesser number of shares of Common Stock, then the Conversion Price for any series of Preferred Stock in effect immediately prior to such event shall, concurrently with the effectiveness of such event, be proportionately decreased or increased, as appropriate. In the event that the Corporation shall declare or pay, without consideration, any dividend on the Common Stock payable in any right to acquire Common Stock for no consideration, then the Corporation shall be deemed to have made a dividend payable in Common Stock in an amount of shares equal to the maximum number of shares issuable upon exercise of such rights to acquire Common Stock.

4.6 Adjustments for Reclassification and Reorganization. If the Common Stock issuable upon conversion of the Series A Preferred Stock shall be changed into the same or a different number of shares of any other class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares provided for in Section 4.5 above or a merger or other reorganization referred to in Section 3.3 above), the Conversion Price then in effect shall, concurrently with the effectiveness of such reorganization or reclassification, be proportionately adjusted so that the Series A Preferred Stock shall be convertible into, in lieu of the number of shares of Common Stock which the holders would otherwise have been entitled to receive, a number of shares of such other class or classes of stock equivalent to the number of shares of Common Stock that would have been subject to receipt by the holders upon conversion of the Series A Preferred Stock immediately before that change.

4.7 No Impairment. The Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series A Preferred Stock against impairment.

4.8 Certificates as to Adjustments. Upon the occurrence of each adjustment or readjustment of any Conversion Price pursuant to this Section 4, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Stock a certificate executed by the Corporation's President or Chief Financial Officer setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Series A Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Conversion Price at the time in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of the Series A Preferred Stock.

4.9 Notices of Record Date. In the event that the Corporation shall propose at any time: (i) to declare any dividend or distribution upon its Common Stock, whether in cash, property, stock or other securities, whether or not a regular cash dividend and whether or not out of earnings or earned surplus; (ii) to offer for subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights; (iii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock; or (iv) to merge or consolidate with or into any other corporation, or sell, lease or convey all or substantially all of its assets, or to liquidate, dissolve or wind up; then, in connection with each such event, the Corporation shall send to the holders of Series A Preferred Stock (A) at least twenty (20) days' prior written notice of the date on which a record shall be taken for such dividend, distribution or subscription rights (and specifying the date on which the holders of Common Stock shall be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (iii) and (iv) above; and (B) in the case of the matters referred to in (iii) and (iv) above, at least twenty (20) days' prior written notice of the date when the same shall take place (and specifying the date on which the holders of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon the occurrence of such event).

4.10 Issue Taxes. The Corporation shall pay any and all issue and other taxes that may be payable in respect of any issue or delivery of shares of Common Stock on conversion of Series A Preferred Stock pursuant hereto; provided, however, that the Corporation shall not be obligated to pay any transfer taxes resulting from any transfer requested by any holder in connection with any such conversion.

4.11 Reservation of Stock Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not

be sufficient to effect the conversion of all then outstanding shares of the Series A Preferred Stock, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Certificate.

4.12 Fractional Shares. No fractional share shall be issued upon the conversion of any share or shares of Series A Preferred Stock. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Series A Preferred Stock by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of a fraction of a share of Common Stock, the Corporation shall, in lieu of issuing any fractional share, pay the holder otherwise entitled to such fraction a sum in cash equal to the fair market value of such fraction on the date of conversion (as determined in good faith by the Board of Directors).

4.13 Notices. Any notice required by the provisions of this Section 4 to be given to the holders of shares of Series A Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, or if sent by facsimile or delivered personally by hand or by nationally recognized courier and addressed to each holder of record at such holder's address or facsimile number appearing in the records of the Corporation.

5. Capital Reorganization, Merger or Sale of Assets.

5.1 If at any time or from time to time there shall be a capital reorganization of the Common Stock (other than a subdivision, combination, reclassification or exchange of shares provided for in Section 4) or a merger or consolidation of the Corporation with or into another corporation (other than for the sole purpose of reincorporating) or the sale of all or substantially all of the Corporation's properties and assets to any other person, then, as a part of such reorganization, merger, consolidation or sale, provision shall be made so that the holders of the Series A Preferred Stock shall thereafter be entitled to receive upon conversion of the Series A Preferred Stock, the number of shares of stock or other securities or property of the Corporation, or of the successor corporation resulting from such reorganization, merger, consolidation or sale, to which a holder of the same number of shares of Common Stock issuable to the holders of the Series A Preferred Stock upon conversion would have been entitled on such capital reorganization, merger, consolidation or sale. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 with respect to the rights of the holders of the Series A Preferred Stock after the reorganization, merger, consolidation or sale to the end that the provisions of this Section 5 (including adjustment of the Conversion Price and the number of shares issuable upon conversion of the Series A Preferred Stock) shall be applicable after that event in as nearly equivalent a manner as may be possible.

5.2 Each holder of Series A Preferred Stock, upon the occurrence of a capital reorganization, merger or consolidation of the Corporation, or the sale of all or substantially all the Corporation's assets and properties as such events are more fully set forth in Section 5.1, shall have the option of electing treatment of such holder's shares of Series A Preferred Stock under either Sections 4 and 5.1 or under Section 3 hereof, notice of which election shall be submitted in writing to the Corporation at its principal offices no later than twenty (20) days before the effective date of such sale.

5.3 The provisions of this Section 5 are in addition to the protective provisions of Section 7 hereof.

6. Voting Rights. The holder of each share of Series A Preferred Stock shall have the right to one vote for each whole share of Common Stock into which such share of Series A Preferred Stock could then be converted, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting of the Corporation, and shall vote, together with holders of Common Stock as one voting group and one class with respect to any question upon which holders of Common Stock have the right to vote, except as otherwise provided in Section 7.1 below and unless the Oregon Business Corporation Act requires the holders of Series A Preferred Stock to vote as separate voting groups on any such matter submitted to the shareholders for a vote, and subject always to the provisions of any valid and effective voting agreement between the shareholders of the Corporation.

7. Protective Provisions.

7.1 Actions Requiring Approval of Series A Preferred Stock, Voting as a Separate Voting Group. So long as not less than 75,000 shares of Series A Preferred Stock are outstanding (as adjusted for any stock dividends, combinations or splits with respect to such shares), the Corporation shall not, without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least a majority of the then outstanding shares of Series A Preferred Stock:

7.1.1 Increase the authorized number of shares of Series A Preferred Stock; or

7.1.2 Create any new class or series of stock or any other securities convertible into equity securities of the Corporation having a preference over, or being on a parity with, the Series A Preferred Stock with respect to voting, dividends or upon liquidation.

7.1.3 Effect any sale, lease, assignment, transfer, or other conveyance of all or substantially all of the assets or stock of the Corporation or any of its subsidiaries,

621283-85

or any consolidation or merger involving the Corporation or any of its subsidiaries, or any reclassification or other change of stock, or any recapitalization of the Corporation;

7.1.4 Amend its Articles of Incorporation or Bylaws, except any amendment which would not materially alter or effect the rights of the holders of the Series A Preferred Stock; or

7.1.5 Liquidate, dissolve or wind up the affairs of the Corporation.

8. No Reissuance of Series A Preferred Stock. No share or shares of Series A Preferred Stock acquired by the Corporation by reason of redemption, purchase, conversion, or otherwise shall be reissued, and all such shares shall be canceled, retired and eliminated from the shares which the Corporation shall be authorized to issue.

9. Residual Rights of Common Stock. Upon the authorization and issuance of the Series A Preferred Stock, the Common Stock of the Corporation shall, subject to the rights, if any, of the holders of any class or series of stock of Corporation from time to time issued and outstanding, have the following rights:

9.1 Dividend Rights. Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, including without limitation the rights of the holders of Series A Preferred Stock to be paid any accrued but unpaid dividends with respect to such stock, the holders of the Common Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

9.2 Liquidation Rights. Upon the liquidation, dissolution or winding up of the Corporation, the assets of the Corporation shall be distributed as provided in Section 3.

9.3 Voting Rights. The holders of shares of Common Stock shall have the right to one vote for each share of Common Stock issued and outstanding, and shall be entitled to notice of any shareholders' meeting of the Corporation, and shall be entitled to vote upon all matters submitted to the shareholders of the Corporation for a vote.





Phone: (503) 986-2200
Fax: (503) 378-4381

ARTICLES OF MERGER

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327

Check the appropriate box below:

For office use only

- ☒ BUSINESS/PROFESSIONAL CORPORATION
(Complete only 1,2,3,4,10,11)
☐ FOR PARENT AND 90% OWNED SUBSIDIARY
WITHOUT SHAREHOLDER APPROVAL
(Complete only 5,6,7,8,9,10,11)

Registry Number _____

Attach Additional Sheet if Necessary
Please Type or Print Legibly in Black Ink

BUSINESS/PROFESSIONAL/NONPROFIT CORPORATION ONLY

1. NAMES OF THE CORPORATIONS PROPOSING TO MERGE

A. 1-800-RECONEX, Inc., an Oregon corporation

B. Ameritel Corporation, an Oregon corporation

2. NAME OF THE SURVIVING CORPORATION 1-800-RECONEX, Inc., an Oregon corporation

☐ Check here if there is a name change in this plan of merger.

3. A COPY OF THE MERGER PLAN IS ATTACHED.

4. CHECK THE APPROPRIATE STATEMENTS FOR CORPORATION A AND CORPORATION B BELOW.

CORPORATION A

- ☐ Shareholder/membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☒ Shareholder/membership approval was required. This vote was as follows:

If Corporation A is a business/professional corporation:

| CLASS OF SHARES OR STOCKS | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------------|---|--------------------------------|------------------------------------|
| Common | 1 | 1 | 0 |

If Corporation A is a nonprofit corporation:

| CLASS OF SHARES OR STOCKS | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------------|---|---|--------------------------------|------------------------------------|
| | | | | |

CORPORATION B

- ☐ Shareholder/membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☒ Shareholder/membership approval was required. This vote was as follows:

If Corporation B is a business/professional corporation:

| CLASS OF SHARES OR STOCKS | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------------|---|--------------------------------|------------------------------------|
| Common | 1,000 | 1,000 | 0 |

If Corporation B is a nonprofit corporation:

| CLASS OF SHARES OR STOCKS | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------------|---|---|--------------------------------|------------------------------------|
| | | | | |

FOR PARENT AND 90% OWNED SUBSIDIARY WITHOUT SHAREHOLDER APPROVAL

5. NAME OF PARENT CORPORATION _____

Oregon Registry Number _____

6. NAME OF SUBSIDIARY CORPORATION _____

Oregon Registry Number _____

7. NAME OF SURVIVING CORPORATION _____

8. COPY OF PLAN

☐ A copy of the plan of merger, setting forth the manner and basis of converting shares of the stock of the subsidiary into shares of the parent corporation or any other combination of cash or other property, is attached.

9. CHECK THE APPROPRIATE BOX

- ☐ If all of the shares of the parent corporation are owned by the subsidiary, the parent corporation may waive the requirement that a copy of the plan of merger be filed with the Secretary of State.
☐ The making of a copy of the plan of merger was waived by the outstanding shares.

10. EXECUTION

Printed Name

Todd Meislahn

Signature

Title

President

11. CONTACT NAME

Brenda Weber, Paralegal

DAYTIME PHONE NUMBER

(503) 226-1191

FEES

Notarization Fee
Filing Fee
Copy Fee
Examination Fee
Examination Fee
Examination Fee
Examination Fee
Examination Fee

EXHIBIT A PLAN OF MERGER

Plan of Merger dated as of April 30, 1998 ("Plan of Merger") between Ameritel Corporation, an Oregon corporation ("Ameritel"), and 1-800-RECONEX, Inc., an Oregon corporation ("Reconex").

TERMS AND CONDITIONS

The Boards of Directors of Ameritel and Reconex deem it advisable and in the best interests of Ameritel and Reconex and in the best interests of the shareholders of Ameritel and Reconex that Ameritel be merged with and into Reconex (the "Merger").

NOW, THEREFORE, Ameritel and Reconex hereby agree as follows:

I Constituent Corporations.

1.1 Ameritel is duly incorporated and validly existing under the laws of the state of Oregon and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

1.2 Reconex is duly incorporated and validly existing under the laws of the state of Oregon and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

II The Merger

2.1 In accordance with Or. Rev. Stat. § 60.494, the Merger shall become effective at the time (herein referred to as the "Effective Time"): (i) Articles of Merger in substantially the form of Exhibit I hereto, together with this Plan of Merger annexed thereto are filed with the Secretary of State of the State of Oregon; or (ii) such later date or time as may be specified in the Articles of Merger by agreement of Ameritel and Reconex.

2.2 At the Effective Time, Ameritel shall be merged with and into Reconex upon the terms and conditions set forth in this Plan of Merger in accordance with the requirements of Oregon law. Thereupon, the separate corporate existence of Reconex, with all of its rights, privileges, immunities, powers, and purposes shall continue unaffected and unimpaired by the Merger, and Reconex, as the corporation surviving the Merger, shall be fully vested therewith. The separate corporate existence of Ameritel shall cease upon the Merger becoming effective as herein provided and thereupon Reconex and Ameritel shall be a single corporation.

2.3 At the Effective Time, Reconex shall succeed to all of the rights, privileges, powers, immunities and franchises of Ameritel, all of the properties and assets of Ameritel, and all of the debts, claims in action, and other interest due or belonging to Ameritel, and shall be subject to, and responsible for, all of the debts, liabilities, and obligations of Ameritel, with the effect set forth in the Oregon Business Corporation Act.

III. Articles of Incorporation

Directors and Officers of Reconex

3.1 The Articles of Incorporation shall be the Articles of Incorporation with provisions of the Oregon Business Corporation Act.

Not immediately prior to the Effective Time until amended in accordance with the provisions of the Oregon Business Corporation Act.

3.2 The Bylaws of Reconex in effect prior to the Effective Time shall be the Bylaws of Reconex after the Effective Time in accordance with provisions of the Oregon Business Corporation Act.

Not immediately prior to the Effective Time until amended in accordance with the provisions of the Oregon Business Corporation Act.

3.3 The directors and officers of Reconex in effect prior to the Effective Time shall constitute the Board of Directors and the officers, respectively, of Reconex after the Effective Time until expiration of their current terms as such, or prior resignation, removal or death, subject to the provisions of the Oregon Business Corporation Act and Bylaws of Reconex.

IV. Conversion of Shares

At the Effective Time, each share of the issued and outstanding Common Stock of Ameritel shall be converted into the right to receive from Reconex 1,397,059 fully paid, valid, issued and nonaccessible shares of Reconex Common Stock and all shares of Ameritel Common Stock shall be canceled without any further consideration being issued or paid therefor.

V. Abandonment of the Merger

Notwithstanding the approval of this Plan of Merger by the Boards of Directors of Reconex or Ameritel, the Merger may be abandoned in this Plan of Merger may be terminated at any time prior to the Effective Time.

VI. Articles of Merger

Articles of Merger as required by Or. Rev. Stat. § 60.494 shall be filed with the Secretary of State of the State of Oregon on such date as may be designated by the Boards of Directors of Reconex and Ameritel.

IN WITNESS WHEREOF, this Plan of Merger has been executed as of the day and year first above written.

1-800-RECONEX, INC.

AMERITEL CORPORATION

By:

Todd Meislahn, President

By:

Todd Meislahn, President



Phone: (503) 986-2200
Fax: (503) 378-4381

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327

ARTICLES/CERTIFICATE OF CORRECTION — ALL ENTIRE

FILED

APR 12 1999

OREGON
SECRETARY OF STATE

Registry Number: 621283-85

Attach Additional Sheet if Necessary
Please Type or Print Legibly in Black Ink

1) NAME OF ENTITY 1-800-RECONEX, INC.

Note: The Change of Registered Agent or Office form must be used to change the registered agent.

2) DOCUMENT DESCRIPTION (Describe the document to be corrected, including the date on which it was filed. To attach a copy of the document to be corrected.)
Articles of Merger and Plan of Merger filed with the Oregon Secretary of State May 1, 1998 between
1-800-RECONEX, Inc. and Fast Connections, Inc., a Texas corporation

3) INCORRECT STATEMENT (Describe the incorrect statement and indicate the reason it is incorrect.)
The Plan of Merger incorrectly states the merger was a parent/subsidiary merger, when in fact, it was a
merger of non-related corporations.

4) CORRECTION (The incorrect statement is corrected to read as follows. Attach additional sheets if necessary.)
New forms of Articles of Merger and Plan of Merger reflecting the proper relationship between the merging
corporations are attached hereto as Exhibit A.

5) EXECUTION

Signature

Printed Name: Todd Meislahn

Title: President

Date: March, 1999

6) CONTACT NAME

Brenda Welter, Paralegal

DAYTIME PHONE NUMBER

503-226-1191

FEES

NOTE: Filing fees are payable to the Secretary of State, P.O. Box 100, Salem, OR 97310-0100. The fee for filing this document is \$100.00. The fee for filing this document is \$100.00. The fee for filing this document is \$100.00.



Phone: (503) 800-2200
Fax: (503) 378-4381

ARTICLES OF MERGER

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327

Check the appropriate box below:

For office use only

- ☒ BUSINESS/PROFESSIONAL CORPORATION
(Complete only 1,2,3,4,10,11)
☐ FOR PARENT AND 90% OWNED SUBSIDIARY
WITHOUT SHAREHOLDER APPROVAL
(Complete only 5,6,7,8,9,10,11)

Registry Number _____

Attach Additional Sheet if Necessary

Please Type or Print Legibly in Black Ink

BUSINESS/PROFESSIONAL/NONPROFIT CORPORATION ONLY

1) NAMES OF THE CORPORATIONS PROPOSING TO MERGE

A. 1-800-RECONEX, Inc., an Oregon corporation

B. Fast Connections, Inc., a Texas corporation

2) NAME OF THE SURVIVING CORPORATION 1-800-RECONEX, Inc., an Oregon corporation

☐ Check here if there is a name change in this plan of merger

3) A COPY OF THE MERGER PLAN IS ATTACHED.

4) CHECK THE APPROPRIATE STATEMENTS FOR CORPORATION A AND CORPORATION B BELOW.

CORPORATION A

- ☐ Shareholder/membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☒ Shareholder/membership approval was required. The vote was as follows:

If Corporation A is a business/professional corporation:

| Class or series of shares | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|-------------------------------------|--------------------------|------------------------------|
| Common | 1 | 1 | 0 |

If Corporation A is a nonprofit corporation:

| Class or series of shares | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|------------------------------------|-------------------------------------|--------------------------|------------------------------|
| | | | | |

CORPORATION B

- ☐ Shareholder/membership approval was not required. The plan was approved by a sufficient vote of the board of directors.
☒ Shareholder/membership approval was required. The vote was as follows:

If Corporation B is a business/professional corporation:

| Class or series of shares | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|-------------------------------------|--------------------------|------------------------------|
| Common | 1,858.6 | 1,858.6 | 0 |

If Corporation B is a nonprofit corporation:

| Class or series of shares | Number of members entitled to vote | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|------------------------------------|-------------------------------------|--------------------------|------------------------------|
| | | | | |

FOR PARENT AND 90% OWNED SUBSIDIARY WITHOUT SHAREHOLDER APPROVAL

NAME OF PARENT CORPORATION _____

Oregon Registry Number _____

NAME OF SUBSIDIARY CORPORATION _____

Oregon Registry Number _____

NAME OF SURVIVING CORPORATION _____

COPY OF PLAN

A copy of the plan of merger setting forth the manner and basis of converting shares of the subsidiary into shares of parent or other securities of the parent corporation or any other corporation or into cash or other property is attached.

CHECK THE APPROPRIATE BOX

A copy of the plan of merger or summary was mailed to each shareholder of record of the subsidiary corporation on or before _____ 19____.

The mailing of a copy of the plan or summary was waived by all outstanding shares.

EXECUTION

Printed Name

Todd Meislahn

Signature

Title

President

CONTACT NAME

Brenda Welter, Paralegal

DAYTIME PHONE NUMBER

(503) 226-1191

FEES

NOTE: This fee schedule applies to all filings made on or after January 1, 2000. For more information, please contact the Secretary of State at (503) 378-4381.

PLAN OF MERGER

Plan of Merger dated as of April 30, 1998 ("Plan of Merger") between Fast Connections, Inc., a Texas corporation ("FC"), and 1-800-RECONEX, Inc., an Oregon corporation ("Reconex").

TERMS AND CONDITIONS:

The Boards of Directors of FC and Reconex deem it advisable and in the best interests of FC and Reconex and in the best interests of the shareholders of FC and Reconex that FC be merged with and into Reconex (the "Merger").

NOW, THEREFORE, FC and Reconex hereby agree as follows:

I. Constituent Corporations.

1.1 FC is duly incorporated and validly existing under the laws of the state of Texas and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

1.2 Reconex is duly incorporated and validly existing under the laws of the state of Oregon and its principal place of business is 2500 Industrial Avenue, Hubbard, Oregon 97032.

II. The Merger.

2.1 In accordance with Or. Rev. Stat. § 60.494 and Texas Business Corporation Act, Article 5.04, the Merger shall become effective at the time (herein referred to as the "Effective Time") (i) the Articles of Merger in substantially the form of Exhibit 1 hereto, together with this Plan of Merger, annexed thereto are filed with the Secretary of State of the State of Oregon and the Secretary of State of the State of Texas; or (ii) such later date or time as may be specified in the Articles of Merger by agreement of FC and Reconex.

2.2 At the Effective Time, FC shall be merged with and into Reconex upon the terms and conditions set forth in this Plan of Merger in accordance with the requirements of Oregon law. Thereupon, the separate corporate existence of Reconex, with all of its rights, privileges, immunities, powers, and purposes shall continue unaffected and unimpaired by the Merger, and Reconex, as the corporation surviving the Merger, shall be fully vested therewith. The separate corporate existence of FC shall cease upon the Merger becoming effective as herein provided and thereupon Reconex and FC shall be a single corporation.

2.3 At the Effective Time, Reconex shall succeed to all of the rights, privileges, powers, immunities and franchises of FC, all of the properties and assets of FC, and all of the debts, claims, action and other interest due or belonging to FC, and shall be subject to, and responsible for, all of the debts, liabilities, and obligations of FC, with the effect set forth in the Oregon Business Corporation Act.

III. Articles of Incorporation, Bylaws and Board of Directors and Officers of Reconex

3.1 The Articles of Incorporation of Reconex in effect immediately prior to the Effective Time shall be the Articles of Incorporation of Reconex after the Effective Time until amended in accordance with provisions of the Oregon Business Corporation Act.

3.2 The Bylaws of Reconex in effect immediately prior to the Effective Time shall be the Bylaws of Reconex after the Effective Time until amended thereafter as provided therein or in accordance with provisions of the Oregon Business Corporation Act.

3.3 The directors and officers of Reconex immediately prior to the Effective Time shall constitute the Board of Directors and the officers, respectively, of Reconex after the Effective Time until expiration of their current terms as such, or prior resignation, removal or death, subject to the Articles of Incorporation and Bylaws of Reconex.

IV. Conversion of Shares.

At the Effective Time, each share of the issued and outstanding Common Stock of FC shall be converted into the right to receive from Reconex 619.51297 fully paid, validly issued and nonassessable shares of Reconex Common Stock and all shares of FC Common Stock shall be canceled without any further consideration being issued or paid therefor.

V. Abandonment of the Merger.

Notwithstanding the approval of this Plan of Merger by the Boards of Directors of Reconex or FC, the Merger may be abandoned in this Plan of Merger may be terminated at any time prior to the Effective Time.

VI. Articles of Merger.


Articles of Merger as required by Or. Rev. Stat. § 60.494 and Texas Business Corporation Act, Article 5.04, shall be filed with the Secretary of State of the State of Oregon and the Secretary of state of the State of Texas on such date as may be designated by the Boards of Directors of Reconex and FC.

IN WITNESS WHEREOF, this Plan of Merger has been executed as of the day and year first above written

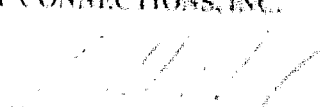
1-800-RECONEX, INC.

FAST CONNECTIONS, INC.

By


Todd Meislain, President

By


Todd Meislain, President



Phone: (503) 986-2200
Fax: (503) 378-4381

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327

ARTICLES OF AMENDMENT—BUSINESS/PROFESSIONAL/NONPROFIT

Check the appropriate box below:

For office use only

- ☒ BUSINESS/PROFESSIONAL CORPORATION
(Complete only 1,2,3,4,5,7)
☐ NONPROFIT CORPORATION
(Complete only 1,2,3,5,6,7)

FILED

AUG 14 2000

**OREGON
SECRETARY OF STATE**

Registry Number: 621283-85

Attach Additional Sheet if Necessary
Please Type or Print Legibly in Black Ink

1) NAME OF CORPORATION PRIOR TO AMENDMENT 1-800-RECONEX, Inc.

2) STATE THE ARTICLE NUMBER(S) AND SET FORTH THE ARTICLE(S) AS IT IS AMENDED TO READ. (Article 1 of the original Articles of Incorporation)

See Exhibit A attached hereto

3) THE AMENDMENT WAS ADOPTED ON: August 14, 2000

(If more than one amendment was adopted, identify the date of adoption of each amendment.)

BUSINESS/PROFESSIONAL CORPORATION ONLY

4) CHECK THE APPROPRIATE STATEMENT

- ☒ Shareholder action was required to adopt the amendment(s).
The vote was as follows:

| Class or Series of Shares | Number of shares outstanding | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|------------------------------|-------------------------------------|--------------------------|------------------------------|
| Common | 3,556,421 | 3,556,421 | 3,556,421 | 0 |
| Series A Pref. | 309,756 | 309,756 | 309,756 | 0 |

- ☐ Shareholder action was not required to adopt the amendment(s). The amendment(s) was adopted by the board of directors without shareholder action.
☐ The corporation has not issued any shares of stock. Shareholder action was not required to adopt the amendment(s). The amendment(s) was adopted by the incorporators or by the board of directors.

NONPROFIT CORPORATION ONLY

5) CHECK THE APPROPRIATE STATEMENT

- ☐ Membership approval was not required. The amendment(s) was approved by a sufficient vote of the board of directors or incorporators.
☐ Membership approval was required. The membership action was as follows:

| Class or Series of Shares | Number of shares outstanding | Number of votes entitled to be cast | Number of votes cast FOR | Number of votes cast AGAINST |
|---------------------------|------------------------------|-------------------------------------|--------------------------|------------------------------|
| | | | | |
| | | | | |

EXECUTION
Printed Name

William E. Braun

Signature

[Signature]

THE

Vice President/Manager

CONTACT NAME

William E. Braun

DAYTIME PHONE NUMBER

(503) 982-5673

FEES

STATE OF OREGON
SECRETARY OF STATE
FEE SCHEDULE
Effective January 1, 2000
Fees are in U.S. dollars and are subject to change without notice.
Fees for amendments to the Articles of Incorporation or the Articles of Amendment are \$100.00 per amendment.
Fees for amendments to the Bylaws are \$50.00 per amendment.
Fees for amendments to the Certificate of Incorporation are \$100.00 per amendment.
Fees for amendments to the Certificate of Amendment are \$100.00 per amendment.

621283-85

EXHIBIT A

SECOND AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
1-800-RECONEX, INC.

Article II, Section A, of the Articles of Incorporation is hereby amended, in its entirety, as follows:

ARTICLE II.

STOCK

A. The aggregate number of shares which the corporation shall have the authority to issue shall consist of 15,000,000 shares of common stock ("Common Stock"), \$0.01 par value and 1,000,000 shares of preferred stock ("Preferred Stock"), \$0.01 par value.

EXHIBIT

“C”

State of South Dakota



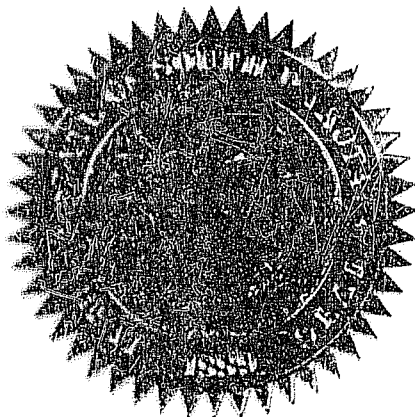
OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of 1-800-RECONEX, INC. (OR) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this November 9, 1998.



Joyce Hazeltine
JOYCE HAZELTINE
Secretary of State

EXHIBIT
"D"

**Officers for
1-800-RECONEX, Inc.**

| <u>NAME</u> | <u>TITLE</u> | <u>ADDRESS</u> |
|------------------|---------------------|---|
| Todd M. Meislahn | President | 2500 Industrial Avenue, Hubbard, Oregon 97032 |
| Joseph Brandes | Vice President | 2500 Industrial Avenue, Hubbard, Oregon 97032 |
| William E. Braun | Corporate Secretary | 2500 Industrial Avenue, Hubbard, Oregon 97032 |

EXHIBIT
"E"

NEXT

DOCUMENT (S)

BEST IMAGE

POSSIBLE

TOP 100 FASTEST-GROWING PRIVATE COMPANIES

| RANK | | | 1995 PERCENT REVENUE GROWTH | | Percent change in revenues from 1993 to 1995 | REVENUES | | EMPLOYEES | | Profit range | Start-up capital | Source of start-up capital | Description of business | Senior executive/title | Year founded | End of fiscal year |
|------|------|------|-----------------------------|------|--|--------------|--------------|-----------|------|---------------|------------------|--------------------------------|--|--|--------------|--------------------|
| Rank | 1995 | 1994 | 1993 | 1992 | 1995 | 1994 | 1993 | 1995 | 1994 | | | | | | | |
| 1 | 1 | 1 | 1 | 1 | 131% | \$8,000,000 | \$2,500,000 | 80 | 54 | Loss | \$2,500 | Personal funds | Electronic medical records | Dr. Mark Leary, president | 1983 | Dec. 31 |
| 2 | 2 | 2 | 2 | 2 | 878% | \$4,981,000 | \$1,195,300 | 30 | 11 | 0% to 5% | \$5,000 | Savings | Petroleum products | James Winters, president | 1990 | June 30 |
| 3 | 3 | 3 | 3 | 3 | 728% | \$2,882,400 | \$1,305,700 | 24 | 16 | 11% to 25% | WND | Personal savings | Interactive voice response software | Charles Van Meter, president; Gary Van Gordon, vice president | 1988 | Dec. 31 |
| 4 | 4 | 3 | 4 | 4 | 817% | \$5,582,600 | \$1,353,400 | 93 | 45 | More than 15% | \$1,100 | Personal funds | Commercial training | Mark Patterson, president | 1968 | Dec. 31 |
| 5 | 5 | 5 | 5 | 5 | 598% | \$2,750,000 | \$1,570,400 | 13 | 17 | 0% to 5% | \$30,000 | Personal funds | Chemical analysis, instrumental coating | Raymond Pohl, president | 1983 | Feb. 28 |
| 6 | 6 | 6 | 6 | 6 | 520% | \$20,232,000 | \$8,451,200 | 55 | 40 | 0% to 5% | \$25,250 | Private investors | Prepaid phone cards | Tom Hoke, CEO; Bob Stenberg, president | 1980 | May 31 |
| 7 | 7 | 7 | 7 | 7 | 507% | \$1,300,000 | \$477,800 | 20 | 18 | 0% to 10% | \$1,000 | Personal savings | Space planning, design and move coordination | Karrie Sundeen, president | 1988 | Dec. 31 |
| 8 | 8 | 8 | 8 | 8 | 493% | \$2,057,400 | \$1,284,100 | 21 | 14 | 0% to 5% | \$1,000 | Personal funds | Telecommunications | Todd Mersahn, president | 1992 | Dec. 31 |
| 9 | 9 | 9 | 9 | 9 | 481% | \$3,107,000 | \$1,246,000 | 15 | 11 | Loss | \$50,000 | Private investment | Software for the last phone calling card, mental (debit card) | Richard Wymore, executive vice president; Michael J. Wymore, president | 1994 | Dec. 31 |
| 10 | 10 | 10 | 10 | 10 | 447% | \$1,814,000 | \$705,000 | 12 | 6 | 6% to 10% | \$5,000 | The founders | High-technology advertising and public relations | Kerry McCreeshan, president | 1993 | Dec. 31 |
| 11 | 11 | 11 | 11 | 11 | 331% | \$11,183,000 | \$6,436,900 | 17 | 12 | More than 15% | \$550,000 | The four principals | Residential home building | Debbie Pahlisch, owner | 1988 | Nov. 30 |
| 12 | 12 | 12 | 12 | 12 | 336% | \$1,500,000 | \$853,000 | 55 | 50 | NA | \$325,000 | Investors | Children's entertainment centers (retail) | Edward Green, president | 1992 | Dec. 31 |
| 13 | 13 | 13 | 13 | 13 | 331% | \$3,905,000 | \$2,480,000 | 15 | 14 | More than 15% | \$250,000 | Personal funds; SBA loan | Regulatory testing and support for electromagnetic compatibility | Dean O'Quinn, president; Alan O'Quinn, vice president | 1988 | Aug. 31 |
| 14 | 14 | 14 | 14 | 14 | 290% | \$4,100,000 | \$2,010,000 | 57 | 50 | 6% to 10% | \$5,000 | Savings | Software training | Michael Priestley, founder/chairman | 1980 | Dec. 31 |
| 15 | 15 | 15 | 15 | 15 | 279% | \$3,878,000 | \$1,370,000 | 48 | 23 | 0% to 5% | \$100,000 | Personal funds | Support automation software | William Mader, president/CEO | 1988 | Dec. 31 |
| 16 | 16 | 16 | 16 | 16 | 241% | \$28,661,000 | \$12,587,000 | 1410 | 590 | More than 15% | \$15,000 | Personal savings | Inbound and outbound telemarketing service bureau | R. Patrick Hankin, president | 1989 | June 30 |
| 17 | 17 | 17 | 17 | 17 | 216% | \$9,581,800 | \$4,444,900 | 482 | 281 | Loss | \$20,000 | Leland E.O. Lantion | Public transportation | W. Wayne Fitz, vice president/general manager | 1982 | Sept. 30 |
| 18 | 18 | 18 | 18 | 18 | 215% | \$2,152,400 | \$1,085,900 | 22 | 17 | WND | \$150,000 | Founders | Circuit board design | Daniel Pfeiler, president | 1980 | Dec. 31 |
| 19 | 19 | 19 | 19 | 19 | 210% | \$8,040,200 | \$5,788,800 | 17 | 12 | 0% to 5% | \$119,000 | Investment by company officers | Export of housing and building materials | Ron Hillman, president/chairman; John Hillman, vice president | 1982 | March 31 |
| 20 | 20 | 20 | 20 | 20 | 205% | \$3,436,960 | \$2,787,200 | 10 | 6 | 11% to 15% | \$500 | Personal funds | Advertising | Michael Doherty, CEO; Austin Howe, president | 1991 | Dec. 31 |
| 21 | 21 | 21 | 21 | 21 | 204% | \$8,712,300 | \$3,857,800 | 120 | 48 | 0% to 5% | \$100,000 | Stockholders | Durable medical equipment | Rick Turrel, president | 1980 | Dec. 31 |
| 22 | 22 | 22 | 22 | 22 | 201.4% | \$6,518,700 | \$3,373,700 | 82 | 48 | 0% to 5% | \$50,000 | Loan from stockholder | Communication services, including cellular and paging | James Torres, president | 1991 | Dec. 31 |
| 23 | 23 | 23 | 23 | 23 | 201% | \$18,028,000 | \$9,581,000 | 79 | 42 | 0% to 5% | \$50,000 | Savings | Mail order catalogs | Barbara Todd, president | 1982 | Dec. 31 |
| 24 | 24 | 24 | 24 | 24 | 198% | \$975,000 | \$628,280 | 42 | 20 | More than 15% | \$30,000 | Previous owner | Contract electronic assembly | Thomas Sova, president | 1977 | Sept. 30 |
| 25 | 25 | 25 | 25 | 25 | 197% | \$2,874,000 | \$1,670,000 | 42 | 19 | 0% to 5% | \$2,000 | Personal funds | Client services technology consulting and training | Don Gonsel, president; Billy Meyer, chairman | 1970 | June 30 |

Continued on page 8

Footnotes:

1. Profit range is measured as a percentage of 1995 sales after taxes.
2. In 1994, MedicaLogic received \$6 million in venture capital from Sequoia Capital and New Enterprise Associates.
3. Northwest is a wholly owned subsidiary of Northwest Communications Inc.
4. Figures represent average number of employees per month.
5. Historical figures represent Mabry Electronics Inc., which was purchased by Assembly Management Group Inc. in September 1995.

Qualifications:

- Annual growth over each of the past three years
- Revenues more than \$200,000 but less than \$50 million in fiscal 1993
- Independent, privately held corporation, proprietorship or partnership (not a subsidiary or division) with headquarters in the Portland metro area (includes Clackamas, Multnomah, Washington and Yamhill counties in Oregon and Clark County in Washington)

Source: A representative of each company

Research by Coopers & Lybrand
and Nancy Ni

NA = Not available

NFI = Not in file

WND = Would not disclose

Top 100 fastest-growing private companies

Ranked by 1995-1997 revenue growth

| Rank | Year | Company/Address/Telephone | Percentage change revenue 1995-1997 | Revenue: 1997 1996 1995 | Employees 1997 1996 1995 | Profit range | Start-up capital | Source of start-up capital | Description of business | Local senior executive/title | Year founded |
|------|------|--|-------------------------------------|--|--------------------------|---------------|--------------------|---------------------------------|---|---|--------------|
| 26 | 97 | Travelers Insurance Co. Inc. 1400 SW 1st Ave., Suite 100 (503) 646-3700 Bend, Ore. 97601 fax: (503) 643-5979 | 213% | \$12,083,000/ \$6,565,000/ \$3,857,000 | 8/ 5/ 4 | WND | Less than \$20,000 | Private | Travel services | Paula Hobbs, president | 1984 |
| 27 | 97 | Everest Consultants Inc. 1400 SW 1st Ave., Suite F (503) 643-3990 Bend, Ore. 97601 fax: (503) 643-3991 | 211% | \$8,400,000/ \$4,200,000/ \$2,700,000 | 125/ 60/ 60 | 8% to 10% | \$20,300 | Personal | Software consulting/development | Seamus Edupugan, president | 1993 |
| 28 | 97 | Exhonor Corp. 1400 SW 1st Ave., Suite 500 (503) 274-2020 Portland, Ore. 97201 fax: (503) 274-0530 | 204% | \$10,825,000/ \$6,723,000/ \$3,560,000 | 85/ 44/ 26 | Loss | \$200,000 | Founders | Productivity software for creative professionals | Craig Barnes, president/CEO | 1992 |
| 29 | 97 | ABC Technologies Inc. 1500 NW Cornell Road, Suite 200 (503) 617-7100 Bend, Ore. 97601 fax: (503) 617-7200 | 199% | \$16,016,000/ \$10,134,000/ \$5,363,000 | 117/ 84/ 48 | 0% to 5% | WND | Individual investors | Activity-based management software | Chris Pieper, CEO | 1989 |
| 30 | 97 | Everest Labs Inc. 1500 NW Gateway Parkway (503) 531-4025 Bend, Ore. 97601 fax: (503) 514-8435 | 194% | \$2,459,700/ \$1,889,850/ \$936,866 | 30/ 25/ 18 | 0% to 5% | \$10,000 | Owners, stockholders | Software testing (service) | James Mate, president | 1994 |
| 31 | 97 | Protek Systems Inc. 1500 SW 10th Ave., Suite 104 (503) 626-1186 Bend, Ore. 97601 fax: (503) 626-2567 | 192% | \$19,908,095/ \$12,410,729/ \$6,823,801 | 30/ 20/ 15 | 8% to 10% | \$10,000 | Stockholder, operations | Sale of computer hardware and software, communication system installation | Jacob Lee, president | 1992 |
| 32 | 97 | Marketing Consulting Inc. 1500 SW 10th Ave., Suite 225 (503) 225-0725 Portland, Ore. 97201 fax: (503) 225-0765 | 189% | \$1,593,997/ \$1,271,434/ \$553,481 | 14/ 13/ 7 | More than 15% | \$10,000 | Sell | High-tech public relations | Lisa MacKenzie, president | 1994 |
| 33 | 97 | Marathon Group 1500 SW 10th Ave., Suite 201 (503) 223-3299 Portland, Ore. 97201 fax: (503) 223-3474 | 191.2% | \$1,458,058/ \$902,497/ \$517,719 | 14/ 9/ 8 | More than 15% | \$7,000 | Partners, family | Public relations | Eric Friedenwald/Fishman, general manager/creative director | 1989 |
| 34 | 97 | Anderson-Morgan Associates Architects PC 1500 SW 10th Ave., Suite 100 (503) 245-7100 Portland, Ore. 97201 fax: (503) 245-7710 | 181% | \$8,055,000/ \$4,321,000/ \$3,188,000 | 70/ 51/ 42 | 6% to 10% | \$95,744 | Founding shareholders | Architecture | Stewart Anderson, president | 1983 |
| 35 | 97 | Marathon Lane Street 1500 SW 10th Ave. (503) 223-6055 Portland, Ore. 97201 fax: (503) 223-8386 | 179% | \$1,084,059/ \$2,371,406/ \$1,463,965 | 10/ 7/ 4 | Loss | \$100,000 | Home line of credit | Travel agency | Richard Lane, president | 1994 |
| 36 | 97 | APC Inc. 1500 SW Upper Boone Ferry (503) 639-6700 Portland, Ore. 97224 fax: (503) 639-6740 | 187% | \$4,824,382/ \$3,345,625/ \$1,730,175 | 25/ 18/ 15 | 11% to 15% | \$10,000 | Founder's savings | Manufacturer of computer peripherals | Richard Rauch | 1986 |
| 37 | 97 | Goodman Systems Inc. 1500 SW Upper Boone Ferry (503) 533-3000 Bend, Ore. 97601 fax: (503) 690-7205 | 164% | \$18,733,000/ \$12,810,978/ \$7,107,402 | 149/ 145/ 98 | Loss | WND | Private investors | Object application server | Bryan Grunham, president | 1992 |
| 38 | 97 | Western Lithograph Inc. 1500 SW 10th Ave. (503) 222-1731 Portland, Ore. 97201 fax: (503) 222-5919 | 163% | \$7,947,000/ \$5,503,000/ \$3,024,000 | 65/ 33/ 21 | WND | \$350,000 | Sold interest in unrelated firm | Commercial printing | Art Schwilke, owner | 1946 |
| 39 | 97 | Architectural RMS Inc. 1500 SW 10th Ave. (503) 537-0728 Portland, Ore. 97201 fax: (503) 537-0735 | 158% | \$2,334,000/ \$2,048,656/ \$904,576 | 20/ 20/ 15 | WND | \$250,000 | Personal funds and loans | Regulatory compliance testing and support | Dean Ghezzone, president | 1992 |
| 40 | 97 | Electrical Contracting Group 1500 SW 10th Ave. (503) 234-9900 Portland, Ore. 97201 fax: (503) 234-1001 | 157% | \$65,228,066/ \$40,782,416/ \$25,351,040 | 602/ 310/ 198 | WND | WND | WND | Electrical contracting | Buzz Allison, CEO; Glenn Patterson, president | 1948 |
| 41 | 97 | APC Inc. 1500 SW 10th Ave. (503) 691-1800 Bend, Ore. 97601 fax: (503) 691-6112 | 156% | \$8,601,058/ \$4,997,022/ \$3,355,946 | 40/ 29/ 10 | 0% to 5% | \$10,000 | Personal assets | Cookie dough | Jana Taylor, president | 1984 |
| 42 | 97 | Communications Product Development Inc. 1500 SW 10th Ave., Suite 105 (503) 694-2977 Vancouver, Wash. 98661 fax: (360) 694-2553 | 151% | \$7,792,584/ \$6,431,000/ \$3,107,000 | 33/ 25/ 15 | 0% to 5% | \$50,000 | Shareholders | Software development | Vincent Hui, president | 1992 |
| 43 | 97 | Travel Enterprises Inc. 1500 SW 10th Ave. (503) 647-0915 Bend, Ore. 97601 fax: (503) 647-1015 | 148% | \$798,000/ \$580,000/ \$321,000 | 12/ 9/ 6 | 11% to 15% | \$500 | Savings | Laser cutting, CNC machining | Karl Usher, vice president | 1973 |
| 44 | 97 | Reynolds & Jenkins Direct Inc. 1500 SW 10th Ave., Suite 110 (503) 629-8090 Bend, Ore. 97601 fax: (503) 629-8570 | 145% | WND/ WND/ WND | 14/ 9/ 7 | 11% to 15% | \$200 | Personal income | Direct marketing agency | Bill Babcock, Diane Jenkins, partners | 1992 |
| 45 | 97 | Everest Labs Inc. 1500 SW 10th Ave., Suite 200 (503) 221-0180 Portland, Ore. 97201 fax: (503) 225-0840 | 140% | \$8,831,727/ \$6,072,748/ \$4,136,805 | 57/ 41/ 32 | 6% to 10% | \$45,000 | Personal savings of founders | Architecture and interior design | Nels Hall, president | 1964 |
| 46 | 97 | Employment Trends Inc. 1500 SW 10th Ave., Suite 104 (503) 350-2300 Bend, Ore. 97601 fax: (503) 644-7087 | 139% | \$9,235,708/ \$5,562,486/ \$3,870,445 | 30/ 24/ 16 | WND | \$85,000 | Personal nest egg | Staffing services | John Boone, CEO; Lor Boone, president | 1993 |
| 47 | 97 | Everest Labs Inc. 1500 SW 10th Ave., Suite 400 (503) 568-9800 Bend, Ore. 97601 fax: (503) 568-9801 | 131% | \$4,363,196/ \$3,020,563/ \$1,889,718 | 24/ 20/ 13 | 6% to 10% | \$5,000 | Personal funds | Equipment inspections and inventory auditing services | Greg Froemer, president | 1991 |
| 48 | 97 | Marketing and Technical Materials Inc. 1500 SW 10th Ave. (503) 612-0565 Bend, Ore. 97601 fax: (503) 612-0560 | 126.4% | \$1,033,267/ \$662,796/ \$456,473 | 4/ 4/ 4 | 6% to 10% | \$30,000 | Personal funds | Visual presentation and imaging supplies | Incia Meyer, president | 1993 |
| 49 | 97 | Portland VHS Signs Inc. 1500 SW 10th Ave. (503) 270-0074 Portland, Ore. 97201 fax: (503) 270-0084 | 126.1% | \$1,000,330/ \$702,835/ \$442,361 | 11/ 7/ 4 | 11% to 15% | \$500 | Loan from friend | Sign manufacturing | Jim Fletcher, Nick Olson, cofounders | 1992 |
| 50 | 97 | Travel Enterprises Inc. 1500 SW 10th Ave. (503) 691-1477 Bend, Ore. 97601 fax: (360) 691-1454 | 125% | \$10,312,891/ \$8,918,033/ \$4,582,711 | 30/ 25/ 20 | WND | \$40,000 | Family members | General contracting | Brian Webb, president | 1991 |

Footnotes

WND = Would not disclose
NA = Not available
NR = Not ranked

Qualifications:

- Annual growth over each of the past three years.
- Revenue more than \$200,000 but less than \$50 million in fiscal 1995.
- Independent, privately held corporation, proprietorship or partnership (not a subsidiary or a division) with headquarters in the Portland metro area.

Source: a representative of each company

Research by Coopers & Lybrand LLP and Portland Business Journal

THE LIST

TOP 100 FASTEST-GROWING PRIVATE COMPANIES (Part 2)

| Ranked by 1994-96 percent revenue growth | | | | | | | | | | | | |
|--|----------------|---|--|--|---------------------------|---------------|-----------------|---------------------------------|---|--|--------------|--------------------|
| Rank | Rank last year | Name/address/telephone | Percentage change in revenue from 1994 to 1996 | Revenue: 1996 1995 1994 | Employees: 1996 1995 1994 | Profit range | Startup capital | Source of startup capital | Description of business | Senior executive/title | Year founded | End of fiscal year |
| 26 | 10 | McClenahan Bruer Burrows Communications 12655 S.W. Center St., Suite 180 (503) 643-9035 Beaverton, Ore. 97005 fax: (503) 643-8072 | 214% | \$2,211,000 \$1,014,000 \$705,000 | 17 12 6 | 6% to 10% | \$5,000 | Founders | High technology advertising and public relations | Charles Burrows, president | 1993 | Dec. 31 |
| 27 | 15 | Clientele Software Inc. 8100 S.W. Myberg Road (503) 612-2600 Tualatin, Ore. 97062 fax: (503) 612-2600 | 209% | \$4,018,364 \$3,472,314 \$1,299,650 | 35 47 22 | Loss | \$100,000 | Personal funds | Clientele for Windows customer information system | Carol Vocum, president/owner | 1988 | Dec. 31 |
| 28 | NR | Marketing & Technical Materials Inc. 19470 S.W. Mohave Court (503) 812-0565 Tualatin, Ore. 97062 fax: (503) 812-0569 | 207% | \$662,798 \$456,473 \$216,000 | 4 4 4 | 6% to 10% | \$30,000 | Personal funds | Visual presentation and imaging supplies | Thom Meyer, president | 1993 | Aug. 31 |
| 29 | NR | THIS Computer Solution 404 E. 10th St. (360) 696-9453 Vancouver, Wash. 98660 fax: (360) 696-0147 | 203% | \$2,487,818 \$1,008,918 \$820,865 | 32 9 6 | 11% to 15% | \$10,000 | Personal funds | Computer consulting firm | Edward Lloyd, president | 1993 | June 30 |
| 30 | NR | Covert Engineers Inc. 7405 S.W. Tech Center Drive, Suite 150 (503) 603-0995 Tigard, Ore. 97223 fax: (503) 603-0998 | 200.3% | \$2,040,053 \$1,943,558 \$679,251 | 19 15 8 | 0% to 5% | \$25,000 | Personal | Engineering services to food-processing industry | Daniel Covert, P.E., president | 1988 | Dec. 31 |
| 31 | NR | ABG Technologies Inc. 16100 N.W. Cornish Road, Suite 200 (503) 617-7100 Beaverton, Ore. 97006 fax: (503) 617-7200 | 200.1% | \$10,134,000 \$5,363,000 \$3,377,000 | 84 60 39 | 6% to 10% | \$200,000 | Founders and private investors | Software and related services for activity-based management | Gary Peck, chief executive officer | 1993 | Sept. 30 |
| 32 | 42 | Westlark Linograph Inc. 10336 N.W. 10th Ave. (503) 222-1731 Portland, Ore. 97209 fax: (503) 222-5910 | 199.8% | \$5,503,000 \$3,024,000 \$1,837,000 | 33 21 16 | WND | \$350,000 | Sold interest in unrelated firm | Commercial printing | Art Schweiga, owner | 1948 | Dec. 31 |
| 33 | NR | Lenaxa Crutcher Lewis Corp. 821 S.W. Washington St., Suite 150 (503) 223-0500 Portland, Ore. 97205 fax: (503) 223-2874 | 194.3% | \$20,410,992 \$9,320,247 \$6,936,440 | 80 20 6 | 0% to 5% | \$100,000 | Four private shareholders | Commercial general contractor | Jeff Gibbs, president | 1993 | Dec. 31 |
| 34 | 87 | Current Electronics 125 S. Elliott Road (503) 538-0826 Newberg, Ore. 97132 fax: (503) 538-0910 | 193.9% | \$32,520,438 \$17,187,805 \$11,066,863 | 243 293 285 | 6% to 10% | NA | Privately funded | Electronic manufacturing services | Jim Davis, chief operating officer | 1983 | Sept. 30 |
| 35 | 79 | Widmer Brothers Brewing Co. 929 N. Russell St. (503) 281-2437 Portland, Ore. 97227 fax: (503) 281-1496 | 189% | \$20,314,286 \$10,419,451 \$7,027,000 | 145 124 50 | 0% to 5% | \$100,000 | Family and friends | Craft beer | Kurt Widmer, chief executive officer | 1984 | Dec. 31 |
| 36 | NR | American Telecom Inc. 123 S.E. Water Ave. (503) 238-0091 Portland, Ore. 97214 fax: (503) 238-0232 | 188% | \$2,100,778 \$1,437,338 \$729,193 | 28 16 8 | 0% to 5% | \$10,000 | Loan | Telephone equipment installation and sales | Joseph Full, chief executive officer | 1990 | Dec. 31 |
| 37 | NR | Portland's Vital Signs 1991 N.W. Upstart St., Suite A (503) 220-0074 Portland, Ore. 97209 fax: (503) 220-0064 | 186% | \$702,835 \$442,361 \$245,952 | 13 4 1 | More than 15% | \$500 | Personal | Sign manufacturing | Nick Olson, president | 1991 | Dec. 31 |
| 38 | NR | Far West Fibers Inc. 10750 S.W. Denney Road (503) 643-9944 Beaverton, Ore. 97008 fax: (503) 646-2975 | 183% | \$28,926,000 \$23,241,000 \$10,568,000 | 68 47 36 | WND | \$200,000 | Conifer Douglas Logging | Paper processor and broker | John Drew, president, Mary Sue Smith, vice president | 1980 | March 31 |
| 39 | NR | Accurate Installation Services Inc. 28320 S.W. 95th Ave., No. 103 (503) 688-6825 Wilsonville, Ore. 97070 fax: (503) 688-7030 | 181% | \$726,420 \$587,100 \$258,460 | 18 12 7 | 0% to 5% | \$5,000 | Self-funded | Installation of commercial furnishings | Charles Farrell, president | 1991 | Dec. 31 |
| 40 | 11 | Redden Duncan Homes LLC 13100 S.W. Kot Parkway, Suite E (503) 643-4400 Beaverton, Ore. 97008 fax: (503) 520-8694 | 177% | \$15,070,075 \$11,182,532 \$5,435,844 | 161 17 12 | 11% to 10% | \$550,000 | Principals | Land development and residential builder | Dave Larimer, co-owner | 1996 | Nov. 30 |
| 41 | 28 | Clackamas Construction Inc. 29001 S.E. Highway 212 (503) 663-1144 Boring, Ore. 97009 fax: (503) 663-6251 | 172% | \$2,653,824 \$2,441,422 \$977,164 | 15 15 8 | 0% to 5% | \$2,500 | Savings | Site work and underground utilities | Connie Mueller, president | 1988 | Sept. 30 |
| 42 | 45 | National Management Services Inc. P.O. Box 65070 (503) 688-7981 Portland, Ore. 97234 fax: (503) 689-6468 | 170% | \$11,717,531 \$5,880,140 \$4,342,744 | 23 7 6 | 6% to 10% | \$1,000 | Savings | Yellow Pages advertising agency | Charles Deibert, president | 1987 | March 31 |
| 43 | 29 | Enviroplex Inc. 23112 S.W. 72nd Ave. (503) 684-5922 Portland, Ore. 97224 fax: (503) 598-7784 | 166% | \$21,800,000 \$9,900,000 \$8,200,000 | 60 50 25 | 0% to 5% | \$3,000 | Pioneer Trust Bank | Office furniture | William Miller, president | 1980 | Oct. 31 |
| 44 | NR | Protective Security Investigations Inc. 1437 C St. (360) 750-0920 Vancouver, Wash. 98663 fax: (360) 750-4761 | 164% | \$1,155,975 \$604,085 \$437,474 | 63 47 35 | 0% to 5% | \$800 | Funds on hand | Security guard and investigative services | Gary Rice, president | 1983 | Dec. 31 |
| 45 | NR | Everest Consultants Inc. 14355 S.W. Alder Drive, Suite 200 (503) 643-3950 Beaverton, Ore. 97005 fax: (503) 643-3991 | 162% | \$4,200,000 \$2,600,000 \$1,600,000 | 55 35 20 | 0% to 5% | \$20,300 | Personal finances | Software consulting, contract engineering, turnkey projects | Srinam Eshuganti, president | 1993 | Dec. 31 |
| 46 | NR | M. Slemons Construction Co. Inc. 8030 N.E. Clackamas St. (503) 256-5502 Portland, Ore. 97211 fax: (503) 257-8366 | 157% | \$7,940,785 \$3,785,972 \$3,095,076 | 40 30 25 | 6% to 10% | \$23,000 | Savings | Commercial general contractor | Mont S. Slemons, president | 1984 | Nov. 30 |
| 47 | 74 | Pis Landscape P.O. Box 5912 (503) 642-5698 Beaverton, Ore. 97008 fax: (503) 649-4521 | 151.5% | \$1,189,948 \$839,510 \$473,160 | 20 12 12 | 6% to 10% | \$1,800 | Visa card | Landscape and irrigation | Manuel Castaneda, owner | 1986 | Dec. 31 |
| 48 | NR | Papa Murphy's International Inc. 8000 N.E. Parkway (360) 280-7272 Vancouver, Wash. 98663 fax: (360) 280-0500 | 151.4% | \$8,051,000 \$3,819,000 \$2,407,000 | 40 25 15 | More than 15% | \$300,000 | Private sources | Take-and-bake pizza | Terry Collins, chief executive officer | 1981 | Dec. 31 |
| 49 | NR | Western Pacific Building Materials 3885 N.W. Saint Helens Road (503) 224-9142 Portland, Ore. 97210 fax: (503) 241-3858 | 150.9% | \$17,728,000 \$9,671,000 \$7,065,000 | 118 71 51 | 0% to 5% | WND | First Interstate Bank | Building materials | Robert Harrison, president | 1991 | Dec. 31 |
| 50 | NR | American Corp./Starting International Funding 1857 S.W. Center Blvd., Suite 330 (503) 244-0050 Portland, Ore. 97219 fax: (503) 452-9406 | 147% | \$3,126,000 \$2,057,400 \$1,264,100 | 29 21 14 | NA | \$1,000 | Personal funds | Telecommunications | Todd Alvarado, president/owner | 1992 | Dec. 31 |

Continued on page 12

Footnotes:

- 1. Percentages are measured as a percentage of 1996 sales after taxes.
- 2. Revenue includes services, but not materials most of its production work.
- 3. Employees are full-time employees only.

Qualifications:

- Annual growth over each of the past three years.
- Revenue more than \$200,000 but less than \$50 million in fiscal 1993.
- Independent, privately held corporation, proprietorship or partnership (not a subsidiary or division) with headquarters in the Portland metro area (includes Clackamas, Multnomah, Washington and Yamhill counties in Oregon and Clark County in Washington).

NR = Not ranked

NA = Not available

WND = Would not disclose

Source: A representative of each company

Research by Coopers & Lybrand LLP
and Danielle Birkin

Top 100 fastest-growing private companies

Ranked by 1996-1998 revenue growth

| Rank 1999 | Rank 1998 | Name/Address/Telephone | Percentage change revenue 1996-1998 | Revenue: 1998 1997 1996 | Employees 1998 1997 1996 | Profit range | Start-up capital | Source of start-up capital | Description of business | Local senior executive/CEO | Year founded | End of fiscal year |
|-----------|-----------|--|-------------------------------------|---|--------------------------|---------------|------------------|--|---|--|--------------|--------------------|
| 1 | 199 | Clarity Visual Systems Inc. 9025 S.W. Wilson Court, Suite 3122 Wilsonville, Ore. 97070 far: (503) 570-0700 (503) 682-9441 | 2,985% | \$8,641,237/ \$3,174,227/ \$280,080 | 44/ 29/ 13 | Loss | \$500,000 | Private investors | Large screen projection display | Paul Grubb, CEO | 1993 | Dec. 31 |
| 2 | 508 | HeathNotes Inc. 1125 S.E. Madison St., Suite 209 Portland, Ore. 97214 far: (503) 234-4092 (503) 234-4052 | 737% | \$1,700,000/ \$361,000/ \$203,000 | 14/ 5/ 2 | Loss | \$40,000 | Personal funds | Publications/software on herbal/alternative treatments holistically | Schuler, founder; C.E. Vanden | 1994 | Dec. 31 |
| 3 | 3 | Oregon Chd Inc. 723 S.E. Nash Ave., Suite 1 Portland, Ore. 97214 far: (503) 234-1430 (503) 234-1386 | 734% | \$9,119,880/ \$2,780,000/ \$1,094,000 | 16/ 7/ 8 | 11% to 15% | \$3,000 | SBA loan | Retail/wholesale tea and latte | Heather Hixson, president/founder | 1993 | Dec. 31 |
| 4 | NR | IMOI dba Business Specialties 298 N.W. Corporate Drive Tualatin, Ore. 97060 far: (503) 492-0397 (503) 865-4918 | 662% | \$7,506,000/ \$3,076,000/ \$985,000 | 55/ 35/ 19 | 0% to 5% | \$10,000 | Personal loan | Commercial and specialty printing and fulfillment services | Rita Robinson, chairman/CEO | 1992 | Dec. 31 |
| 5 | 768 | Integry Telecom 19545 N.W. Van Hornum Dr., Ste 100 Beaverton, Ore. 97008 far: (503) 748-1000 (503) 748-1212 | 594% | \$12,500,000/ \$4,300,000/ \$1,800,000 | 102/ 24/ 12 | Loss | NA | NA | Telecommunications provider | Douglas Slater, president/CEO | 1994 | Dec. 31 |
| 6 | NR | Robertson & Olson Construction Inc. 4715 St. Helens Ave. Vancouver, Wash. 98664 far: (360) 699-4724 (360) 737-5799 | 523% | \$19,919,916/ \$9,708,431/ \$3,197,712 | 57/ 48/ 14 | 0% to 5% | \$70,000 | Personal funds | Commercial/general contractor | Don Robertson, president; Matt Olson, vice president | 1995 | Dec. 31 |
| 7 | 718 | Symatrix Technology Inc. 10305 S.W. Greenburg Road Portland, Ore. 97223 far: (503) 452-8080 (503) 452-6088 | 452% | \$18,000,000/ \$13,000,000/ \$2,900,000 | NA/ NA/ NA | 6% to 10% | \$50,000 | Industry investor, funding from principals | Systems sales and consulting | Ed Amis, president/CEO | 1993 | Dec. 31 |
| 8 | 31 | 1-800-RECONEX Inc. 2550 Industrial Ave. Hickman, Ore. 97032 far: (503) 982-8000 (503) 982-9000 | 450% | \$18,310,000/ \$8,003,000/ \$3,328,000 | 179/ 80/ 29 | WND | \$1,000 | Personal funds | Prepaid local telecommunications service | Todd Meighan, president | 1991 | Dec. 31 |
| 9 | 8 | QWI Software 8182 N.E. Highway 99, Suite 200 Vancouver, Wash. 98665 far: (360) 397-1000 (360) 397-1007 | 424% | \$5,163,570/ \$2,681,330/ \$985,236 | 45/ 22/ 7 | 8% to 10% | \$1,250 | Founders | Customer relationship management software | Daren Nelson, president/CEO | 1993 | Dec. 31 |
| 10 | 8 | Reli Concepts Inc. 14900 S.W. Lakeview Street, Ste 103 Shorewood, Ore. 97140 far: (503) 352-2251 (503) 352-4989 | 408% | \$1,998,230/ \$3,063,068/ \$785,384 | 41/ 35/ 16 | Loss | \$8,988 | Shareholder assets | Designs and manufactures chemical process equipment | Karl Carlson, CEO; John Rains, COO | 1993 | Dec. 31 |
| 11 | 8 | Professional Data Exchange Inc. 2020 S.W. Fourth Ave., Suite 800 Portland, Ore. 97201 far: (503) 226-1301 (503) 721-9958 | 398% | \$29,239,887/ \$12,208,875/ \$5,869,769 | 282/ 165/ 84 | 0% to 5% | \$10,000 | Personal loan | Information technology consulting and computer programming | Peter Simey, president | 1994 | Dec. 31 |
| 12 | NR | EasyStreet Online Services Inc. 9705 S.W. Sunview Court, Ste 400 Beaverton, Ore. 97005 far: (503) 646-9400 (503) 646-1400 | 379% | \$1,975,778/ \$1,266,704/ \$412,809 | 17/ 12/ 7 | More than 15% | \$200,000 | Founders, angels | Internet service provider | Rich Sadler, president/CEO | 1995 | Dec. 31 |
| 13 | NR | Accounting Connections NW 2701 N.W. Vaughn St., Suite 457 Portland, Ore. 97210 far: (503) 228-2335 (503) 228-2175 | 355% | \$1,055,022/ \$854,940/ \$231,967 | 5/ 3/ 2 | More than 15% | \$10,000 | Savings | Staffing service | Patricia Ake, president | 1998 | Dec. 31 |
| 14 | 9 | Web Trends Corp. 891 S.W. Sixth Ave., Suite 1200 Portland, Ore. 97204 far: (503) 294-7025 (503) 294-7130 | 329% | \$8,008,000/ \$4,055,000/ \$1,865,000 | 78/ 45/ 12 | 0% to 5% | \$10,000 | NA | Internet services and website management | Dr. Shraga, president; Glen Boyd, CEO | 1993 | Dec. 31 |
| 15 | 35 | Uniglobe Lane Travel 1211 N.W. 23rd Portland, Ore. 97210 far: (503) 223-6055 (503) 223-0988 | 326% | \$10,100,227/ \$4,080,859/ \$2,371,408 | 20/ 10/ 7 | WND | \$100,000 | Personal funds/sister line of credit | Travel agency | Rich Lane, president | 1993 | Dec. 31 |
| 16 | 81 | Cascade Software Consulting Inc. 501 SE Columbia Street, Ste 350 Vancover, Wash. 98881 far: (360) 750-1300 (360) 750-4749 | 298% | \$6,665,000/ \$2,925,000/ \$1,660,384 | 75/ 55/ 25 | WND | \$1,000 | Personal funds | Computer software consulting services and staffing | Rae Lahn, president/CEO | 1993 | Dec. 31 |
| 17 | 88 | 1-800-Support 18127 S.W. Boones Ferry Road Portland, Ore. 97224 far: (503) 684-2826 (503) 639-3946 | 286% | \$10,500,000/ \$4,382,651/ \$2,720,280 | 473/ 165/ 62 | 0% to 5% | \$170,000 | Personal funds | Tech support | Patrick Charley, CEO | 1997 | Dec. 31 |
| 18 | NR | Comenetic Software LLC 8036 S.W. St. Helens Drive, Suite C Wilsonville, Ore. 97070 far: (503) 836-8184 (503) 830-8171 | 275% | \$781,453/ \$409,824/ \$203,101 | 9/ 6/ 6 | 0% to 5% | \$50,000 | Founders | Retail software | Richard Oakes, Nancy Webster, ASKA Weinig, co-founders | 1994 | Dec. 31 |
| 19 | 9 | Transport Logic 30 S.W. Second Ave., Suite 310 Portland, Ore. 97204 far: (503) 243-1940 (503) 243-2792 | 267% | \$3,248,034/ \$1,710,360/ \$885,443 | 28/ 25/ 11 | 11% to 15% | \$10,000 | Founders | Internet services | Tony Schwab, president/CEO | 1994 | Dec. 31 |
| 20 | 51 | Sight & Sound Software Inc. 1209 N.W. Front Ave., Suite 200 Portland, Ore. 97209 far: (503) 274-0938 (503) 274-0939 | 265% | \$1,525,852/ \$550,747/ \$418,083 | 16/ 9/ 6 | More than 15% | NA | Personal funds | Internet travel reservation systems and software developer | Jeff Kennedy, president; Mark Eilers, CEO | 1993 | Dec. 31 |
| 21 | NR | Ace Communications Inc. 10500 S.W. Allen Blvd., Suite 210 Beaverton, Ore. 97005 far: (503) 626-1907 (503) 626-0632 | 247% | \$1,552,815/ \$974,200/ \$449,785 | 25/ 18/ 12 | 6% to 10% | NA | Elings | Technical writing, staffing and services | Mark Ace, president | 1993 | Dec. 31 |
| 22 | 52 | Meridian Technology Group Inc. 4940 S.W. Meridian Road, Suite 440 Lake Oswego, Ore. 97035 far: (503) 697-1600 (503) 697-8800 | 244% | \$6,113,795/ \$3,659,484/ \$1,777,058 | 72/ 57/ 29 | 8% to 10% | \$30,000 | Personal funds | Information technology consulting services | Dr. Richard Craxon, president | 1990 | Dec. 31 |
| 23 | 88 | Mace Baking 3387 N.W. Rutledge St. Portland, Ore. 97210 far: (503) 295-4000 (503) 295-1038 | 212% | \$12,858,000/ \$4,948,000/ \$4,061,000 | 377/ 250/ 145 | Loss | \$300,000 | Founders and SBA loan | Retail/wholesale baked goods | Raj Lindstrom, CEO/founder | 1992 | Dec. 31 |
| 24 | NR | Big Fish Corp. 814 N.W. Ocean St., Suite 303 Portland, Ore. 97209 far: (503) 224-3474 (503) 224-0186 | 205% | \$1,910,456/ \$1,408,725/ \$628,467 | 3/ 2/ 2 | More than 15% | \$40,000 | Outside consulting work | Fishing and fishing apparel | Bart Durnin, president; Stephen Clouston, vice president, design | 1995 | Dec. 31 |
| 25 | NR | Marex Mortgage Services Inc. 231 S.W. Columbia St., Suite 950 Portland, Ore. 97201 far: (503) 294-1044 (503) 294-2002 | 203% | \$5,310,772/ \$3,209,125/ \$1,751,408 | 78/ 56/ 22 | More than 15% | \$21,800 | Personal funds | Residential real estate lending | David Kahane, president; John Mayer, vice president | 1995 | Dec. 31 |

WND = Would not disclose

NA = Not available

NR = Not ranked

Qualifications:

- Annual growth over each of the past three years.
- Revenue more than \$200,000 but less than \$50 million in fiscal 1998.
- Independent, privately held corporation, proprietorship or partnership (not a subsidiary or a division with headquarters in the Portland metro area).

Source: a representative of each company

Research by PricewaterhouseCoopers

J.D. and Danielle Birkin

EXHIBIT
“F”

1-800-REGONEX
Because Everybody Needs A Phone
 Total Company Balance Sheet

| ASSETS | | | | | | | | | | | | |
|---|--------------|-----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|-----------|
| Current Assets | | | | | | | | | | | | |
| Cash & bank equivalents (Ex. Money Market) | | | | | | | | | | | | |
| | \$ | (407,421) | \$ | (398,975) | \$ | (671,115) | \$ | (406,825) | \$ | (528,522) | \$ | (640,745) |
| Money Market Accounts | | | | | | | | | | | | |
| | 52,571 | | 68,562 | 15,585 | (22,188) | 5,515 | 5,515 | 5,515 | 5,515 | 5,515 | 5,515 | 5,515 |
| Accounts Receivable | | | | | | | | | | | | |
| | 605,347 | | 605,081 | 584,835 | 627,835 | 651,835 | 651,835 | 651,835 | 651,835 | 651,835 | 651,835 | 651,835 |
| Other Receivables | | | | | | | | | | | | |
| | 102,776 | | 87,208 | 79,500 | 87,831 | 17,334 | 17,334 | 17,334 | 17,334 | 17,334 | 17,334 | 17,334 |
| Prepaid and other current assets | | | | | | | | | | | | |
| | 360,242 | | 427,219 | 634,098 | 300,680 | 118,625 | 301,778 | 102,822 | 51,632 | 341,582 | 697,411 | 104,332 |
| Total current assets | | | | | | | | | | | | |
| | 1,382,590 | | 1,358,931 | 1,334,072 | 1,483,098 | 1,589,878 | 1,588,208 | 1,578,350 | 1,538,560 | 1,487,417 | 1,487,417 | 1,487,417 |
| Property, plant and equipment (net) | | | | | | | | | | | | |
| | 578,656 | | 504,182 | 548,725 | 575,258 | 520,782 | 508,346 | 481,660 | 477,383 | 462,927 | 462,927 | 462,927 |
| Intangibles and other noncurrent assets (net) | | | | | | | | | | | | |
| | 2,321,490 | | 2,351,342 | 2,517,885 | 2,319,035 | 2,229,386 | 2,386,331 | 2,092,821 | 2,358,555 | 2,647,755 | | |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Accounts Payable | | | | | | | | | | | | |
| | 3,822,718 | | 4,149,301 | 4,317,535 | 4,217,001 | 3,084,188 | 2,905,405 | 2,723,128 | 2,832,458 | 1,575,488 | | |
| Accrued Payroll Liabilities | | | | | | | | | | | | |
| | 227,450 | | 218,088 | 197,387 | 191,650 | 186,421 | 180,622 | 160,001 | 184,894 | 179,341 | | |
| Accrued Expenses | | | | | | | | | | | | |
| | 544,298 | | 488,478 | 303,022 | 303,022 | 30,882 | 558,412 | 400,025 | 457,742 | 406,349 | | |
| Customer Deposits | | | | | | | | | | | | |
| | 9,536 | | 17,337 | 18,200 | 2,807 | 30,882 | 32,757 | 28,323 | 13,029 | 4,303 | | |
| Deferred Revenue | | | | | | | | | | | | |
| | 35,825 | | 38,375 | 43,125 | 46,875 | 50,625 | 54,375 | 58,125 | 81,875 | - | | |
| Total current liabilities | | | | | | | | | | | | |
| | 4,738,628 | | 4,911,837 | 5,046,008 | 4,781,454 | 3,878,181 | 3,742,571 | 3,401,600 | 3,548,987 | 2,165,481 | | |
| Long-term debt and capital lease obligations | | | | | | | | | | | | |
| | 2,057,712 | | 2,100,289 | 2,153,891 | 2,412,391 | 3,221,335 | 3,673,968 | 4,756,523 | 4,080,822 | 3,810,223 | | |
| Total liabilities | | | | | | | | | | | | |
| | 6,797,340 | | 7,011,806 | 7,199,899 | 7,173,805 | 7,189,516 | 7,418,540 | 7,158,223 | 7,630,819 | 5,975,714 | | |
| Shareholder's equity | | | | | | | | | | | | |
| Capital Stock | | | | | | | | | | | | |
| | 34,402 | | 34,402 | 36,064 | 36,064 | 36,064 | 36,064 | 36,064 | 36,064 | 88,009 | | |
| Additional Paid in Capital | | | | | | | | | | | | |
| | 1,681,467 | | 1,711,287 | 1,816,955 | 1,816,955 | 1,916,855 | 1,916,855 | 1,916,855 | 1,916,855 | 3,365,010 | | |
| Dividends declared | | | | | | | | | | | | |
| | (35,825) | | (38,375) | (43,125) | (46,875) | (50,625) | (54,375) | (58,125) | (61,875) | - | | |
| Retained Earnings - 2000 | | | | | | | | | | | | |
| | - | | (200,763) | (425,814) | (594,820) | (706,421) | (752,759) | (794,201) | (987,313) | (614,884) | | |
| Retained Earnings - Prior Years | | | | | | | | | | | | |
| | (6,166,094) | | (6,166,094) | (6,166,094) | (6,166,094) | (6,166,094) | (6,166,094) | (6,166,094) | (6,166,094) | (6,166,094) | | |
| Total shareholder's equity | | | | | | | | | | | | |
| | (4,475,850) | | (4,680,563) | (4,682,014) | (4,854,770) | (4,970,121) | (5,020,208) | (5,065,401) | (5,272,264) | (3,327,559) | | |
| Total liabilities and shareholder's equity | | | | | | | | | | | | |
| | \$ 2,321,490 | | \$ 2,351,342 | \$ 2,517,885 | \$ 2,319,035 | \$ 2,229,386 | \$ 2,386,331 | \$ 2,092,821 | \$ 2,358,555 | \$ 2,647,755 | | |
| Check Assets=Liabilities+OE | | | | | | | | | | | | |
| | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Net Income | | | | | | | | | | | | |
| | (200,763) | | (225,050) | (169,006) | (111,601) | (46,338) | (41,442) | (203,112) | 382,430 | 0 | | |

1-800-RECONEK

Because Everybody Needs A Phone

Total Company Income Statement-Unaudited

For the Month Ended

| | 31-Jan-00 | % | 28-Feb-00 | % | 31-Mar-00 | % | 30-Apr-00 | % | 31-May-00 | % | 30-Jun-00 | % | 31-Jul-00 | % | 31-Aug-00 | % | YTD 31-Aug-00 | % |
|--|---------------------|----------------|---------------------|----------------|---------------------|----------------|---------------------|----------------|---------------------|----------------|--------------------|----------------|---------------------|----------------|-------------------|----------------|---------------------|----------------|
| Revenue | | | | | | | | | | | | | | | | | | |
| Installation Fees | 118,083 | 9.53% | 114,355 | 8.48% | 87,826 | 6.00% | 49,577 | 4.56% | 55,844 | 5.42% | 47,358 | 4.97% | 42,328 | 4.71% | 44,209 | 5.58% | 539,890 | 8.4 |
| Residual | 213,483 | 16.87% | 180,170 | 13.29% | 153,779 | 10.61% | 136,651 | 12.08% | 130,222 | 12.65% | 117,137 | 12.30% | 122,555 | 13.64% | 96,165 | 12.52% | 1,130,262 | 13.6 |
| Recurring Billing | 1,040,773 | 86.18% | 1,043,861 | 86.50% | 869,278 | 59.39% | 893,041 | 84.23% | 863,471 | 86.71% | 821,824 | 86.12% | 783,943 | 85.03% | 686,365 | 86.96% | 7,182,861 | 86.1 |
| Options | 89,178 | 5.47% | 82,887 | 5.72% | 55,490 | 4.31% | 50,587 | 4.78% | 49,154 | 4.47% | 44,374 | 4.96% | 38,550 | 4.24% | 31,207 | 4.07% | 396,945 | 4.7 |
| Unaudited Advance Billing and Other | (725,813) | -17.84% | (173,890) | -14.56% | (136,154) | -12.05% | (71,840) | -6.73% | (95,361) | -9.27% | (78,568) | -8.25% | (58,461) | -7.53% | (86,937) | -6.87% | (922,032) | -11.0 |
| Total Revenue | \$ 3,295,707 | 100.00% | \$ 3,708,414 | 100.00% | \$ 1,130,180 | 100.00% | \$ 1,060,218 | 100.00% | \$ 1,030,380 | 100.00% | \$ 952,208 | 100.00% | \$ 898,414 | 100.00% | \$ 786,006 | 100.00% | \$ 6,334,537 | 100.00% |
| Total Direct Cost of Sales | 374,807 | 61.22% | 747,956 | 62.05% | 694,743 | 61.47% | 558,415 | 52.76% | 493,218 | 47.53% | 487,010 | 49.05% | 567,743 | 64.86% | 422,503 | 53.35% | 4,742,925 | 56.91 |
| Gross Profit | 240,900 | 38.78% | 457,458 | 37.95% | 435,447 | 38.52% | 500,803 | 47.24% | 536,564 | 51.07% | 465,198 | 50.95% | 331,869 | 35.14% | 363,506 | 46.65% | 3,591,542 | 43.08 |
| Indirect Cost of Sales | | | | | | | | | | | | | | | | | | |
| Wages & Salaries, P.R. Taxes, Benefits | 355,935 | 28.12% | 334,182 | 27.72% | 303,357 | 26.81% | 328,403 | 30.79% | 503,007 | 29.46% | 280,735 | 29.48% | 282,509 | 31.45% | 290,917 | 36.73% | 2,477,528 | 29.73 |
| Employee Relations | 2,291 | 0.19% | 6,560 | 0.54% | (1,392) | -0.12% | 425 | 0.05% | 1,955 | 0.19% | 3,857 | 0.41% | 4,447 | 0.40% | 525 | 0.07% | 18,630 | 0.23 |
| Contract Labor | 22,648 | 1.81% | 21,000 | 1.74% | 22,205 | 1.98% | 21,628 | 2.04% | 37,485 | 3.84% | 33,292 | 3.50% | 17,690 | 1.99% | 3,156 | 0.40% | 179,585 | 2.15 |
| Advertising | 14,940 | 1.58% | 32,096 | 2.00% | 902 | 0.08% | 17,368 | 1.64% | 89 | 0.01% | 111 | 0.01% | 125 | 0.01% | 108 | 0.01% | 65,711 | 0.79 |
| Promotion | 3,691 | 0.29% | 4,953 | 0.41% | 6,835 | 0.59% | 3,042 | 0.29% | 3,809 | 0.37% | 2,608 | 0.27% | 1,606 | 0.20% | 2,786 | 0.35% | 29,330 | 0.35 |
| Telecommunications | 50,302 | 3.97% | 38,871 | 3.22% | 34,032 | 3.01% | 27,191 | 2.56% | 25,485 | 2.47% | 25,135 | 2.64% | 24,994 | 2.78% | 24,832 | 3.14% | 250,843 | 3.01 |
| Service Contribution Cost | 5 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00 |
| Postage | 8,373 | 0.66% | 5,844 | 0.49% | 5,405 | 0.48% | 7,979 | 0.75% | 5,238 | 0.51% | 4,915 | 0.52% | (2,895) | -0.32% | 7,072 | 0.89% | 41,930 | 0.50 |
| Bank Charges | 1,876 | 0.15% | 1,718 | 0.14% | 865 | 0.08% | 1,736 | 0.16% | 1,147 | 0.11% | 1,216 | 0.13% | 553 | 0.06% | 270 | 0.03% | 9,178 | 0.11 |
| Total Indirect Costs | 460,457 | 38.38% | 445,173 | 38.93% | 371,810 | 32.90% | 405,834 | 38.28% | 378,697 | 36.75% | 351,870 | 36.95% | 329,429 | 36.07% | 329,865 | 41.02% | 3,072,934 | 36.87 |
| Gross Profit after Indirect | 30,443 | 2.41% | 12,285 | 1.02% | 83,637 | 5.83% | 94,968 | 8.95% | 157,867 | 15.32% | 133,328 | 14.00% | (13,760) | -1.53% | 38,641 | 5.03% | 518,600 | 6.27 |
| Operating Costs | | | | | | | | | | | | | | | | | | |
| Professional Services | 87,828 | 5.36% | 83,583 | 5.27% | 57,237 | 5.06% | 37,980 | 3.58% | 44,212 | 4.29% | 41,441 | 4.35% | 42,865 | 4.75% | 27,232 | 3.44% | 382,157 | 4.59 |
| Education and Seminars | 329 | 0.03% | 85 | 0.01% | 1,000 | 0.09% | 88 | 0.01% | 0 | 0.00% | 1,480 | 0.15% | (390) | -0.04% | 138 | 0.02% | 2,603 | 0.03 |
| Recruiting | 4,008 | 0.32% | 9,108 | 0.75% | 5,782 | 0.51% | 2,295 | 0.22% | 5,731 | 0.56% | 4,521 | 0.47% | 25 | 0.00% | 10,795 | 1.36% | 42,244 | 0.51 |
| Travel & Entertainment | 261 | 0.02% | 1,284 | 0.11% | 1,002 | 0.09% | 0 | 0.00% | 4,000 | 0.39% | 2,338 | 0.25% | 3,783 | 0.42% | 340 | 0.04% | 13,027 | 0.16 |
| Meals | 8 | 0.00% | 97 | 0.01% | 23 | 0.00% | 0 | 0.00% | 217 | 0.02% | 13 | 0.00% | 0 | 0.00% | 17 | 0.00% | 374 | 0.00 |
| Auto Expenses | 1,068 | 0.08% | 1,484 | 0.12% | 1,448 | 0.13% | 1,589 | 0.15% | 1,258 | 0.12% | 1,468 | 0.15% | 1,493 | 0.17% | 1,452 | 0.18% | 11,250 | 0.14 |
| Delivery Charges | 953 | 0.08% | 1,058 | 0.09% | 1,317 | 0.12% | 1,229 | 0.12% | 867 | 0.08% | 891 | 0.09% | 1,147 | 0.13% | 918 | 0.12% | 8,378 | 0.10 |
| Office Supplies | 1,312 | 0.10% | 2,405 | 0.20% | 2,523 | 0.22% | 1,020 | 0.10% | 926 | 0.09% | 1,591 | 0.17% | 402 | 0.04% | 501 | 0.03% | 10,880 | 0.13 |
| Printing | 8,967 | 0.71% | 1,221 | 0.10% | 2,177 | 0.19% | 6,743 | 0.64% | 1,366 | 0.13% | 3,330 | 0.35% | 0 | 0.00% | 761 | 0.10% | 24,585 | 0.20 |
| Equipment Expenses | 5,057 | 0.40% | 5,440 | 0.45% | 8,154 | 0.54% | 8,368 | 0.60% | 5,461 | 0.53% | 8,293 | 0.88% | 8,330 | 0.93% | 5,536 | 0.70% | 45,640 | 0.58 |
| Rent | 15,000 | 1.19% | 15,000 | 1.24% | 15,000 | 1.33% | 15,000 | 1.41% | 15,000 | 1.46% | 15,000 | 1.56% | 15,000 | 1.67% | 15,000 | 1.89% | 120,000 | 1.44 |
| Building Maint/Utilities | 5,184 | 0.41% | 5,322 | 0.44% | 4,351 | 0.38% | 5,368 | 0.51% | 4,717 | 0.46% | 4,469 | 0.47% | 4,835 | 0.52% | 6,368 | 0.81% | 40,451 | 0.49 |
| Insurance | 2,456 | 0.19% | 4,028 | 0.33% | 4,781 | 0.42% | 4,835 | 0.46% | 5,670 | 0.55% | 5,745 | 0.60% | 5,001 | 0.56% | 4,487 | 0.57% | 37,003 | 0.45 |
| Subscriptions | 105 | 0.01% | 4,072 | 0.34% | 50 | 0.00% | 4,673 | 0.44% | 1,594 | 0.15% | 0 | 0.00% | 2,525 | 0.28% | 2,113 | 0.27% | 15,143 | 0.18 |
| Licenses & Fees | (173) | -0.01% | 239 | 0.02% | 219 | 0.02% | 895 | 0.07% | 15 | 0.00% | 366 | 0.04% | 6,251 | 0.70% | 1,648 | 0.21% | 9,259 | 0.11 |
| Taxes, Misc | 1,822 | 0.15% | 1,698 | 0.14% | 1,868 | 0.15% | 1,898 | 0.16% | 1,898 | 0.18% | 1,898 | 0.18% | 1,898 | 0.18% | 1,898 | 0.21% | 13,807 | 0.17 |
| Charitable Contributions | 0 | 0.00% | 500 | 0.04% | 0 | 0.00% | 100 | 0.01% | 0 | 0.00% | 25 | 0.00% | 0 | 0.00% | 0 | 0.00% | 625 | 0.01 |
| Total Operating Costs | 114,303 | 9.03% | 110,600 | 9.87% | 104,742 | 9.27% | 88,880 | 8.46% | 92,731 | 9.00% | 90,850 | 9.52% | 92,570 | 10.30% | 79,021 | 9.98% | 780,304 | 9.38 |
| Mac Income (Loss) | (105) | -0.01% | 1,070 | 0.00% | (2,602) | -0.26% | 15,742 | 1.48% | (329) | -0.03% | 34,630 | 3.64% | (1,511) | -0.17% | 532,661 | 67.26% | 579,485 | 6.95 |
| Net Income (EBITDA) | (83,855) | -8.83% | (103,248) | -8.87% | (43,988) | -3.89% | 21,028 | 1.98% | 64,208 | 6.29% | 77,308 | 8.12% | (107,846) | -12.00% | 493,681 | 62.33% | 317,789 | 3.81 |
| Interest Expense | 57,195 | 4.52% | 58,248 | 4.83% | 67,540 | 5.98% | 76,598 | 7.22% | 58,782 | 5.51% | 83,809 | 8.70% | 16,509 | 1.85% | 29,087 | 3.67% | 425,848 | 5.11 |
| Depreciation/Amortization | 59,203 | 4.68% | 63,533 | 5.27% | 57,469 | 5.08% | 58,032 | 5.28% | 54,383 | 5.28% | 54,939 | 5.77% | 78,657 | 8.78% | 72,175 | 9.11% | 498,390 | 5.96 |
| State Income Taxes | 400 | 0.03% | 25 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 425 | 0.01 |
| Profit Sharing | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 9,990 | 1.26% | 9,990 | 0.13 |
| Gain/(Loss) on Sale of Fixed Assets | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00 |
| Net Income | \$ (203,753) | -15.86% | \$ (225,050) | -18.87% | \$ (160,008) | -14.95% | \$ (111,807) | -10.53% | \$ (46,338) | -4.50% | \$ (41,442) | -4.35% | \$ (203,112) | -22.61% | \$ 342,430 | 48.29% | \$ (414,844) | -7.50 |

EXHIBIT

“G”

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to furnishing of service and facilities for telecommunications services provided by 1-800-RECONEX, Inc., with principal offices at 2500 Industrial Avenue, Hubbard, Oregon 97032. This tariff applies for services furnished within the Commonwealth of South Dakota. This tariff is on file with the South Dakota Public Utility Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued:

By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

The sheets of this tariff are effective as of the date shown. The original and revised sheets named below contain all changes from the original tariff and are in effect on the date shown.

| Sheet | Revision |
|-------|----------|
| 1 | Original |
| 2 | Original |
| 3 | Original |
| 4 | Original |
| 5 | Original |
| 6 | Original |
| 7 | Original |
| 8 | Original |
| 9 | Original |
| 10 | Original |
| 11 | Original |
| 12 | Original |
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| 15 | Original |
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| 17 | Original |
| 18 | Original |
| 19 | Original |
| 20 | Original |
| 21 | Original |
| 22 | Original |

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SYMBOLS SHEET

D ~ Delete or Discontinue

I ~ Change Resulting in an Increase to a Customer's Bill

M ~ Moved from Another Tariff Location

N ~ New

R ~ Change Resulting in a Reduction to a Customer's Bill

T ~ Change in Text or Regulation but no Change in Rate or Charge

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TARIFF FORMAT

- A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff - When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th Revised Sheet 14 cancels the 3rd Revised Sheet 14. Because of various suspension periods, deferrals, etc. the Commission follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page 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 pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on the check sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the Commission.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Certain terms used generally throughout this Tariff are defined below.

Automatic Location Identification ("ALI") - The name and address associated with the calling party's telephone number (identified by ANI as defined below) is forwarded to the PSAP for display. Additional telephones with the same number as the calling party's (secondary locations, off premises, etc.) will be identified with the address of the telephone number at the main location.

Automatic Number Identification ("ANI") - A system whereby the calling party's telephone number is identified and sent forward with the call record for routing and billing purposes. E911 Service makes use of this system.

Call Initiation - The point in time when the exchange network facility are initially allocated for the establishment of a specific call.

Call Termination - The point in time when the exchange network facility allocated to a specific call is released for reuse by the network.

Commission - South Dakota Public Utility Commission.

Company - 1-800-RECONEX, Inc., unless otherwise clearly indicated from the context.

Customer - The person, firm, corporation, or other entity which orders service pursuant to this Tariff and utilizes service provided under Tariff by the Company. A customer is responsible for the payment of charges and for compliance with all terms of the Company's Tariff.

Customer Premises Equipment ("CPE") - Equipment provided by the customer for use with the Company's services. CPE can include a station set, facsimile machine, key system, PBX, or other communication system.

Day - From 8:00 AM up to but not including 5:00 PM local time Sunday through Friday.

Evening - From 5:00 PM until but not including 11:00 PM local time Sunday through Friday.

Exchange - An area, consisting of one or more central office districts, within which a call between any two points is a local call.

Final Account - A customer whose service has been disconnected who has outstanding charges still owed to the Company.

Holidays - The Company's recognized holidays are New Year's Day, July 4th, Thanksgiving Day, Christmas Day.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (CONT'D)

Interruption - The inability to complete calls, either incoming or outgoing or both, due to the Underlying Carrier's facilities malfunction or human errors.

LATA - Local Access and Transport Area. The area within which the Company provides long distance ("intraLATA") service.

Move - The disconnection of existing equipment at one location and reconnection of the same equipment at a new location in the same building or in a different building on the same premises.

Rate Center - A geographic reference point with specific coordinates on a map used for determining mileage when calculating charges.

Toll Call - Any call extending beyond the local exchange of the originating caller which is rated on a toll schedule by the Company.

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

User - A Customer or any other person authorized by the Customer to use service provided under this Tariff.

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SECTION 2 – RULES AND REGULATIONS

2.1 Undertaking of the Company

The Company's service and facilities are furnished for communications originating at specified points within the Commonwealth of South Dakota under terms of this tariff.

The Company resells the communications services provided herein through the Underlying Local and Long Distance Carrier in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Underlying Carrier's network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

2.2.1 Service is offered subject to the availability of the Underlying Carrier's facilities and the provisions of this Tariff.

2.2.2 Only those services for which rates are provided are currently available.

2.2.3 The Company reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control: or when the customer is using service in violation of the law or the provisions of this tariff.

2.2.4 All services provided under this tariff are directly controlled by the Company and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service.

2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

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SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company

- 2.3.1 The Company's liability arising out of mistakes, interruptions, omissions, delays, errors, or defects, or representations arising out of the furnishing of its services, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur, unless ordered by the Commission.
- 2.3.2 The Company's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this Tariff. With respect to any claim or suit, by a Customer or by any others, for damages associated with the ordering (including the reservation of any specific number for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this Tariff
- 2.3.3 The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes, any law, order, regulation, direction, action or request of the United States government or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, Commission, bureau, corporation or other instrumentality of any one or more of these federal, state, or local governments, or of any military authority; preemption of existing service in compliance with national emergencies; riots, wars; unavailability of rights-of-way or materials, or strikes, lockouts, work-stoppages, or other labor difficulties.
- 2.3.4 The Company shall not be liable for:
- (a) Any act or omission of any entity furnishing the Company or the Company's Customers facilities or equipment used for or with the services the Company offers, or
 - (b) For the acts or omissions of other common carriers or their employees or agents.

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SECTION 2 -- RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company (Cont'd)

- 2.3.5 The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- 2.3.6 The Customer shall indemnify and hold the Company harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, condition, location or use of any installation provided by the Company. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this Section as a condition to such installations.
- 2.3.7 The Company shall not be liable for any defacement of or damage to the Customer's premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by the willful misconduct of the Company's agents or employees. No agents or employees of other entities shall be deemed to be agents or employees of the Company.
- 2.3.8 The Company shall be indemnified and held harmless by the customer and any authorized user against:
- (a) Claims for libel, slander, invasion of privacy or infringement of copyright arising from the material, data, information, or other content transmitted via the Company's service, and
 - (b) Patent infringement claims arising from combining or connecting the service offered by the Company with apparatus and systems of the Customer or others, and
 - (c) All other claims arising out of any act or omission of the Customer or others, in connection with any service provided by the Company pursuant to this Tariff.

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SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company (Cont'd)

- 2.3.9 The entire liability of the Company for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid to the Company by the Customer for the specific services giving rise to the claim, and no action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- 2.3.10 The Company makes no warranties or representations, expressed or implied either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.
- 2.3.11 The Company shall not be liable for any act or omission of any other company or companies furnishing a portion of the service, or for damages associated with service, facilities or equipment which it does not furnish, or for damages which result from the operation of Customer-provided systems, equipment, facilities or services which are interconnected with Company services.
- 2.3.12 The Company does not guarantee nor make any warranty with respect to service installations at locations of which there is present atmosphere that is explosive, prone to fire, dangerous or otherwise unsuitable for such installations. The Customer shall indemnify and hold the Company harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party, for any personal injury to, or death of, any person or persons, or for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, locations or use of service furnished by the Company at such locations.

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SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company (Cont'd)

- 2.3.13 The Company shall not be liable for the Customer's failure to fulfill its obligations to take all necessary steps including, without limitation, obtaining, installing and maintaining all necessary equipment, materials and supplies, for interconnecting the Station, terminal equipment or communications system of the Customer, or any third-party acting as its agent, to the Underlying Carrier's network. The Customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. In addition, the Customer shall insure that its equipment and/or system or that of its agent is properly interfaced with the Company's service, that the signals emitted into the Underlying Carrier's network are of the proper mode, band-width, power, data speed, and signal level for the intended use of the Customer, and that the signals do not damage Company or Underlying Carrier equipment, injure its personnel or degrade service to other Customers. If the Customer or its agent fails to maintain and operate its equipment and/or system or that of its agent properly, with resulting harm to Company or Underlying Carrier equipment, personnel, or the quality of service to other Customers, the Company may require the use of protective equipment at the Customer's expense or terminate the Customer's service without liability.

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SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company (Cont'd)

2.3.14 With respect to Emergency Number 911 Service:

- (a) This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by:
 - (1) Mistakes, omissions, interruptions, delays, errors or other defects in the provision of this service, or
 - (2) Installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of equipment and facilities furnishing this service.
- (b) Neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of enhanced 911 service features and the equipment associated therewith, or by any services furnished by the Company including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing enhanced 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its Users, agencies or municipalities, or the employees or agents of any one of them.

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SECTION 2 – RULES AND REGULATIONS (CONT'D)2.3 Liability of the Company (Cont'd)

- 2.3.15 The Company's liability arising from errors or omissions in Directory Listings, other than charged listings, shall be limited to the amount of actual impairment to the Customer's service. In cases of charged Directory Listings, the liability of the Company shall be limited to an amount not exceeding the amount of charges for the charged listings involved during the period covered by the directory in which the error or omission occurs.
- 2.3.16 The Company will not be liable for failure or refusal to complete any call to a Nonpublished Listing when the call is not placed by number. The Company will try to prevent the disclosure of the number of such telephone, but will not be liable should such number be divulged.
- 2.3.17 When a Customer with a Nonpublished Listing as defined herein, places a call to the Emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for the Emergency 911 Service upon request of such governmental authority. By subscribing to service under this Tariff, Customer acknowledges and agrees with the release of information as described above.

2.4 Interruption of Service

- 2.4.1 Without incurring liability, Reconex 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 Reconex's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified
- 2.4.2 Service may be interrupted or discontinued by Reconex without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges when Reconex deems it necessary to take such action to prevent unlawful use of its service. Reconex will restore service as soon as it can be provided without undue risk.

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SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.4.3 Credit Allowance:

- 2.4.3.1 No credit is allowed in the event that service must be interrupted in order to provide routine service quality or related investigations.
- 2.4.3.2 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 or in the event that the Company is entitled to a credit for the failure of the facilities of the Company's Underlying Carrier used to furnish service.
- 2.4.3.3 Credit for interruption shall commence after the Customer notifies the Company of the interruption or when the Company becomes aware thereof, and ceases when service has been restored.
- 2.4.3.4 For purpose of credit computation, every month shall be considered to have 720 hours.
- 2.4.3.5 No credit shall be allowed for an interruption of a continuous duration of less than two hours.
- 2.4.3.6 The Customer shall be credit for an interruption of two hours or more at the rate of $1/720^{\text{th}}$ of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" – outage time in hours

"B" – monthly charge for affected activity

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SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.5 Disconnection of Service by Carrier

The Company (carrier), upon 5 working days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- 2.5.1 Non-payment of any sum due to carrier for regulated service for more than thirty days beyond the date of rendition of the bill for such service.
- 2.5.2 A violation of any regulation governing the service under this tariff.
- 2.5.3 A violation of any law, rule, or regulation of any government authority having jurisdiction over such service.
- 2.5.4 The company has given the customer notice and has allowed a reasonable time to comply.
- 2.5.5 Service may be disconnected without notice for tampering with the Underlying Carrier or Company equipments for interfering with service to other customers, or for fraud.

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SECTION 2 -- RULES AND REGULATIONS (CONT'D)

2.6 Deposits

2.6.1 Subject to special provisions as may be set forth below, any applicant or customer whose financial responsibility is not established to the satisfaction of the Company may be required to deposit a sum up to an amount equal to the total of the estimated intrastate toll charges for up to two months for the facilities and service. If the minimum period of service for the requested facilities and service is more than one month, as specified in this Tariff, the customer may also be required to deposit a sum up to an amount equal to the total charges for service for the minimum service period less any connection charge paid by the customer.

2.6.2 The fact that a deposit has been made shall in no way relieve the applicant or customer from complying with the Tariff regulations for the prompt payment of bills on presentation. Each applicant from whom a deposit is collected will be given a certificate of deposit and circular containing the terms and conditions applicable to deposits, in accordance with the Rules and Regulations of the Commission pertaining to customer deposits.

- a. Interest on Deposits: Five percent (5%) interest shall be credited or paid to the Customer while the Company holds the deposit.
- b. Return of Deposit: When a deposit is to be returned, the customer may request that the full amount of the deposit be issued by check. If the customer requests that the full amount be credited to amounts owed the Company, the Company will process the transaction on the billing date and apply the deposit to any amount currently owed to the Company, and return any remaining amount of the deposit to the customer by check.

2.7 Advance Payment

For customers whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month.

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SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.8 Taxes

The Customer is responsible for the payment of any sales, use gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income assessed in conjunction with service used. Any taxes imposed by a local jurisdiction (e.g. County and municipal taxes) will only be recovered from those Customers residing in the affected jurisdictions.

2.9 Billing of Calls

All charges due by the customer are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise appropriate.

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SECTION 3 – DESCRIPTION OF SERVICE

3.1 Timing of Calls

3.1.1 When Billing Charges Begin and End for Phone Calls

The Customer's long distance usage charge is based on the actual usage of the Underlying Carrier's network. Usage begins when the called party picks up the receiver, (i.e. when 2 way communication, often referred to as "conversation time" is possible). A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

The minimum call duration for billing purposes is 1 minute for a connected call and calls beyond 1 minute are billed in 1-minute increments.

3.1.3 Uncompleted Calls

There shall be no charges for uncompleted calls.

3.2 Calculation of Distance

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

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V& H Coordinates Tape and Bell's NECA Tariff NO. 4.

FORMULA:

The square
root of:
$$\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}$$

3.3 Minimum Call Completion Rate

A Customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 90% during peak use periods for all FG D services "1+" dialing).

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SECTION 3 - DESCRIPTION OF SERVICE (CONT'D)

3.4 Service Offerings

3.4.1 Long Distance Service

Long Distance Service is offered to residential and business customers. The service permits direct dialed outbound calling at a single per minute rate.

3.4.2 800/888 (Inbound) Long Distance Service

800/888 (Inbound) Long Distance Service is offered to residential and business customers. The service permits inbound 800/888 calling at a single per minute rate. Service is provided from presubscribed, dedicated or shared use access lines. Calls are billed in six second increments, with a six second minimum call duration. No monthly recurring charges apply. A \$10.00 minimum monthly billing requirement applies. Customers whose monthly usage is less than the minimum will be billed the minimum amount.

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SECTION 3 -- DESCRIPTION OF SERVICE (CONT'D)

3.4.3 Travel Card Service

Travel Card Service is a travel card service offered to residential and business customers who subscribe to the Long Distance Service calling plan. Customers using the Company's travel card service access the service by dialing a 1-800 number followed by an account identification number and the number being called. This service permits subscribers utilizing the Company's travel card to make calls at a single per minute rate. Calls are billed in one (1) minute increments after the initial minimum period of one (1) minute. There are no nonrecurring or monthly recurring issues. No travel card surcharge applies.

3.4.4 Prepaid Calling Cards

The Company's prepaid calling cards are available in various minute denominations. Prices are inclusive of all taxes.

For billing purposes, call timing is rounded up to the next full minute increment after a minimum initial period of one (1) minute. These rates apply twenty-four hours per day, seven days per week.

3.4.5 Operator Services

The Company's operator services are provided to residential and business customers who "presubscribe" to this service for intrastate calling. Operator services include the completion of collect, station-to-station, person-to-person, third party billing and credit card calls with the assistance of an Underlying Carrier operator. Each completed operator assisted call consists of two charge elements (except as otherwise indicated herein): (i) a fixed operator charge, which will be dependent on the type of billing selected (e.g., calling card, collect, or other) and/or the completion restriction selected (e.g., station-to-station or person-to-person); and (ii) a measured usage charge dependent upon the duration, distance and/or time of day of the call.

3.4.6 Operator Dialed Surcharge

This surcharge applies to Operator Station and Person-to-Person rated calls when the customer has the capability of dialing all the digits necessary to complete a call, but elects to dial only the appropriate operator code and requests the operator to dial the called station.

The Operator Dialed Surcharge applies in addition to any other applicable operator charges.

Issued: _____
By: _____

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective: _____

SECTION 4 - RATES

4.1 Long Distance Service

Rate per minute - \$0.25.

Plan is billed in full minute increments

4.2 800/888 (Inbound) Distance Service

Rate per minute - \$0.25

Plan is billed in six-second increments with a six second minimum

Payphone surcharge per call - \$0.60

4.3 Travel Card Service

Rate per minute - \$0.30

Payphone surcharge per call - \$0.60

4.4 Prepaid Calling Cards

Rate per minute - \$0.30

Plan is billed in full minute increments

Payphone surcharge per call - \$0.60

4.5 Operator Services

4.5.1 Usage Rate: The appropriate rate found under 4.1 and 4.3 shall apply

4.5.2 Operator Charges:

| | |
|------------------------------|--------|
| Collect Station-to-Station | \$1.50 |
| Collect Person-to-Person | \$4.00 |
| Person-to-Person | \$4.00 |
| Station-to-Station | \$1.50 |
| Customer Dialed Calling Card | \$1.50 |
| Operator Dialed Calling Card | \$2.75 |
| Operator Dialed Surcharge | \$1.50 |

Issued: _____

By: _____

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective: _____

SECTION 4 – RATES (CONT'D)

4.6 Determining Applicable Rate in Effect

For the initial minute, the rate applicable at the start of chargeable time at the calling station applies. For additional minutes, the rate applicable is the rate which is in effect at the calling station when the additional minute(s) begin. That is, if chargeable time begins during the Day Period, the Day Rate applies to the initial minute and to any additional minutes that the call continues during the rate period. If the call continues into a different rate period, the appropriate rates from that period apply to any additional minutes occurring in that rate period. If an additional minute is split between two rate periods, the rate period applicable at the start of the minute applies to the entire minute.

4.7 Payment of Calls

4.7.1 Late Payment Charges

A late payment charge of 1.5% per month will be assessed on all unpaid balances more than thirty days old.

4.7.2 Return Check Charges

A return check charge of \$15.00 will be assessed for checks returned for insufficient funds.

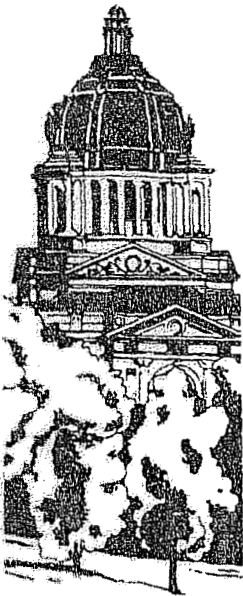
4.8 Special Promotions

The company will, from time to time, offer special promotions to its customers waiving certain charges. These promotions will be approved by the South Dakota Commission with specific starting and ending dates, and be made part of this tariff.

Issued:
By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective:



South Dakota Public Utilities Commission



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

VIA FAX: 503-982-9000

November 6, 2000

Ms. Anne Lynch
Regulatory Manager
1-800-Reconex, Inc.
2500 Industrial Avenue
Hubbard, OR 97032

*11/30/00
To date, we have not
received the filing fee
or the 10 copies mentioned
below. We cannot open
a file on this application
have received the filing
fee and copies.*

RE: APPLICATION FOR CERTIFICATE OF AUTHORITY
1-800-Reconex, Inc.

Dear Ms. Lynch:

We received your Application for a Certificate of Authority to operate as an interexchange telecommunications company in the state of South Dakota. Pursuant to SDCL 49-31-3, telecommunication companies shall submit a \$250 application fee when filing:

SDCL 49-31-3. Each telecommunications company that plans to offer or provide interexchange telecommunications service shall file an application for a certificate of authority with the commission pursuant to this section. Telecommunications companies seeking to provide any local exchange service shall submit an application for certification by the commission pursuant to §§ 49-31-1 through 49-31-89. Applications required by this section shall be filed by the company no less than sixty days before its initiation of telecommunications service in this state. The commission shall have the exclusive authority to grant a certificate of authority. Each telecommunications company shall submit a two hundred fifty dollar application fee with its application which shall be deposited into the gross receipts tax fund established pursuant to § 49-1A-2.

We cannot take any action on your application until we receive the applicable fee. Also, we require an original and ten copies for this type of filing. Please send us 10 copies of the application, together with your check. Thank you.

Sincerely,

Delaine Kolbo
Delaine Kolbo
Legal Secretary

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

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

Consumer Hotline
1-800-332-1782

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

Internet Website
www.state.sd.us/puc/

Jim Burg
Chairman
Pam Nelson
Vice-Chairman
Laska Schoenfelder
Commissioner

William Bullard Jr.
Executive Director

Harlan Best
Martin C. Bettmann
Sue Cichos
Karen E. Cremer
Christopher W. Downs
Terry Emerson
Michele M. Farris
Marlette Fischbach
Heather K. Forney
Kelly D. Frazier
Mary Giddings
Leri Healy
Mary Healy
Lisa Hull
Dave Jacobson
Amy Kayser
Jennifer Kirk
Bob Kradle
Delaine Kolbo
Charlene Lund
Gregory A. Rislov
Keith Senger
Rolayne Ailts Wiest

December 8, 2000

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

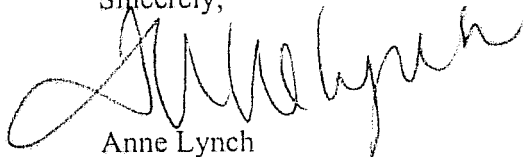
Re: Application for Certificate of Authority

Public Utilities Commission:

Pursuant to request by Commission Staff, enclosed please find ten (10) copies and a check in the amount of two hundred and fifty dollars (\$250.00) to represent the filing fee for the Long Distance/Business filing sent by 1-800-Reconex, Inc. on September 7, 2000.

If you have any questions or need any further information, please do not hesitate to contact me directly at 503-982-5572 or anne.lynch@reconex.com.

Sincerely,



Anne Lynch
Regulatory Manager

RECEIVED

DEC 15 2000

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

1-800-RECONEX

GENERAL ACCOUNT
P.O. BOX 43
HVERBARD, OR 97031

*TWO HUNDRED FIFTY DOLLARS AND NO CENTS

PAY
TO THE
ORDER
OF:

SOUTH DAKOTA
500 E. CAPITOL
PIERRE

Public Utilities Commission
~~SEC. OF STATE~~

SD 57501-5077

DATE

12/08/00

AMOUNT

*****250.00*

TWO SIGNATURES REQUIRED IF OVER \$10,000

[Signature]
VOID AFTER 6 MONTHS

⑈024491⑈ ⑈2300201⑈ 370851002401⑈

SECURITY FEATURES: MICRO PRINT TOP & BOTTOM BORDERS COLORED PATTERN. ARTIFICIAL WATERMARK ON REVERSE SIDE. MISSING FEATURE INDICATES A COPY.

1-800-RECONEX

DATE INVOICE NO COMMENT
12/04/00 001204INV PUBLIC UTILITIES COMMIS

AMOUNT
250.00

DISCOUNT
.00

NET AMOUNT
250.00

24491

7600-202

SDAKOTA

CHECK: 024491 12/08/00 SOUTH DAKOTA SEC. OF STATE

CHK TOTAL:

250.00

24491

024491

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of December 14, 2000 through December 20, 2000

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

CT00-116 **In the Matter of the Complaint filed by Norman Matson, Oldham, South Dakota,
against AT&T Communications of the Midwest, Inc. Regarding Unauthorized
Switching of Services.**

The complainant reported that he contacted AT&T to get international rate information for long distance services. He alleged that he did not agree to services with AT&T and AT&T has not been able to produce a verification tape. His phone services were switched without his authorization and he feels that AT&T should be held accountable to the full extent of the law for the unauthorized switch.

Staff Analyst: Charlene Lund
Staff Attorney: Kelly Frazier
Date Docketed: 12/19/00
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC00-202 **In the Matter of the Application of 1-800-Reconex, Inc. for a Certificate of Authority
to Provide Interexchange Telecommunications Services in South Dakota.**

1-800-Reconex, Inc. is seeking a Certificate of Authority to provide resold long distance telecommunication services in South Dakota. The applicant intends to provide 800/888 inbound long distance, travel cards, and prepaid long distance service.

Staff Analyst: Heather Forney
Staff Attorney: Kelly Frazier
Date Docketed: 12/15/00
Intervention Deadline: 01/05/01

TC00-203 **In the Matter of the Filing by Qwest Corporation for Approval of Revisions to its
Exchange and Network Services Tariff.**

Qwest has filed to revise Section 5, Pages 7 and 11, Release 2 of its Exchange and Network Services Tariff. The revisions remove the Sisseton exchange from the tariff. This exchange was sold on November 30, 2000.

Staff Analyst: Keith Senger
Staff Attorney: Kelly Frazier
Date Docketed: 12/15/00
Intervention Deadline: 01/05/01

**In the Matter of the Filing for Approval of a Seventh Amendment to an
Interconnection Agreement between Qwest Corporation and McLeodUSA
Telecommunications Services, Inc.**

A Seventh Amendment to the Interconnection Agreement between Qwest Corporation (Qwest) and McLeodUSA Telecommunications Services, Inc. (McLeodUSA) was filed with the Commission for approval. McLeodUSA and Qwest entered into the initial Interconnection Agreement which was previously approved by the Commission. The seventh amendment includes terms and conditions associated with the business-to-business relationship. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than January 9, 2001. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier

Date Docketed: 12/20/00

Initial Comments Due: 01/09/01

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

Pursuant to your correspondence dated December 28, 2000, enclosed is a revised tariff. Please find a revised tariff reflecting the revisions you recommended.

The following is the additional information you requested.

1. The name under which the applicant will provide service.

1-800-RECONEX

2. The location of the applicant's principal office, if any, in the state and the name and address of its current registered agent.

1-800-RECONEX, Inc. ("Reconex") is a non-facilities based corporation with no facilities in the state of South Dakota. Reconex's registered agent address in the state of South Dakota is: CT Corporation, 119 Canton St., Pierre, SD 57501.

3. The name and address of each corporation, association, partnership, company, or individual holding 20 percent or greater ownership or management interest in the applicant corporation and the amount and character of the ownership or management interest.

The following are Shareholders that hold 20 percent or greater interest in the corporation:

| <u>Share Holder</u> | <u>Shares</u> | <u>Address</u> |
|---------------------------|---------------|--|
| Nova Communications L.L.C | 51% | 121 Second Street, North, PO Box 419, St. Petersburg, FL 33711 |
| Todd Meislahn | 21.32% | 1500 Industrial Ave., Hubbard, Oregon 97032 |

2500 Industrial Avenue • Hubbard, Oregon 97032
503-982-8000 • Fax: 503-982-9000 • www.reconex.com

January 9, 2001

RECEIVED

JAN 16 2001

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Ms. Heather K. Forney
Utility Analyst
South Dakota Public Utilities Commission
State Capitol Building, 500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Re: SD PUC Docket TCOO-202 - Application of 1-800-Reconex, Inc. for a
Certificate of Authority to provide Interexchange Services in South Dakota

Dear Ms. Forney:

4. Additional Financial capabilities.

Attached as Exhibit "B" please find a request for a limited waiver of ARSD 20:10:24:02(8) sent to the Commission on January 10, 2001

5. A toll free number of the applicant's representatives to whom all inquiries must be made regarding complaints and regulatory matters and a description of how the applicant handles customer billing and customer service matters.

The toll free number is 1-800-RECONEX (732-6639).

Reconex handles it's billing in house. Reconex does not use an outside agency to handle its billing.

Customer service matters, including any billing questions, are handled by customer service agents that can be reached by calling the toll free number provided above.

6. A list of states in which the applicant is registered or certified to provide telecommunications services, whether the applicant has ever been denied registration or certification in any state and the reason for any such denial, a statement as to whether or not the applicant is in good standing with the appropriate regulatory agency in the state where it is registered or certified, and a detailed explanation of why the applicant is not in good standing in a given state, if applicable.

- a. Reconex is currently registered or certified to provide local telecommunications services in:

- | | | |
|-------------------------|--------------------|--------------------|
| 1. Alabama | 16. Louisiana | 31. Oklahoma |
| 2. Arizona | 17. Maine | 32. Oregon |
| 3. Arkansas | 18. Maryland | 33. Pennsylvania |
| 4. California | 19. Massachusetts | 34. Rhode Island |
| 5. Connecticut | 20. Michigan | 35. South Carolina |
| 6. District of Columbia | 21. Mississippi | 36. South Dakota |
| 7. Florida | 22. Missouri | 37. Tennessee |
| 8. Georgia | 23. Montana | 38. Texas |
| 9. Hawaii | 24. Nevada | 39. Utah |
| 10. Idaho | 25. New Mexico | 40. Virginia |
| 11. Iowa | 26. New Jersey | 41. Vermont |
| 12. Illinois | 27. New York | 42. Washington |
| 13. Indiana | 28. North Carolina | 43. West Virginia |
| 14. Kansas | 29. Nebraska | 44. Wisconsin |
| 15. Kentucky | 30. North Dakota | 45. Wyoming |

Reconex is currently registered or certified to provide long distance telecommunications in the following states:

- | | |
|-------------------------|-------------------|
| 1. Alabama | 15. Montana |
| 2. Arkansas | 16. North Dakota |
| 3. Connecticut | 17. Nebraska |
| 4. District of Columbia | 18. New Hampshire |
| 5. Hawaii | 19. New Jersey |
| 6. Iowa | 20. Nevada |
| 7. Idaho | 21. New York |
| 8. Illinois | 22. Oregon |
| 9. Indiana | 23. Pennsylvania |
| 10. Kansas | 24. Texas |
| 11. Kentucky | 25. Utah |
| 12. Massachusetts | 26. Virginia |
| 13. Maryland | 27. Wisconsin |
| 14. Michigan | 28. Wyoming |

- b. On June 4, 1998 the Public Utility Commission of South Dakota denied the Application of Sterling International Funding, Inc., d/b/a Reconex, the predecessor of 1-800-Reconex, Inc., for a Certificate of Authority. The denial was based on the failure for Sterling to respond to requests from the Commission for additional data. The denial is attached as Exhibit "C".

Sterling's failure to respond was based on the fact that the additional requests for data were never received. Sterling had moved its corporate headquarters in February of 1998 and had informed all state Commissions. For reasons still unknown, the request for additional information did not arrive at the new corporate headquarters. When Sterling received the June 4, 1998 denial we immediately filed for a Motion for Reconsideration based on the above facts and the Motion, as well as, ultimate certification were granted. The Certificate of Authority is attached as part of Exhibit "C".

There have been no other denials of Reconex from any authority to provide telecommunications services.

- c. Reconex is in good standing with the appropriate regulatory agency in the states where it is registered or certified.
- d. Description of how the applicant intends to market its services, its target market, whether the applicant engages in multilevel marketing, and copies of any company brochures used to assist in the sales of service.

Reconex's primary means of marketing is its point-of-sale material. Attached as Exhibit "D" is the point-of-sale material used by Reconex.

8. The Applicant's Federal tax identification number.

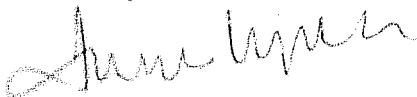
Reconex's Federal Tax Identification number is 93-1242033.

9. 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.

Reconex does not have any complaints filed against it 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 offered.

If you have any questions or need any further information, please do not hesitate to contact me directly at 503-982-5572 or anne.lynch@reconex.com.

Sincerely,



Anne Lynch
Regulatory Manager

EXHIBIT

“A”

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to furnishing of service and facilities for telecommunications services provided by 1-800-RECONEX, Inc., with principal offices at 2500 Industrial Avenue, Hubbard, Oregon 97032. This tariff applies for services furnished within the Commonwealth of South Dakota. This tariff is on file with the South Dakota Public Utility Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued:
By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

The sheets of this tariff are effective as of the date shown. The original and revised sheets named below contain all changes from the original tariff and are in effect on the date shown.

| Sheet | Revision |
|-------|----------|
| 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 |



Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

TABLE OF CONTENTS

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|---|----|
| Title Sheet..... | 1 |
| Check Sheet..... | 2 |
| Table of Contents..... | 3 |
| Symbols Sheet | 4 |
| Tariff Format Sheet..... | 5 |
| Section 1 – Technical Terms and Abbreviations | 6 |
| Section 2 – Rules and Regulations | 8 |
| Section 3 – Description of Service | 19 |
| Section 4 – Rates | 22 |

Issued: _____

By: _____

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SYMBOLS SHEET

D -- Delete or Discontinue

I -- Change Resulting in an Increase to a Customer's Bill

M -- Moved from Another Tariff Location

N -- New

R -- Change Resulting in a Reduction to a Customer's Bill

T -- Change in Text or Regulation but no Change in Rate or Charge

Issued: _____
By: _____

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

TARIFF FORMAT

- A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff - When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th Revised Sheet 14 cancels the 3rd Revised Sheet 14. Because of various suspension periods, deferrals, etc. the Commission follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level.
- 2.1.
2.1.1.
2.1.1.A.
2.1.1.A.1.
2.1.1.A.1.(a).
2.1.1.A.1.(a).1.
2.1.1.A.1.(a).1.(i).
2.1.1.A.1.(a).1.(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 pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on the check sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the Commission.

Signed

By

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective :

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Certain terms used generally throughout this Tariff are defined below.

Automatic Location Identification ("ALI") - The name and address associated with the calling party's telephone number (identified by ANI as defined below) is forwarded to the PSAP for display. Additional telephones with the same number as the calling party's (secondary locations, off premises, etc.) will be identified with the address of the telephone number at the main location.

Automatic Number Identification ("ANI") - A system whereby the calling party's telephone number is identified and sent forward with the call record for routing and billing purposes. E911 Service makes use of this system.

Call Initiation - The point in time when the exchange network facility are initially allocated for the establishment of a specific call.

Call Termination - The point in time when the exchange network facility allocated to a specific call is released for reuse by the network.

Commission - South Dakota Public Utility Commission.

Company - 1-800-RECONEX, Inc., unless otherwise clearly indicated from the context.

Customer - The person, firm, corporation, or other entity which orders service pursuant to this Tariff and utilizes service provided under Tariff by the Company. A customer is responsible for the payment of charges and for compliance with all terms of the Company's Tariff.

Customer Premises Equipment ("CPE") - Equipment provided by the customer for use with the Company's services. CPE can include a station set, facsimile machine, key system, PBX, or other communication system.

Day - From 8:00 AM up to but not including 5:00 PM local time Sunday through Friday.

Evening - From 5:00 PM until but not including 11:00 PM local time Sunday through Friday.

Exchange - An area, consisting of one or more central office districts, within which a call between any two points is a local call.

Final Account - A customer whose service has been disconnected who has outstanding charges still owed to the Company.

Holidays - The Company's recognized holidays are New Year's Day, July 4th, Thanksgiving Day, Christmas Day.

Issued:

By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SECTION 1 – TECHNICAL TERMS AND ABBREVIATIONS (CONT'D)

Interruption - The inability to complete calls, either incoming or outgoing or both, due to the Underlying Carrier's facilities malfunction or human errors.

LATA - Local Access and Transport Area. The area within which the Company provides long distance ("intraLATA") service.

Move - The disconnection of existing equipment at one location and reconnection of the same equipment at a new location in the same building or in a different building on the same premises.

Rate Center - A geographic reference point with specific coordinates on a map used for determining mileage when calculating charges.

Toll Call - Any call extending beyond the local exchange of the originating caller which is rated on a toll schedule by the Company.

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

User - A Customer or any other person authorized by the Customer to use service provided under this Tariff.

Issued:
By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective :

SECTION 2 -- RULES AND REGULATIONS

2.1 Undertaking of the Company

The Company's service and facilities are furnished for communications originating at specified points within the Commonwealth of South Dakota under terms of this tariff.

The Company resells the communications services provided herein through the Underlying Local and Long Distance Carrier in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Underlying Carrier's network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

2.2.1 Service is offered subject to the availability of the Underlying Carrier's facilities and the provisions of this Tariff.

2.2.2 Only those services for which rates are provided are currently available.

2.2.3 The Company reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control: or when the customer is using service in violation of the law or the provisions of this tariff.

2.2.4 All services provided under this tariff are directly controlled by the Company and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service.

2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

Issued

By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective :

SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company

- 2.3.1 The Company's liability arising out of mistakes, interruptions, omissions, delays, errors, or defects, or representations arising out of the furnishing of its services, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur, unless ordered by the Commission determined in accordance with SDCL 49-13-1, 49-13-1.1, or any other applicable law.
- 2.3.2 The Company's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this Tariff. With respect to any claim or suit, by a Customer or by any others, for damages associated with the ordering (including the reservation of any specific number for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this Tariff
- 2.3.3 The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes, any law, order, regulation, direction, action or request of the United States government or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, Commission, bureau, corporation or other instrumentality of any one or more of these federal, state, or local governments, or of any military authority; preemption of existing service in compliance with national emergencies; riots, wars; unavailability of rights-of-way or materials, or strikes, lockouts, work-stoppages, or other labor difficulties.
- 2.3.4 The Company shall not be liable for the acts or omissions of other common carriers or their employees or agents.

Issued:
By:Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective :

SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company (Cont'd)

- 2.3.5 The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- 2.3.6 The Company shall not be liable for any defacement of or damage to the Customer's premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by the negligence of the Company's agents or employees. No agents or employees of other entities shall be deemed to be agents or employees of the Company.
- 2.3.7 The Company shall be indemnified and held harmless by the customer and any authorized user against:
- (a) Claims for libel, slander, invasion of privacy or infringement of copyright arising from the material, data, information, or other content transmitted via the Company's service, and
 - (b) Patent infringement claims arising from combining or connecting the service offered by the Company with apparatus and systems of the Customer or others, and
 - (c) All other claims arising out of any act or omission of the Customer or others, in connection with any service provided by the Company pursuant to this Tariff.

Issued:
By:Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective :

SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company (Cont'd)

- 2.3.8 The Company shall not be liable for any act or omission of any other company or companies furnishing a portion of the service, or for damages associated with service, facilities or equipment which it does not furnish, or for damages which result from the operation of Customer-provided systems, equipment, facilities or services which are interconnected with Company services.
- 2.3.9 The Company does not guarantee nor make any warranty with respect to service installations at locations of which there is present atmosphere that is explosive, prone to fire, dangerous or otherwise unsuitable for such installations. The Customer shall indemnify and hold the Company harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party, for any personal injury to, or death of, any person or persons, or for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, locations or use of service furnished by the Company at such locations.

Issued:
By:Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective:

SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.3 Liability of the Company (Cont'd)

2.3.10 The Company shall not be liable for the Customer's failure to fulfill its obligations to take all necessary steps including, without limitation, obtaining, installing and maintaining all necessary equipment, materials and supplies, for interconnecting the Station, terminal equipment or communications system of the Customer, or any third-party acting as its agent, to the Underlying Carrier's network. The Customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. In addition, the Customer shall insure that its equipment and/or system or that of its agent is properly interfaced with the Company's service, that the signals emitted into the Underlying Carrier's network are of the proper mode, band-width, power, data speed, and signal level for the intended use of the Customer, and that the signals do not damage Company or Underlying Carrier equipment, injure its personnel or degrade service to other Customers. If the Customer or its agent fails to maintain and operate its equipment and/or system or that of its agent properly, with resulting harm to Company or Underlying Carrier equipment, personnel, or the quality of service to other Customers, the Company may require the use of protective equipment at the Customer's expense or terminate the Customer's service without liability.

Issued:
By:Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SECTION 2 – RULES AND REGULATIONS (CONT'D)2.3 Liability of the Company (Cont'd)

- 2.3.11 With respect to Emergency Number 911 Service, neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of enhanced 911 service features and the equipment associated therewith, or by any services furnished by the Company including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing enhanced 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its Users, agencies or municipalities, or the employees or agents of any one of them.

Issued:

By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SECTION 2 – RULES AND REGULATIONS (CONT'D)2.3 Liability of the Company (Cont'd)

- 2.3.12 The Company's liability arising from errors or omissions in Directory Listings, other than charged listings, shall be limited to the amount of actual impairment to the Customer's service. In cases of charged Directory Listings, the liability of the Company shall be limited to an amount not exceeding the amount of charges for the charged listings involved during the period covered by the directory in which the error or omission occurs.
- 2.3.13 The Company will not be liable for failure or refusal to complete any call to a Nonpublished Listing when the call is not placed by number.
- 2.3.14 When a Customer with a Nonpublished Listing as defined herein, places a call to the Emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for the Emergency 911 Service upon request of such governmental authority. By subscribing to service under this Tariff, Customer acknowledges and agrees with the release of information as described above.

2.4 Interruption of Service

- 2.4.1 Without incurring liability, Reconex 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 Reconex's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 2.4.2 Service may be interrupted or discontinued by Reconex without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges when Reconex deems it necessary to take such action to prevent unlawful use of its service. Reconex will restore service as soon as it can be provided without undue risk.

Reconex
Inc.

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.4.3 Credit Allowance:

- 2.4.3.1 No credit is allowed in the event that service must be interrupted in order to provide routine service quality or related investigations.
- 2.4.3.2 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 or in the event that the Company is entitled to a credit for the failure of the facilities of the Company's Underlying Carrier used to furnish service.
- 2.4.3.3 Credit for interruption shall commence after the Customer notifies the Company of the interruption or when the Company becomes aware thereof, and ceases when service has been restored.
- 2.4.3.4 For purpose of credit computation, every month shall be considered to have 720 hours.
- 2.4.3.5 No credit shall be allowed for an interruption of a continuous duration of less than two hours.
- 2.4.3.6 The Customer shall be credit for an interruption of two hours or more at the rate of $1/720^{\text{th}}$ of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" – outage time in hours

"B" – monthly charge for affected activity

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By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective :

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.5 Disconnection of Service by Carrier

The Company (carrier), upon 5 working days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- 2.5.1 Non-payment of any sum due to carrier for regulated service for more than thirty days beyond the date of rendition of the bill for such service.
- 2.5.2 A violation of any regulation governing the service under this tariff.
- 2.5.3 A violation of any law, rule, or regulation of any government authority having jurisdiction over such service.
- 2.5.4 The company has given the customer notice and has allowed a reasonable time to comply.
- 2.5.5 Service may be disconnected without notice for tampering with the Underlying Carrier or Company equips for interfering with service to other customers, or for fraud.

The logo for Recone, Inc. features the word "Recone" in a stylized, bold, sans-serif font. Below the word "Recone" is a small, stylized graphic element that resembles a lowercase "i" or a vertical line with a dot.

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.6 Deposits

2.6.1 Subject to special provisions as may be set forth below, any applicant or customer whose financial responsibility is not established to the satisfaction of the Company may be required to deposit a sum up to an amount equal to the total of the estimated intrastate toll charges for up to two months for the facilities and service. If the minimum period of service for the requested facilities and service is more than one month, as specified in this Tariff, the customer may also be required to deposit a sum up to an amount equal to the total charges for service for the minimum service period less any connection charge paid by the customer.

2.6.2 The fact that a deposit has been made shall in no way relieve the applicant or customer from complying with the Tariff regulations for the prompt payment of bills on presentation. Each applicant from whom a deposit is collected will be given a certificate of deposit and circular containing the terms and conditions applicable to deposits, in accordance with the Rules and Regulations of the Commission pertaining to customer deposits.

- a. Interest on Deposits: Five percent (5%) interest shall be credited or paid to the Customer while the Company holds the deposit.
- b. Return of Deposit: When a deposit is to be returned, the customer may request that the full amount of the deposit be issued by check. If the customer requests that the full amount be credited to amounts owed the Company, the Company will process the transaction on the billing date and apply the deposit to any amount currently owed to the Company, and return any remaining amount of the deposit to the customer by check.

2.7 Advance Payment

For customers whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month.

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Todd M. Meislahn, President
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Hubbard, Oregon 97032

Effective : _____

SECTION 2 – RULES AND REGULATIONS (CONT'D)

2.8 Taxes

The Customer is responsible for the payment of any sales, use gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income assessed in conjunction with service used. Any taxes imposed by a local jurisdiction (e.g. County and municipal taxes) will only be recovered from those Customers residing in the affected jurisdictions.

2.9 Billing of Calls

All charges due by the customer are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise appropriate.

2.10 Disputed Charges

The Customer shall notify the Company of any disputed charges within 180 days by calling 1-800-732-6639 and/or writing to P.O. Box 40, Hubbard, OR 97032. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may then contact the South Dakota Public Utility Commission at 1-800-877-1113 / TTY at 1-800-877-1113 and/or in writing to 500 East Capitol, Pierre, SD 57501.

The date of the dispute shall be the date the Company receives sufficient documentation to enable it to investigate the dispute. The date of the resolution is the date the Company completes its investigation and notifies the Customer of the disposition of the dispute.

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Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective: _____

SECTION 3 – DESCRIPTION OF SERVICE

3.1 Timing of Calls3.1.1 When Billing Charges Begin and End for Phone Calls

The Customer's long distance usage charge is based on the actual usage of the Underlying Carrier's network. Usage begins when the called party picks up the receiver, (i.e. when 2 way communication, often referred to as "conversation time" is possible). A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

The minimum call duration for billing purposes is 1 minute for a connected call and calls beyond 1 minute are billed in 1-minute increments.

3.1.3 Uncompleted Calls

There shall be no charges for uncompleted calls.

3.2 Calculation of Distance

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

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V& H Coordinates Tape and Bell's NECA Tariff NO. 4.

FORMULA:

The square
root of:
$$\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}$$

3.3 Minimum Call Completion Rate

A Customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 90% during peak use periods for all FG D services "1+" dialing).

By: _____

By: _____

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SECTION 3 – DESCRIPTION OF SERVICE (CONT'D)

3.4 Service Offerings

3.4.1 Long Distance Service

Long Distance Service is offered to residential and business customers. The service permits direct dialed outbound calling at a single per minute rate.

3.4.2 800/888 (Inbound) Long Distance Service

800/888 (Inbound) Long Distance Service is offered to residential and business customers. The service permits inbound 800/888 calling at a single per minute rate. Service is provided from presubscribed, dedicated or shared use access lines. Calls are billed in six second increments, with a six second minimum call duration. No monthly recurring charges apply. A \$10.00 minimum monthly billing requirement applies. Customers whose monthly usage is less than the minimum will be billed the minimum amount.

Issued: _____
By: _____

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective : _____

SECTION 3 – DESCRIPTION OF SERVICE (CONT'D)

3.4.3 Travel Card Service

Travel Card Service is a travel card service offered to residential and business customers who subscribe to the Long Distance Service calling plan. Customers using the Company's travel card service access the service by dialing a 1-800 number followed by an account identification number and the number being called. This service permits subscribers utilizing the Company's travel card to make calls at a single per minute rate. Calls are billed in one (1) minute increments after the initial minimum period of one (1) minute. There are no nonrecurring or monthly recurring issues. No travel card surcharge applies.

3.4.4 Prepaid Calling Cards

The Company's prepaid calling cards are available in various minute denominations. Prices are inclusive of all taxes.

For billing purposes, call timing is rounded up to the next full minute increment after a minimum initial period of one (1) minute. These rates apply twenty-four hours per day, seven days per week.

3.4.5 Operator Services

The Company's operator services are provided to residential and business customers who "presubscribe" to this service for intrastate calling. Operator services include the completion of collect, station-to-station, person-to-person, third party billing and credit card calls with the assistance of an Underlying Carrier operator. Each completed operator assisted call consists of two charge elements (except as otherwise indicated herein): (i) a fixed operator charge, which will be dependent on the type of billing selected (e.g., calling card, collect, or other) and/or the completion restriction selected (e.g., station-to-station or person-to-person); and (ii) a measured usage charge dependent upon the duration, distance and/or time of day of the call.

3.4.6 Operator Dialed Surcharge

This surcharge applies to Operator Station and Person-to-Person rated calls when the customer has the capability of dialing all the digits necessary to complete a call, but elects to dial only the appropriate operator code and requests the operator to dial the called station.

The Operator Dialed Surcharge applies in addition to any other applicable operator charges.

Issued:
By:

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective :

SECTION 4 - RATES

4.1 Long Distance Service

Rate per minute - \$0.25.
Plan is billed in full minute increments

4.2 800/888 (Inbound) Distance Service

Rate per minute - \$0.25
Plan is billed in six-second increments with a six second minimum
Payphone surcharge per call - \$0.60

4.3 Travel Card Service

Rate per minute - \$0.30
Payphone surcharge per call - \$0.60

4.4 Prepaid Calling Cards

Rate per minute - \$0.30
Plan is billed in full minute increments
Payphone surcharge per call - \$0.60

4.5 Operator Services

4.5.1 Usage Rate: The appropriate rate found under 4.1 and 4.3 shall apply

4.5.2 Operator Charges:

| | |
|------------------------------|--------|
| Collect Station-to-Station | \$1.50 |
| Collect Person-to-Person | \$4.00 |
| Person-to-Person | \$4.00 |
| Station-to-Station | \$1.50 |
| Customer Dialed Calling Card | \$1.50 |
| Operator Dialed Calling Card | \$2.75 |
| Operator Dialed Surcharge | \$1.50 |

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Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective: _____

SECTION 4 – RATES (CONT'D)

4.6 Determining Applicable Rate in Effect

For the initial minute, the rate applicable at the start of chargeable time at the calling station applies. For additional minutes, the rate applicable is the rate which is in effect at the calling station when the additional minute(s) begin. That is, if chargeable time begins during the Day Period, the Day Rate applies to the initial minute and to any additional minutes that the call continues during the rate period. If the call continues into a different rate period, the appropriate rates from that period apply to any additional minutes occurring in that rate period. If an additional minute is split between two rate periods, the rate period applicable at the start of the minute applies to the entire minute.

4.7 Payment of Calls

4.7.1 Late Payment Charges

A late payment charge of 1.5% per month will be assessed on all unpaid balances more than thirty days old.

4.7.2 Return Check Charges

A return check charge of \$15.00 will be assessed for checks returned for insufficient funds.

4.8 Special Promotions

The company will, from time to time, offer special promotions to its customers waiving certain charges. These promotions will be approved by the South Dakota Commission with specific starting and ending dates, and be made part of this tariff.

Issued: _____
By: _____

Todd M. Meislahn, President
2500 Industrial Avenue
Hubbard, Oregon 97032

Effective: _____

EXHIBIT
"B"

January 10, 2001

Commission Secretary
South Dakota Public Utility Commission
500 E Capitol Avenue
Pierre, SD 57501-5070

Re: Application of 1-800-Reconex, Inc., for a Certificate of Authority to Provide
Interexchange Service in South Dakota

Commission Secretary:

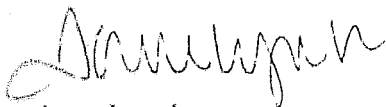
Pursuant to the Application for Certificate of Authority to Provide Interexchange Service
in South Dakota filed with the Commission by 1-800-Reconex, Inc. ("Reconex"), please
accept this correspondence as Reconex's request for a waiver.

1-800-Reconex, Inc. is seeking a limited waiver of ARSD 20:10:24:02(8). Reconex has
provided the Commission with a balance sheet and income statements; however, Reconex
does not produce cash flow statements. Reconex requests that the Commission find the
Company has sufficient financial capability with the balance sheet and income statement
provided.

Please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this
correspondence in the self-addressed, prepaid envelope provided.

If you have any question or need any further information, please do not hesitate to contact
me directly at 503-982-5572 or anne.lynch@reconex.com.

Sincerely,



Anne Lynch
Regulatory Manager

EXHIBIT
“C”

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

IN THE MATTER OF THE APPLICATION OF)
STERLING INTERNATIONAL FUNDING, INC.)
D/B/A RECONEX FOR A CERTIFICATE OF)
AUTHORITY TO PROVIDE LOCAL)
EXCHANGE TELECOMMUNICATIONS)
SERVICES IN SOUTH DAKOTA)

ORDER DENYING
CERTIFICATE OF
AUTHORITY

TC97-160

On September 24, 1997, 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 Sterling International Funding, Inc. d/b/a Reconex (Reconex).

Reconex proposes to offer service in the areas and exchanges currently being served by U S WEST. Reconex is an alternative telephone company primarily furnishing prepaid local dial tone service to individuals who have had their telephone disconnected, have voluntarily left their local exchange provider, or for money management reasons, prefer to address their local calling needs in a prepaid fashion at a set fee. A proposed tariff was filed by Reconex. The Commission has classified long distance service as fully competitive.

On September 25, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of October 10, 1997, to interested individuals and entities. No petitions to intervene or comments were filed. On October 14, 1997, Commission Staff sent Reconex a request for additional data. Staff never received the requested information. Staff sent a second letter on April 27, 1998, which was returned on April 28, 1998. A copy of the Commission's May 28, 1998, agenda was electronically transmitted to Reconex on May 21, 1998. At its regularly scheduled May 28, 1998, meeting, the Commission considered Reconex's request for a certificate of authority. Commission Staff recommended denying the certificate of authority and closing the docket as Staff had not been able to establish contact with Reconex since the initial filing and had no way of contacting the company.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that Reconex has not met the legal requirements established for the granting of a certificate of authority. Reconex has not, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission voted to deny Reconex's application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that Reconex's application for a certificate of authority is hereby denied.

Dated at Pierre, South Dakota, this 4th day of June, 1998.

CERTIFICATE OF SERVICE

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

By Melanie Kelbo

Date 6/5/98

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, 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 October 27, 1998
Docket No. TC97-160

This is to certify that

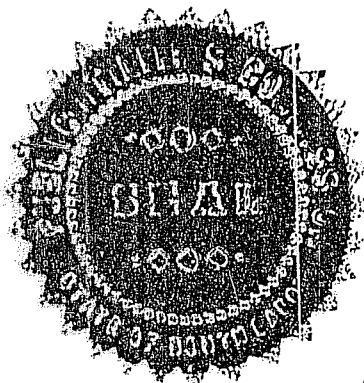
STERLING INTERNATIONAL FUNDING, INC. D/B/A RECONEX

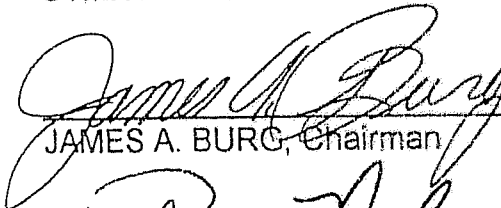
is authorized to provide telecommunications services in South Dakota.

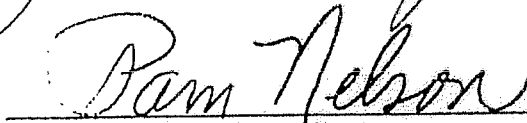
This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 4th day of November, 1998.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner

EXHIBIT

“D”

TELEPHONE DISCONNECTED?



Service Restored

FAST

Regardless of back bill!

NO Deposits!
NO Credit Checks!

STANDARD SERVICES:

Unlimited Local Calling • 911 Emergency Access
Access to Toll-Free 800 Numbers

OPTIONAL SERVICES:

Call Waiting • Long Distance Calling Cards
3-way Calling • Non-published Numbers



1-800-RECONEX

Because Everybody Needs A Phone.

For more info, ask our service center representative or
Call 1-800-RECONEX (1-800-732-6639)

¿TELÉFONO DESCONECTADO?



**RECONECTAMOS
SU SERVICIO
RAPIDAMENTE**
sin considerar deudas anteriores.

¡ Sin depósitos!

¡ Sin considerar sus deudas!

SERVICIOS BÁSICOS:

Llamadas locales sin límite • 9-1-1 Emergencias
Números gratis 1-800

SERVICIOS OPCIONALES:

Llamada en espera • Tarjetas para llamadas de larga distancia
Llamadas de 3 vías • Números no publicados

**¡Esta es tu oportunidad
para ahorrar dinero,
llame a RECONEX ahora!**

1-800-RECONEX

Porque Todos Necesitamos un Teléfono.

Para más información, llame gratis a su representante:

1-800-RECONEX (1-800-732-6639)

Need Home Telephone Service?



Unlimited Local Calling
800, 888 & 877 Toll-free Access
Out-bound Collect Calling
911 Emergency Access

Get Connected regardless of back bills

1-800-RECONEX

Low \$39
Activation
Fee!

EMERGENCIES

FRIENDS

FAMILY

JOB

No Deposits
No Credit Checks
No ID Required!

Phone Service Sold Here

Necesita Servicio Telefonico en su hogar?



Llamadas locales sin limite

Acceso gratis al 800, 888 & 877

Llamadas por cobrar

Acceso al 911

Obtenga servicio a pesar de deudas anteriores

1-800-RECONEX

**Por un
bajo costo
de \$39!**

EMERGENCIAS

AMISTADES

FAMILIARES

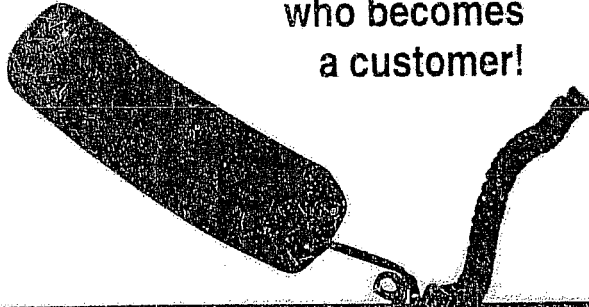
TRABAJO

**Sin Depositos!
Sin revision
de Creditos!
Sin requisito
de IDI**

Servicio de Telefono Vendido Aqui

Free LOCAL PHONE **SERVICE**

Get one free month of basic
phone service for each
person you refer
who becomes
a customer!



Call **1-800-RECONEX**
1-800-732-6639

TELEPHONE DISCONNECTED?



Service Restored

FAST

Regardless of back bill!

NO Deposits! NO Credit Checks!

STANDARD SERVICES:

Unlimited Local Calling • 911 Emergency Access
Access to Toll-Free 800 Numbers • Unlimited Collect Calling

OPTIONAL SERVICES:

Call Waiting • 3-way Calling
Non-published Number • Caller ID (In Most Areas)

Money Saving Coupon

Call Reconex today...

AND SAVE \$\$\$!

Mention this coupon

1-800-RECONEX

Because Everybody Needs A Phone

For more info, ask our service center representative or

Call 1-800-RECONEX (1-800-732-6639)

¿TELÉFONO DESCONECTADO?



RECONECTAMOS
SU SERVICIO
RAPIDAMENTE

sin considerar deudas anteriores.
***¡ Sin depósitos! ¡ Sin crédito!
¡ Y sin identificación personal!***

SERVICIOS BÁSICOS:

Llamadas locales sin límite • 9-1-1 Emergencias
Números gratis 1-800 • Llamadas por cobrar sin límite

SERVICIOS OPCIONALES:

Llamada en espera • Llamadas de 3 vías
Número privado
Identificación de llamadas en la mayoría de las áreas

Cupón de ahorro

¡ Llame a Reconex ahora...

Y AHORRE DINERO!

Mencione este cupón

\$

\$

1-800-RECONEX

Porque todos necesitamos un teléfono.

Para más información, llame gratis a su representante:

1-800-RECONEX (1-800-732-6639)



Sign up for service and receive...

**FREE BONUS LONG DISTANCE
WITH THIS CARD!**

Referred by

()
Phone Number

For more info call: **1-800-RECONEX** 1-800-732-6639

Because Everybody Needs A Phone

FAST 
regardless of back bill!

NO Deposits or Credit Checks!
Convenient Payment Locations!

STANDARD SERVICES:

Unlimited Local Calling • 911 Emergency Access
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OPTIONAL SERVICES:

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May 4, 2001

Commission Secretary
South Dakota Public Utility Commission
500 E Capitol Avenue
Pierre, SD 57501-5070

Re: SD PUC Docket TC00-202 – Application of 1-800-RECONEX, Inc. for a
Certificate of Authority to Provide Interexchange Services in South Dakota


Commission Secretary:

Please accept this correspondence as a request to withdraw the above-referenced
application.

Reconex was notified by Commission Staff that a \$25,000 surety bond needs to be filed
with the Commission before approval can take place and that a conditional order
approving Reconex and simply requiring this bond before Reconex would begin
providing service was not an option. Reconex does not plan on providing long distance
service in South Dakota for some time and the premiums on the bond would be an
unnecessary expense for a small company such as Reconex. Therefore, it seems that the
only option is for Reconex to withdraw at this time.

If you have any questions or need any further information, please do not hesitate to
contact me directly at 503-982-5572 or anne.lynch@reconex.com.

Sincerely,



Anne Lynch
Regulatory Manager

RECEIVED

MAY 11 2001

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

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

| | |
|--|------------------|
| IN THE MATTER OF THE APPLICATION OF 1-) | ORDER PERMITTING |
| 800-RECONEX, INC. FOR A CERTIFICATE OF) | WITHDRAWAL OF |
| AUTHORITY TO PROVIDE INTEREXCHANGE) | APPLICATION AND |
| TELECOMMUNICATIONS SERVICES IN) | CLOSING DOCKET |
| SOUTH DAKOTA) | TC00-202 |

On November 6, 2000, 1-800-Reconex, Inc. (Reconex) filed an application with the Public Utilities Commission (Commission) for a certificate of authority to operate as a telecommunications company within the state of South Dakota.

On May 11, 2001, Reconex requested that its application for a certificate of authority be withdrawn.

At its regularly scheduled May 22, 2001, meeting, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL 49-31-3 and ARSD Chapter 20:10:32. The Commission found that Reconex's request to withdraw its request for a certificate of authority is reasonable and closed the docket. It is therefore

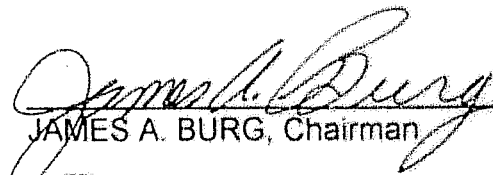
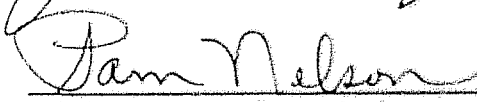
ORDERED, that Reconex shall be permitted to withdraw its request for a certificate of authority, and it is further

ORDERED, that this docket is closed.

Dated at Pierre, South Dakota, this 30th day of May, 2001.

| | |
|--|---------------------|
| CERTIFICATE OF SERVICE | |
| The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon. | |
| By | <u>Deanne Kelbo</u> |
| Date | <u>5/30/01</u> |
| (OFFICIAL SEAL) | |

BY ORDER OF THE COMMISSION

| |
|--|
|  JAMES A. BURG, Chairman |
|  PAM NELSON, Commissioner |