

TCD1-023

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TC01-023

DOCKET NO.

In the Matter of \_\_\_\_\_

IN THE MATTER OF THE  
APPLICATION OF WORKING ASSETS  
FUNDING SERVICE, INC. FOR A  
CERTIFICATE OF AUTHORITY TO  
PROVIDE INTEREXCHANGE  
TELECOMMUNICATIONS SERVICES IN  
SOUTH DAKOTA

## Public Utilities Commission of the State of South Dakota

[illegible]

March 7, 2001

South Dakota Public Utilities Commission  
ATTN: William Bullard  
Executive Director  
Capitol Building, 1st floor  
500 East Capitol Avenue  
Pierre, SD 57501-5070

**RECEIVED**

MAR 8 2001

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

RE: Enclosed Application for Certificate of Authority

TO THE COMMISSION:

Enclosed please find an original and 10 copies of the Application for a Certificate of Authority for Working Assets Funding Service, Inc. to provide intrastate service in South Dakota. We are filing this application after the Commission staff advised our company of the need for Working Assets to have a certificate from the Commission. Since 1991 Working Assets has been providing interstate service to South Dakota customers. It was our understanding that as long as we were not the intrastate carrier for our customers that no certificate was needed. And during most of that time Working Assets was not available as a Presubscribed Interexchange Carrier (PIC) for intrastate traffic.

Until the investigation that was prompted by the Commission staff's phone call, Working Assets thought that South Dakota consumers could not select the Company to carry their intrastate traffic. Unbeknownst to the Working Assets Legal Department US West requires any carrier requesting provisioning of intraLATA PIC capability in one state of their territory to automatically be provisioned in all states of their territory. Therefore, when Working Assets requested US West to enable Washington end users to choose Working Assets as their intraLATA PIC, Working Assets was also provisioned in other US West territory, including South Dakota. This occurred in June 1999, without the knowledge of the Legal/Regulatory Department.

So by our own standards we should have applied for certification in 1999, and according to the staff the application should have occurred in 1991. For both omissions we apologize and want to assure the Commission the failure to obtain a certificate more recently was an unintentional error and that the former oversight was due to a misunderstanding. I have attached to this cover letter an accounting of the intraLATA revenues of Working Assets from when it first began providing long distance service in South Dakota. Working Assets currently has 301 customers, overwhelmingly residential, in South Dakota. Working Assets respectfully requests that the Commission grant it a Certificate to continue providing service to these customers.

Sincerely,



Walter N. McGee  
Regulatory Manager

Enc.

## BEFORE THE PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

In the Matter of the )  
 Application of Working Assets Funding )  
 Service, Inc. for a Certificate of )  
 Authority to Provide Interexchange )  
 Telecommunications Service )  
 in the State of South Dakota )

RECEIVED

MAR 11 2001

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSIONAPPLICATION FOR CERTIFICATE OF AUTHORITY

Comes now Working Assets Funding Service, Inc. ("Applicant" or "Working Assets") to respectfully apply for a Certificate of Authority to operate as a switchless reseller of intrastate long distance telecommunications services statewide within the State of South Dakota, pursuant to the provisions of SDCL 49-31-2. Pursuant to Chapter 20:10:02 of the Commission's Rules, Applicant provides the following information in support of its Application:

- (1) Applicant's name is Working Assets Funding Services, Inc. Applicant's place of business is located at 101 Market Street, Suite 700, San Francisco, California 94105. Applicant's phone numbers: (415) 359-2000 and (800) 507-3247.
- (2) Working Assets Long Distance is the name under which Applicant will be reselling service.
- (3) Corporate Information
  - (a) Working Assets Funding Service, Inc. was incorporated in California on November 25, 1985. A copy of the company's Certificate of Authority from the South Dakota Secretary of State is Exhibit A.
  - (b) Applicant does not have a physical presence in South Dakota, but its registered agent is:
 

CT Corporation System  
 319 S. Coteau Street  
 Pierre, South Dakota 57501



(c) Shareholders having greater than 20% share in the corporation:

Laura Scher, 2,097,024 shares

Working Assets

101 Market Street

Suite 700

San Francisco, CA 94105

Frances Kieschnick, 1,056,048 shares

1467 Hamilton Ave.

Palo Alto, CA 94301

(4) Not Applicable

(5) Description of Telecommunications Services Offered: MTS is an outbound, switched service. Customers of Working Assets' MTS dial "1" plus the area code and number for all non-operator assisted long distance calls. Charges for MTS are based on the distance and duration of the call, monthly usage, and the rate period (day, evening, night/weekend) when the call was placed unless the customer subscribes to a calling plan which may have a monthly charge and/or a per minute charge. Distance is measured from the rate center of the calling number as represented by the ANI to the rate center of the called number. Residential MTS calls are billed in full minute increments. Operator Services, Directory Assistance and Calling Card are available to customers who have the Company as their presubscribed carrier.

(6) Method by Which Service is Provided: A non-facilities based reseller, Working Assets subscribes to and resells the interexchange telecommunications services of US Sprint. A portion of Working Assets' Calling Card services are provided by MCI.

(7) Working Assets intends to resell telecommunication services throughout the State of South Dakota.

(c) Shareholders having greater than 20% share in the corporation:

Laura Scher, 2,097,024 shares

Working Assets

101 Market Street

Suite 700

San Francisco, CA 94105

Frances Kieschnick, 1,056,048 shares

1467 Hamilton Ave.

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- (7) Working Assets intends to resell telecommunication services throughout the State of South Dakota.

(8) Attached as Exhibits B and C are copies of the applicant's financial reports for 1999 (those for the year 2000 will be forwarded as soon as they are available) and a proposed tariff for intrastate service, setting forth rates, terms and conditions of service.

(9) Customer Complaint and Billing Processes and contacts

(a) Customer Complaints

The person to whom all inquiries must be made regarding customer complaints is:

Maia Ettinger  
Senior Director of  
Legal and Customer Affairs  
Working Assets Funding Service, Inc.  
101 Market Street, Suite 700  
San Francisco, CA 94105  
(415) 369-2000 (Phone)  
(415) 371-1048 (FAX)  
[mettinge@wafs.com](mailto:mettinge@wafs.com)

For all other regulatory matters, including this Application:

Walter McGee  
Regulatory Manager  
(Same address)  
(415) 369-2084 (Phone)  
(415) 371-1048 (FAX)  
[wmcgee@wafs.com](mailto:wmcgee@wafs.com)

Working Assets operates a toll-free Customer Service Center to assist customers with billing and collections, as well as questions regarding calling cards and other aspects of service. All telephone inquiries are responded to immediately, and letters are answered within five days by telephone call or in writing. Any undisputed portion of a bill must be paid in a timely manner while a complaint is under investigation. Customers who are not satisfied with the resolution of a dispute are referred to their state PUC, or to the FCC.

Escalated customer complaints and all informal complaints issuing from state or federal agencies are referred to the Senior Director of Legal and Consumer Affairs.

#### (b) Customer Billing

Working Assets generates bills on a thirty or sixty day cycle (low billers). Every bill covers the previous thirty or sixty days of customer usage, respectively. Occasionally, a bill may contain a previously unbilled call transmitted within the previous sixty (or thirty days) of the normal billing period.

Attached to this Application as Applicant's Exhibit D is a sample bill generated by Working Assets. The customer service number is provided on the Bill Summary page. The back of every other page of the bill contains information regarding the following matters:

- Terms and Conditions of Service
- Deposits (Working Assets will not collect deposits from its South Dakota customers.)
- Disconnecting Service
- Change of Name/Address

As provided on the bill, if payment is not received within 21 days of the invoice date, Working Assets may apply a 1.5% monthly finance charge to the unpaid balance. If the unpaid balance has not been received within 30 days of the invoice date, Working Assets may begin procedures to disconnect service. If a customer claims inability to pay an outstanding bill in full, Working Assets will negotiate a deferred payment plan unless the credit history of the customer indicates a significant risk of default.

- (10) Working Assets has never been denied certification or registration and is in good standing in all of the states listed below.

Date of certification or registration:

| State          | Date               | State          | Date               |
|----------------|--------------------|----------------|--------------------|
| California     | March 22, 1991     | Louisiana      | January 25, 1993   |
| New York       | June 13, 1991      | Missouri       | March 5, 1993      |
| Oregon         | July 12, 1991      | Nebraska       | April 12, 1993     |
| Wisconsin      | September 12, 1991 | Kentucky       | July 13, 1993      |
| Maryland       | November 20, 1991  | New Mexico     | August 9, 1993     |
| Illinois       | December 9, 1991   | Nevada         | September 27, 1993 |
| North Dakota   | December 17, 1991  | Arkansas       | November 22, 1993  |
| Vermont        | February 28, 1992  | Ohio           | January 27, 1994   |
| Texas          | April 23, 1992     | South Carolina | April 8, 1994      |
| West Virginia  | May 18, 1992       | Delaware       | August 23, 1994    |
| Massachusetts  | May 22, 1992       | New Hampshire  | November 17, 1994  |
| Florida        | May 26, 1992       | Wyoming        | January 5, 1995    |
| Indiana        | June 17, 1992      | Mississippi    | April 17, 1995     |
| Washington     | June 30, 1992      | Iowa           | August 11, 1995    |
| Minnesota      | July 23, 1992      | Tennessee      | September 20, 1995 |
| Idaho          | August 18, 1992    | Rhode Island   | October 25, 1995   |
| Pennsylvania   | August 19, 1992    | Alabama        | November 6, 1995   |
| Kansas         | October 13, 1992   | Connecticut    | January 17, 1996   |
| North Carolina | October 23, 1992   | Maine          | March 5, 1996      |
| Georgia        | November 24, 1992  | Oklahoma       | March 25, 1998     |
|                |                    | Colorado       | October 1998       |
|                |                    | Michigan       | January 19, 2000   |

- (11) Working Assets Long Distance markets to customers through four channels: direct mail (including e-mail) solicitation, print advertising, telemarketing and public relations.

Direct mail pieces are sent every quarter, using mailing lists rented from nonprofit groups, magazine subscription lists and catalogues. The direct mail package consists of a one page marketing piece (example attached as Exhibit E), response form and postage paid business reply envelope. Customers may call a toll-free number to ask questions and sign up over the phone, which includes verification by a Third Party Verifier; visit a web site and enroll via the internet; or complete and return the postage paid response form, which includes a Letter of Agency.

Working Assets advertises in different magazines. Ads include detailed information about the service and a toll-free number.

Prospective customers are contacted every month through outbound telemarketing, using lists acquired from nonprofit groups, magazine lists and demographic compiled lists. Most outbound sales occur during the initial phone contact, although some customers are sent information and receive follow-up calls. After a sale is finalized with the sales representative, the call is transferred to a quality control supervisor who verifies the customer's name and address and reiterates the switching procedure. At this point the customer is transferred to the Third Party Verifier. All customers receive a service confirmation notice in the mail within five to seven days of the sale date.

- (12) Not Applicable

- (13) Federal tax identification number: 94-2987585

- (14) Since January 1996, Applicant has had 74 complaints about unauthorized switching of long distance service. Approximately 29 of those were the result of an erroneous PIC change sent by the LEC. The remainder were caused by reasons ranging from another household member, other than the complainant, having ordered the service to a clerical mistake made by one of the Applicant's employees. All complaints have been resolved.
- The Applicant has recorded no complaints for charging customers for services that have not been ordered.

(15) None.

Miscellaneous Statements.

Applicant requests that the Commission consider this Application on an ex parte basis, and grant this Certificate without hearing if there is no request for hearing by any interested party. Upon Commission request, Applicant is prepared to answer questions or present additional evidence about its proposed services to South Dakota consumers.

WHEREFORE, Working Assets Funding Service, Inc. prays that the Public Utilities Commission of South Dakota grant it a Certificate of Authority to operate as a switchless reseller of interexchange telecommunications services within and throughout the State of South Dakota.


Respectfully submitted this 8<sup>th</sup> day of March, 2001, at Pierre, South Dakota.

Working Assets Funding Service, Inc.  
101 Market Street  
San Francisco, California 94105

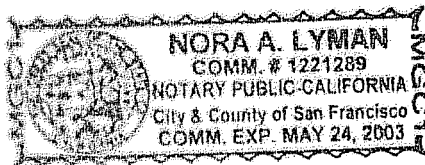
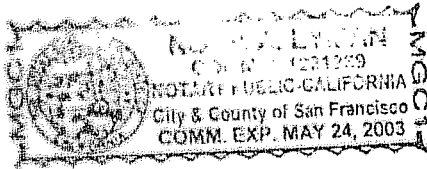
By: \_\_\_\_\_  
Walter N. McGee  
Regulatory Manager

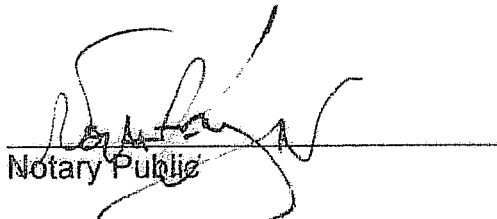
VERIFICATION OF STEPHEN C. GUNN

I, Stephen C. Gunn, am Vice President of Operations of Working Assets Funding Service, Inc., the Applicant. Based on information and belief, I attest to and adopt all the statements in the foregoing Application and all the exhibits attached to the Application.

  
Stephen C. Gunn

SWORN TO BEFORE ME, the undersigned Notary Public on this 7<sup>th</sup> day of March in the State of California, County of San Francisco.



  
Notary Public

Nora A. Lyman  
Print or type name

My commission expires on:

5-24-03

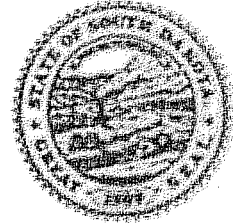


EXHIBIT A

CERTIFICATE OF AUTHORITY TO ACT AS A FOREIGN CORPORATION  
IN SOUTH DAKOTA



STATE OF SOUTH DAKOTA  
Secretary of State



Certificate Of Authority

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby  
certify that the Application of .....

WORKING ASSETS FUNDING SERVICES, INC. (CA) .....

for a Certificate of Authority to transact business in this State, duly signed and verified,  
pursuant to the provisions of the South Dakota Business Corporation Act, have been received  
in this office and are found to conform to law.

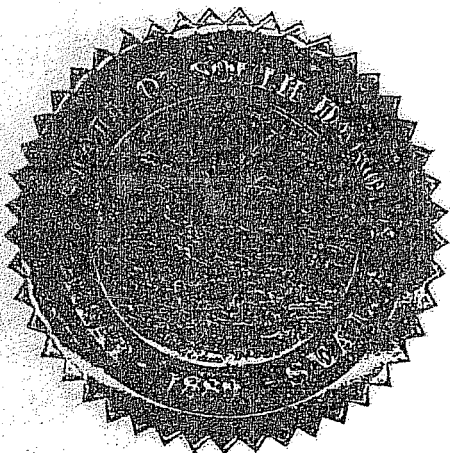
ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issued  
this Certificate of Authority to .....

WORKING ASSETS FUNDING SERVICES, INC. ....

to transact business in this State under the name of .....

WORKING ASSETS FUNDING SERVICES, INC. ....

and attach hereto a duplicate of the Application for such Certificate.



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 18th .....

NOVEMBER

day of

A.D. 19 91

*Joyce Hazeltine*  
Secretary of State

Deputy

**FBI**

**FBI**

# ANNUAL REPORT

473-4550

FOREIGN  
PLEASE TYPE OR USE BLACK INK

FILING FEE: \$25 MAKE CHECK PAYABLE TO SECRETARY OF STATE  
ADDITIONAL PENALTY FEE OF \$50 APPLIES TO ALL LATE FILINGS

Corporate Name and Mailing Address:

FB-014940 NOV/1999  
WORKING ASSETS FUNDING SERVICES, INC.

101 MARKET ST #700

SAN FRANCISCO CA 94105

Telephone # 415-371-2000  
FAX # 415-371-1002  
Federal Taxpayer ID # 94-2007451  
FILING DATE: Due during the month the  
Certificate of Authority was issued, and  
delinquent after the last day of the following  
month.

★ ★ ★ ★ ATTENTION - FILING INSTRUCTIONS ★ ★ ★ ★

IF ALL of the information is identical as set forth in the prior report, you may check the box below and sign the report in the presence of a notary public. ANY CHANGE requires full completion of the form.

☐ ALL OF THE INFORMATION REQUIRED ON THE ANNUAL REPORT IS IDENTICAL AS SET FORTH IN THE PRIOR REPORT.

A horizontal row of 30 small decorative icons, each resembling a stylized star or flower.

2. It is incorporated under the laws of California and the address of its principal office or registered office in the state of incorporation is 101 Market Street, #700 San Francisco CA 94102

3. The address of its registered office in South Dakota is 319 S. Coteau St.  
Pierre, SD

and the name of its registered agent at such address is CT corporation

1. The character of the business in which it is actually engaged in South Dakota  
reseller of telecom. services

5. The names and addresses of its directors and officers:

| NAME                          | OFFICE         | STREET ADDRESS            | CITY         | STATE        | ZIP          |
|-------------------------------|----------------|---------------------------|--------------|--------------|--------------|
| <u>Daura Scher</u>            | Director       | <u>101 Market St. #70</u> | <u>CA</u>    | <u>CA</u>    | <u>94601</u> |
| <u>Chico Laper</u>            | Director       | <u>_____</u>              | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| <u>Michael H. Dieschinger</u> | President      | <u>_____</u>              | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| <u>Stephen Gunn</u>           | Vice President | <u>_____</u>              | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| <u>Lawrence Librak</u>        | Secretary      | <u>_____</u>              | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| <u>Lawrence Librak</u>        | Treasurer      | <u>_____</u>              | <u>_____</u> | <u>_____</u> | <u>_____</u> |

6. The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value and series, if any, within a class:

| NUMBER OF SHARES CAN ISSUE (authorized) | CLASS  | SERIES | PAR VALUE OR STATE THAT SHARES ARE NOT |
|-----------------------------------------|--------|--------|----------------------------------------|
| 16,000,000                              | common | NA     | no par value                           |

| 7. NUMBER OF SHARES <u>ISSUED</u> | CLASS  | SERIES |
|-----------------------------------|--------|--------|
| 4,708,618                         | Common | N/A    |

D. The amount of its stated capital is \$ 3784981

The report must be signed by the chairman of the board of directors, its president, or any other officer in the presence of a notary.

Dated 11/13/50 By *Hamilton*

(Signature)

116 C.F.D.

(Title)

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO SS

Country of United States  
 and the State of New York 2000 January 1, 4, 1999 January 1, 4, 1999

On this the 13th day of NOVEMBER, 2000, before me, W. A. FRIEDLAND, Notary Public for the State of California, personally appeared JOHN J. FRIEDLAND, known to me to be the person whose name is subscribed to the foregoing instrument, acknowledged to me that he executed the same for the purposes and consideration therein expressed.

personally appeared LAWRENCE LITVAK

to be the CEO of the corporation that is described in and that executed the return.

instrument and acknowledged to me that such corporation executed the same.

10/1/2011

EXHIBIT B

AUDITED FINANCIAL STATEMENTS  
FOR 1999

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Consolidated Balance Sheets

|                                             | December 31,         |                      |
|---------------------------------------------|----------------------|----------------------|
|                                             | 1999                 | 1998                 |
| <u>Assets</u>                               |                      |                      |
| Current assets                              | \$ 35,008,076        | \$ 30,212,536        |
| Other assets                                | <u>1,681,249</u>     | <u>951,440</u>       |
|                                             | <u>\$ 36,689,325</u> | <u>\$ 31,163,985</u> |
| <u>Liabilities and Stockholders' Equity</u> |                      |                      |
| Current liabilities                         | \$ 20,645,431        | \$ 16,841,645        |
| Long-term liabilities                       | <u>430,957</u>       | <u>16,841,645</u>    |
| Total liabilities                           | <u>21,076,388</u>    | <u>16,841,645</u>    |
| Total stockholders' equity                  | <u>15,612,937</u>    | <u>14,322,340</u>    |
|                                             | <u>\$ 36,689,325</u> | <u>\$ 31,163,985</u> |

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Consolidated Statements of Income

|                                | Years ended<br>December 31, |                      |
|--------------------------------|-----------------------------|----------------------|
|                                | 1999                        | 1998                 |
| Total revenues                 | \$ 140,114,317              | \$ 131,310,645       |
| Operating and general expenses | <u>107,985,592</u>          | <u>99,473,784</u>    |
| Operating profit               | <u>32,128,725</u>           | <u>31,836,861</u>    |
| Other income                   | <u>773,783</u>              | <u>719,703</u>       |
| Net income before income taxes | <u>32,902,508</u>           | <u>32,556,566</u>    |
| Provision for income taxes     | <u>(479,817)</u>            | <u>(2,146,008)</u>   |
| Net income                     | <u>\$ 32,422,691</u>        | <u>\$ 30,410,558</u> |

## EXHIBIT C

### PROPOSED TARIFF

WORKING ASSETS FUNDING SERVICE, INC.

"1+" RESELLER SERVICE

This Tariff contains the descriptions, regulations, and rates applicable to the furnishing of telecommunication services provided by Working Assets Funding Service between one or more points in the State of South Dakota.

---

Date of Issue:

Effective Date

Issued By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service

CHECK SHEET

Pages 1 through 60 inclusive of this Tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original Tariff and are currently in effect as of the date on the bottom of this page.

| <u>SHEET</u> | <u>REVISION</u> | <u>SHEET</u> | <u>REVISION</u> |
|--------------|-----------------|--------------|-----------------|
| Title Page   | Original        | 32           | Original        |
| 1            | Original        | 33           | Original        |
| 2            | Original        | 34           | Original        |
| 3            | Original        | 35           | Original        |
| 4            | Original        | 36           | Original        |
| 5            | Original        | 37           | Original        |
| 6            | Original        | 38           | Original        |
| 7            | Original        | 39           | Original        |
| 8            | Original        | 40           | Original        |
| 9            | Original        | 41           | Original        |
| 10           | Original        | 42           | Original        |
| 11           | Original        | 43           | Original        |
| 12           | Original        | 44           | Original        |
| 13           | Original        | 45           | Original        |
| 14           | Original        | 46           | Original        |
| 15           | Original        | 47           | Original        |
| 16           | Original        | 48           | Original        |
| 17           | Original        | 49           | Original        |
| 18           | Original        | 50           | Original        |
| 19           | Original        | 51           | Original        |
| 20           | Original        | 52           | Original        |
| 21           | Original        | 53           | Original        |
| 22           | Original        | 54           | Original        |
| 23           | Original        | 55           | Original        |
| 24           | Original        | 56           | Original        |
| 25           | Original        | 57           | Original        |
| 26           | Original        | 58           | Original        |
| 27           | Original        | 59           | Original        |
| 28           | Original        | 60           | Original        |
| 29           | Original        |              |                 |
| 30           | Original        |              |                 |
| 31           | Original        |              |                 |

\*Included in first change to tariff

Date of Issue:

Effective Date

Issued By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service  
101 Market Street, Suite 700  
San Francisco, CA 94105



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Date of Issue:

Effective Date:.....

Issued By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service  
101 Market Street, Suite 700  
San Francisco, CA 94105

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Date of Issue:

Effective Date:

Issued By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service  
101 Market Street, Suite 700  
San Francisco, CA 94105

---

SYMBOLS USED IN THIS TARIFF

- (D) - Delete or Discontinue.
- (I) - Change resulting in an increase to a subscriber's bill.
- (M) - Moved from another tariff location.
- (N) - New.
- (R) - Change resulting in a reduction to a subscriber's bill.
- (T) - Change in text or regulation but no change in rate or charge.
- (Z) - Correction

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Working Assets Funding Service  
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### TARIFF FORMAT

- A. Page Numbering - page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the Tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between page 14 and 15 would be 14.1.
- B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the SDPUC. For example, the 4th revised page 14 cancels the 3rd revised page 14. Consult the check page for the page currently in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2.
  - 2.1
  - 2.1.1
  - 2.1.1.A
  - 2.1.1.A.1
  - 2.1.1.A.1.(a).
  - 2.1.1.A.1.(a).1
  - 2.1.1.A.1.(a).1.(i).
  - 2.1.1.A.1.(a).1.(i).(1).
- D. Check Pages - When a tariff filing is made with the SDPUC an updated check page accompanies the tariff filing. The check page lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the check page is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk. (\*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages).

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SECTION I  
GENERAL REGULATIONS

1. APPLICATION OF TARIFF

- 1.1 This Tariff contains the descriptions, regulations, and rates applicable to the furnishing of telecommunications services provided by Working Assets Funding Services, with principal offices at 101 Market Street, Suite 700, San Francisco, CA, 94105.
- 1.2 This Tariff applies to services furnished statewide within the state of South Dakota. This Tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected during normal business hours, at the Company's principal place of business.

2. DEFINITIONS

- 2.1 Certain terms used generally throughout this tariff for communication's services furnished by the Carrier over its facilities are defined below.
- 2.1.1 Automatic Number Identification (ANI) - The calling telephone number identification that will be forwarded to the Carrier's network by the Local Exchange Company (LEC) as a call is placed. ANI is provided by the LEC only when LEC switch access Feature Group B direct or Feature Group D interconnections are used to gain access to carrier's switched telecommunications service.
- 2.1.2 Commercial MTS - Outbound toll services offered by the Carrier for business users billing at least \$150 monthly.
- 2.1.3 Company or Carrier - Working Assets Funding Services, dba/Working Assets Long Distance.
- 2.1.4 Day - From 8:00 AM up to, but not including, 5:00 PM local time on Monday through Friday, excluding Carrier-specified holidays.
- 2.1.5 Evening - From 5:00 PM up to, but not including, 11:00 PM local time on Sunday through Friday, and for 24 hours on Carrier-specified holidays unless a lower rate would normally apply.

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2. DEFINITIONS (Con't)

2.1.6 FCC - Federal Communications Commission

2.1.7 Holidays - All Carrier-specified holidays: New Year's Day#, Martin Luther King Day\*, President's Day\*, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day#, Thanksgiving Day, and Christmas Day#.

\* Applies to Federally observed day only.

# When this holiday falls on a Sunday, the Holiday calling rate applies to calls placed on the following Monday.

When this holiday falls on a Saturday, the Holiday calling rate applies to calls placed on the preceding Friday.

2.1.8 LEC - Local Exchange Carrier

2.1.9 Night/Weekend - From 11:00 PM up to, but not including, 8:00 AM local time, Sunday through Friday, any time on Saturday, any time on Sunday except for the period beginning at 5:00 PM up to, but not including, 11:00 PM.

2.1.10 Normal Work Hours - The time after 8:30 AM and before 5:30 PM Monday through Friday excluding Holidays.

2.1.11 Regular Billing - A standard bill sent in the normal Carrier Billing cycle. This billing consists of one bill for each amount assigned to the subscriber together with explanatory detail showing the derivation of the charges.

2.1.12 Residential Use - Average monthly usage that is 1000 minutes or less with less than a 3.5 minute average call length.

2.1.13 Subscriber - The person, firm, company or corporation, or other entity, having a communication requirement of its own, which contracts for service under this tariff and is responsible for the payment of charges as well as compliance with the Carrier's regulations pursuant to this tariff.

2.1.14 SDPUC - South Dakota Public Utilities Commission.

2.1.15 800 Services - Inbound toll services offered by the carrier

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3. DESCRIPTION OF SERVICES

3.1 Working Assets is a communications common carrier providing various intrastate toll communications services. Specific service offerings are described below.

3.2 Timing of Calls

3.2.1 The subscriber's long distance usage charge is based on the actual usage of Carrier's network. Usage begins when the called party picks up the receiver. When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. A call is terminated when the calling party hangs up. Residential usage charges are rounded to the next full minute. Commercial usage charges are rounded to the next six seconds.

3.3 Calculation of Distance

3.3.1 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.

3.3.2 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 and associated vertical and horizontal coordinates that are produced by Bell Communications Research in the NA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA:

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

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1 DESCRIPTION OF SERVICES (Con't)

1.4 Minimum Call Completion Rate

1.4.1 A subscriber can expect a call completion rate of not less than 99.6% during peak use periods for all Feature Group D services (1+ dialing).

1.5 Service Hours

1.5.1 Service is available 24 hours a day, seven days a week. Rate periods are applicable as indicated in the chart below and are based on the time at the point of origin of the call, except for 800 Services, where calls will be rated according to the time at the point of termination. The evening rate shall also apply for 24 hours on Carrier-specified holidays as defined in Rule No.2.1.7.

1.5.2 Calls that begin in one rate period and terminate in another will be prorated accordingly.

RATE PERIOD CHART

| MON                            | TUE | WED | THU | FRI | SAT                    | SUN |
|--------------------------------|-----|-----|-----|-----|------------------------|-----|
| 8:00 A.M.<br>to<br>5:00 P.M.*  |     |     |     |     | Day Rate               |     |
| 5:00 P.M.<br>to<br>11:00 P.M.* |     |     |     |     | Evening Rate           |     |
| 11:00 P.M.<br>to<br>8:00 A.M.* |     |     |     |     | Night and Weekend Rate |     |

\* To but not including.

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DESCRIPTION OF SERVICES (Con't)

3.6 Emergency Services

3.6.1 Calls to Emergency Services are provided at no charge.

3.7 Service Offerings

3.7.1 Message Telecommunications Services (MTS)

3.7.1.A Residential and Commercial Message Telecommunications Services (MTS) are intercity services available for use by subscribers 24 hours a day. The subscriber's telephone line(s) are programmed by the local telephone company to automatically route "1+" and/or "10XXX" calls to the network.

3.7.1.B Subscribers may originate MTS from all locations and may terminate calls in all equal access locations within the State of South Dakota.

3.7.2 800 Services

3.7.2.A 800 Services are virtual banded inbound toll services which permit calls to be completed at the subscriber's location without charge to the calling

3.7.2.B 800 Service calls are originated via normal shared use facilities and are terminated via the subscriber's local exchange service access line. 800 Service with a Working Assets-provided 800. NXX is available to subscribers as a stand-alone offering.

3.7.3 800 Personal Identification Service

PIN 800 provides 800 service to residential and commercial customers through the use of a 4-digit Personal Identification Number ("PIN"). Multiple end users dial one toll-free number and terminate the call to the desired location by using a specific 4-digit PIN.

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**Service Offerings (cont'd.)**

**3.1.4 Toll Plans**

These plans are complementary to an interstate service and are only available to commercial customers in combination with the corresponding interstate service.

**3.1.5 Peak Rate Calling Plans**

These calling plans have flat rates in peak and non-peak time periods. They are available only to residential customers. These plans are complementary to an interstate service and are only available in combination with that service.

**3.1.6 One Rate Calling Plans**

These calling plans have a 24 hour flat rate. They are available only to residential customers. These plans are complementary to an interstate service and are only available in combination with that service.

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#### STATEMENT OF THE CARRIER

- 4.1 The Carrier's services are furnished for communications originating at equal access points within the State of South Dakota served by one or more of the certified long distance carriers which carry the Carrier's long distance traffic.
- 4.2 The Carrier neither owns nor operates any long distance facility within the State of South Dakota but rather resells services provided by other long distance carriers. When authorized by the subscriber, the Carrier may act as the subscriber's agent for ordering access by the local exchange company instead of other carriers or entities to allow connection of a subscriber's location to the networks of long distance carriers who carry the Carrier's long distance traffic. The subscriber shall be responsible for all charges due for such service arrangement. The subscriber shall be billed by the Carrier, and shall be considered a subscriber of the Carrier and not of any other long distance carrier.
- 4.3 Request for service under this Tariff shall authorize the Carrier to conduct a credit check on the subscriber. The Carrier reserves the right to refuse service on the basis of credit history, and to refuse further service due to the late payment or non-payment by the subscriber.

#### TERMINATIONS

- 5.1 Service is offered subject to the availability of carrier facilities and the provisions of this Tariff.
- 5.2 The Carrier reserves the right to discontinue or limit the use of service necessitated by conditions beyond its control, or when the subscriber is using the service in violation of the law or the provisions of this Tariff.
- 5.3 No service provided under this Tariff may be transferred or assigned by the subscriber, except with the express written consent of the Carrier. Such transfer or assignment shall apply only where there is no interruption of the use of service. Transferees or assigns shall be subject to the terms and conditions of this Tariff.

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**CLAIMS (cont'd)**

- 3.4 The Company's Services will operate as specified in its agreement with Customer during the 20<sup>th</sup> and 21<sup>st</sup> centuries. The Company will make reasonable efforts to cure any material failure to provide Services caused solely by year 2000 defects in the Company's and/or its underlying carriers' hardware, software or systems. Due to the interdependence among telecommunications companies, especially the dependence of Working Assets on its underlying carriers, and the relationship with non-Working Assets processes, equipment and systems, the Company is not responsible for failure caused by circumstances beyond its control including, but not limited to, failures caused by: (1) a local exchange carrier; (2) Customer premise equipment; (3) Customer; or (4) Underlying carriers and vendors. In addition, the Company does not ensure compatibility between Working Assets Services and other services used by Customer.

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### LIABILITIES OF THE CARRIER

- 6.1 The liability of the Carrier for damages arising out of mistakes, omissions, interruptions, delays or errors or defects in the transmission occurring in the course of furnishing service, channels or other facilities and not caused by the negligence of the subscriber, commences on agreement to provide service and in no event exceeds an amount equivalent to the charge(s) the Carrier would assess to the subscriber for the period of service during which such mistakes, omissions, interruptions, delays or errors or defects in transmission occur. For the purpose of computing such amount, a month is considered to have 30 days.
- 6.2 When the facilities of other carriers are used in establishing connections to points not reached by the Carrier's facilities, the Carrier is not liable for any act or omission of the other carrier or carriers. The subscriber will indemnify and save harmless the Carrier from any third party claims for such damages referred to in Rule No. 6.1 above.
- 6.3 The Carrier will make no refund on overpayments by a subscriber unless the claim for such overpayment together with proper evidence is submitted within two (2) years from the date of alleged overpayment. In calculating refunds, volume discounts will be adjusted based on total usage after all credits or adjustments have been applied.
- 6.4 The Carrier shall be indemnified and held harmless by the subscriber against claims for libel, slander, or infringement of copyright arising out of the material, data, information or other content transmitted through the Carrier's services, and against all other claims arising out of any act or omission of the subscriber in connection with any service provided by the Carrier.
- 6.5 The provisions of the preceding section which limit liability or damages do not apply to the extent that they are in conflict with the provision of 11 M.R.S.A. 2-316(5).
- 6.6 The Company will not be liable for any consequential, incidental or indirect damages for any cause of action, whether in contract or tort. Consequential, incidental, and indirect damages include, but are not limited to, loss profits, lost revenues, and loss of business opportunity, whether or not the other party was aware or should have been aware of the possibility of these damages.

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### TEMPORARY SUSPENSION FOR REPAIRS

- 7.1 The Carrier shall have the right to make necessary repairs or changes in its facilities at any time and will have the right to suspend service temporarily for the purpose of making the necessary repairs or changes in its system. When such suspension of service for any appreciable period is necessary the Carrier will give the subscribers who may be affected as reasonable notice thereof as circumstances will permit, and will prosecute the work with reasonable diligence, and if practicable at times that will cause the least inconvenience.
- 7.2 When the Carrier is repairing or changing its facilities, it shall take appropriate precautions to avoid unnecessary interruptions of conversations or subscriber's service.

### ESTABLISHMENT AND REESTABLISHMENT OF CREDIT

- 8.1 The Carrier reserves the right to examine the credit record and check the references of all applicants or subscribers prior to accepting an order for new or expanded service. An unsatisfactory credit history may result in denial of service.

### RESTORATION OF SERVICE

- 8.1 The use and restoration of service shall be in accordance with the priority systems of the long distance carriers providing service to Working Assets Funding Service.

### DEPOSITS

- 10.1 The collection, amount and refund of deposits is governed by Chapters 81 and 86 of the Rules of the South Dakota Public Utilities Commission.

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## 11 ADVANCE PAYMENTS

- 11.1 For commercial subscribers from whom the Carrier feels an advance payment is necessary, Working Assets 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 first month's charges and, if necessary, a new advance payment will be collected for the next month.

## 12 TAXES

- 12.1 All federal, state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

## 13 NOTICES

- 13.1 Unless otherwise provided by these Rules, any notice from the Carrier to a subscriber may be given orally to the subscriber or his authorized representative, or by written notice properly deposited in any United States Post Office, postage prepaid, addressed to the subscriber at the subscriber's place of address.
- 13.2 Unless otherwise provided by these Rules, any notice from any subscriber to Carrier may be given orally to Carrier by the subscriber, or any authorized representative, or by written notice properly addressed and mailed to Carrier.

## 14 USAGE CHARGES

- 14.1 Charges will be billed monthly in arrears, with the exception of the billing of fixed charges which are billed in the month in which they occur. Subscriber will be billed for all usage accrued beginning immediately on access to the service. For the purpose of computing charges, a month is considered to consist of 30 days. Upon the request of the subscriber, invoices for low-billing accounts will be issued bi-monthly.

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15 BILLING DATE

- 15.1 The billing date is dependent on the billing cycle assigned to the subscriber. The Company may bill customers on other than a monthly basis (e.g., every other month, every third month) unless a customer requests monthly billing. In no case will the Company issue bills less frequently than once every three months.

16 BILL PAYMENT

- 16.1 Bills may be paid by mail, by telephone using a credit card, or by debit origination prearranged by the customer. All charges for services are payable only in United States currency. Payment by mail may be made by check, money order, or cashier's check.

17 RETURN CHECK FEE

- 17.1 A charge of ten dollars (\$10), or applicable state return check charge, whichever is less, will apply whenever a check or draft presented for payment of service is not accepted by the institution on which it is written.

18 LATE CHARGES

- 18.1 Bills are due and payable within twenty days of the billing date. Bills not paid by the date specified on the invoice, as stated above, are subject to a 1.5% monthly finance charge, or the highest amount allowed by this state, whichever is lowest. Subscriber's service may be terminated if service is not paid for by the 30th day past the billing date.

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19. CANCELLATION FOR CAUSE

19.1 Disconnection of service for nonpayment or for other reasons is governed by Chapters 81 and 86 of the South Dakota Public Utilities Commission's Rules.

19.2 Also, the Carrier, after complying with the written notice requirements of Chapters 81 and 86, may cancel the application for or discontinue service without incurring any liability for any of the following reasons:

- a) Non-payment of any sum due to the Carrier for service for more than 30 days beyond the date of rendition of the bill for such services;
- b) A violation of any of the provisions of this tariff;
- c) A violation of any law, rule, regulation or policy of any governing authority having jurisdiction over Carrier's services;
- d) The Carrier is prohibited from furnishing service by order of a court or other government authority having jurisdiction;
- e) Upon request of the subscriber;
- f) Abandonment of premises served, which includes, but is not limited to, three consecutive billing periods in which no direct dial, 800, or calling card calls are billed on the line to be disconnected,
- g) Use of the service to injuriously affect the efficiency of the Company's personnel, plant, property, or service, including use of profane or obscene language intended to harass, frighten, or abuse carrier's personnel; or
- h) For fraudulent use of service. Upon evidence of fraudulent use of the service Working Assets may discontinue service without notice. However, if the subscriber makes immediate payment for the estimated amount of service as has been fraudulently taken, Working Assets shall restore service in a manner consistent with the rates, charges, terms and conditions of this tariff. If a second offense is detected, the Company may refuse to reestablish service, subject to appeal to the Commission. The burden of proof of such fraudulent use will be upon Working Assets in case of an appeal to the Commission. This rule shall not be interpreted as relieving the subscriber or any other person of civil or criminal responsibility.

20. RECONNECTION FEE

Customers whose service has been blocked for non-payment are subject to a reconnection fee of \$10.00 for restoration of service.

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SECTION II  
RATES

1. Message Telecommunications Service (MTS)

1.2 Day-1 services are available for origination from Feature Group D end offices within the State of South Dakota.

1.3 Residential Service Rates

Residential service is billed by whole minutes, with partial minutes of usage rounded up to the next whole minute. These rates also apply to calls placed by casual callers. Rates are as follows:

1.3.A USAGE RATES:

|                |            | <u>Initial Minute</u> |                           | <u>Additional Minute</u> |                |                           |
|----------------|------------|-----------------------|---------------------------|--------------------------|----------------|---------------------------|
| <u>Mileage</u> | <u>Day</u> | <u>Evening</u>        | <u>Night/<br/>Weekend</u> | <u>Day</u>               | <u>Evening</u> | <u>Night/<br/>Weekend</u> |
| 0-10           | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 11-22          | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 23-55          | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 56-70          | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 71-124         | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 125-202        | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 202+           | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |

1.4 Commercial Service Rates

Commercial service is billed in six second increments after a 30 second minimum, with lesser amounts of usage rounded up to the next six seconds. Rates are as follows:

|              | <u>Day</u> | <u>Evening<br/>Night/Weekend</u> |
|--------------|------------|----------------------------------|
| Rate/Minute: | .192       | .222                             |

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SECTION II – RATES (Cont'd)

- 2 DIRECTORY ASSISTANCE (Available to MTS Subscribers.)
- 21 Subscribers will be billed \$.60 per call for directory assistance calls.
- 22 A credit allowance for Directory Assistance will be provided upon request if subscriber experiences poor transmission quality, is cut-off, receives an incorrect telephone number, or misdials the intended Directory Assistance number.
- 23 There will be a charge for all calls dialed from directory assistance after a telephone number has been obtained.

Directory Assistance call completion charge: \$.50 per call

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SECTION II - RATES (Cont'd)

3. Operator Services (Available to MTS Subscribers)

3.1 Operator Services are available from all originating service locations. The Operator Services per-minute base rates are as follows. An additional one-time Call Placement charge, as set forth below, will be added to the first minute of each call.

3.2 Non-Calling Card Usage Rates

| <u>Initial Minute</u> |            |             |                         | <u>Additional Minute</u> |             |                         |
|-----------------------|------------|-------------|-------------------------|--------------------------|-------------|-------------------------|
| <u>Mileage</u>        | <u>Day</u> | <u>Eve.</u> | <u>Night/<br/>Wkend</u> | <u>Day</u>               | <u>Eve.</u> | <u>Night/<br/>Wkend</u> |
| All                   | \$ .6900   | \$ .6900    | \$ .6900                | \$ .6900                 | \$ .6900    | \$ .6900                |

3.3 Dial-1 Call Placement Charges

|                                   |        |
|-----------------------------------|--------|
| 1. Collect Station-to-Station     | \$3.95 |
| 2. Collect Person-to-Person       | \$4.90 |
| 3. Person-to-Person               | \$4.90 |
| 4. Station-to-Station             | \$3.95 |
| 5. Operator Dialed Surcharge      | \$1.15 |
| 6. Third Party Person-to-Person   | \$4.90 |
| 7. Third Party Station-to-Station | \$3.95 |
| 8. Busy Line Verification*        | \$6.50 |
| 9. Emergency Interruption**       | \$6.50 |

\*Applies when the Company provides operator assistance to determine if there is an ongoing conversation at a called station.

\*\*Applies in addition to the Busy Line Verification charge when the Company provides operator assistance to interrupt an ongoing conversation, regardless of whether the interruption is successful

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SECTION II - RATES (Cont'd)

3. Operator Services (Available to MTS Subscribers) (Cont'd)

3.4 Calling Card Usage Rates

|                |            | <u>Initial</u> |                         | <u>Additional</u> |             |                         |
|----------------|------------|----------------|-------------------------|-------------------|-------------|-------------------------|
| <u>Mileage</u> | <u>Day</u> | <u>Eve.</u>    | <u>Night/<br/>Wkend</u> | <u>Day</u>        | <u>Eve.</u> | <u>Night/<br/>Wkend</u> |
| 0-10           | \$ .4353   | \$ .2870       | \$ .2302                | \$ .4228          | \$ .2777    | \$ .2299                |
| 11-22          | \$ .4850   | \$ .3277       | \$ .2611                | \$ .4850          | \$ .3275    | \$ .2608                |
| 23-55          | \$ .5099   | \$ .3357       | \$ .2859                | \$ .4975          | \$ .3357    | \$ .2859                |
| 56-70          | \$ .5288   | \$ .3357       | \$ .2859                | \$ .5286          | \$ .3357    | \$ .2859                |
| 71-124         | \$ .5288   | \$ .3357       | \$ .2859                | \$ .5286          | \$ .3357    | \$ .2859                |
| 125-292        | \$ .5288   | \$ .3357       | \$ .2859                | \$ .5286          | \$ .3357    | \$ .2859                |
| 292+           | \$ .5597   | \$ .3357       | \$ .2859                | \$ .5597          | \$ .3357    | \$ .2859                |

3.5 Calling Card Call Placement Charges

|                                         |        |
|-----------------------------------------|--------|
| 1. Collect Station-to-Station           | \$1.80 |
| 2. Collect Person-to-Person             | \$4.10 |
| 3. Person-to-Person                     | \$4.10 |
| 4. Station-to-Station                   | \$1.80 |
| 5. Directory Assistance Call Completion | \$1.80 |
| 6. Third Party Person-to-Person         | \$4.10 |
| 7. Third Party Station-to-Station       | \$1.80 |

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SECTION II - RATES (Cont'd)

4. CALLING CARD (Available to MTS Subscribers).

- 4.1 A Calling Card is provided to all MTS subscribers at no charge. Calling Card Service allows subscribers who are away from their home or business to access the network to place calls from any location in the State of South Dakota. Access to the Working Assets network is gained by dialing 1-800-766-0606. The Calling Card Service per-minute rates described below apply to intrastate calls plus the following surcharge:

Charge per call: \$ 0.55\*

4.2 Calling Card Usage Rates

| Mileage | <u>Initial Minute</u> |         |                 | <u>Additional Minutes</u> |         |                 |
|---------|-----------------------|---------|-----------------|---------------------------|---------|-----------------|
|         | Day                   | Evening | Night/<br>Wkend | Day                       | Evening | Night/<br>Wkend |
| 0-10    | \$2900                | \$2271  | \$1670          | \$1799                    | \$1439  | \$1079          |
| 11-16   | \$3700                | \$2940  | \$2149          | \$1999                    | \$1599  | \$1199          |
| 17-22   | \$3800                | \$2990  | \$2211          | \$2199                    | \$1759  | \$1319          |
| 23-30   | \$4200                | \$3311  | \$2449          | \$2399                    | \$1919  | \$1439          |
| 31-40   | \$4400                | \$3470  | \$2572          | \$2599                    | \$2079  | \$1559          |
| 41-55   | \$4700                | \$3711  | \$2749          | \$2899                    | \$2319  | \$1739          |
| 56-85   | \$5000                | \$3949  | \$2930          | \$3199                    | \$2559  | \$1919          |
| 86-124  | \$5200                | \$4111  | \$3049          | \$3399                    | \$2719  | \$2039          |
| 125-244 | \$5300                | \$4191  | \$3113          | \$3599                    | \$2879  | \$2159          |
| 245+    | \$5400                | \$4271  | \$3170          | \$3799                    | \$3039  | \$2279          |

\*This surcharge applies to all calls placed via calling card w/o regard to calling plan unless the tariff describing the calling plan explicitly states otherwise.

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SECTION II - RATES (Cont'd)

8. INTRANETWORK DISCOUNT

- 8.1 For residential subscribers, a 25% discount will be applied to those calls which terminate to other subscribers of Working Assets' communications services.
- 8.2 For commercial subscribers, a 10% discount will be applied to those calls which terminate to other subscribers of Working Assets' communications services who have the same billing telephone number as the commercial subscriber.
- 8.3 For residential subscribers whose total usage charges exceed \$25.00 per month a 15% discount shall be applied to all of their intrastate usage.
- 8.4 MTS, Calling Card, and Operator Service calls from hearing-impaired WALD customers using teletypewriters for residential telecommunications will be discounted by 20%. This discount is in addition to any other applicable discount. Customer must provide Working Assets with a medical doctor's signed statement verifying his or her impairment prior to receiving discount.

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## SECTION II - RATES (Cont'd)

### 6. OTHER DISCOUNTS

- 6.1 MTS, Calling Card, and Operator Service calls from hearing-impaired WALD customers using teletypewriters for residential telecommunications will be discounted by 20%. This discount is in addition to any other applicable discount. Customer must provide Working Assets with a medical doctor's signed statement verifying his or her impairment prior to receiving discount.
- 6.2 For residential subscribers who chose to participate in Working Assets', unique Citizen Action program, calls made to political leaders who are the subjects of an action alert in the subscriber's previous monthly invoice will be free of charge. Action alerts allow Working Assets' customers to express their views on issues they care about. Two such calls per day of up to five minutes in duration can be made. Calls in excess will receive a discount of 30%.
- 6.3 For residential subscribers whose total usage charges exceed \$25.00 per month a 15% discount shall be applied to all of their intrastate usage.

### 7. APPLICATION OF DISCOUNTS

- 7.1 When Intranetwork and volume discounts apply to the same traffic, only the greater of the two discounts will apply.

### 8. PROMOTIONAL OFFERINGS

- 8.1 Promotional offerings of reduced rates or waiver of rates for limited periods of time may be offered by the Carrier.

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SECTION II - RATES (Cont'd)

9. 800 SERVICE

9.1 Rates for 800 calls originating and terminating within the State of South Dakota.

|             | <u>Day</u> | <u>Evening</u> | <u>Night/<br/>Weekend</u> |
|-------------|------------|----------------|---------------------------|
| Rate/Minute | .3200      | .3200          | .3200                     |

Each fractional call is rounded up to the next one-tenth minute.

800 service is billed in six second increments after a 30 second minimum, with lesser amounts of usage rounded up to the next six seconds.

10. COMMERCIAL VOLUME DISCOUNTS

10.1 All dial-1 and 800 calls billed to commercial accounts not on a term plan receive the following discounts based on volume:

| <u>Gross Minute Usage</u> | <u>Volume Discount</u> |
|---------------------------|------------------------|
| 0-199                     | 0%                     |
| 200-599                   | 5%                     |
| 600-1,999                 | 10%                    |
| 2,000-3,899               | 12.5%                  |
| 3,900 +                   | 15%                    |

11. PIN 800 SERVICE

11.1 Monthly recurring fee of \$2.50 per account.

Usage Charge: \$.22 per minute

This usage shall not be included in the calculation of any discount in this tariff nor shall any discount be applied to the usage of this service.

Each fractional call is rounded up to the next full minute.

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SECTION II - RATES (Cont'd)

12. BUSINESS ADVANTAGE TERM PLAN III

- 12.1 This Term Plan is the interstate complement to, and is only available in combination with, the interstate Business Advantage Term Plan III.
- 12.2 The usage rate applies to intrastate dial-1, calling card, and toll-free calls appearing on your Working Assets bill except those placed with the aid of an operator and calls placed to directory assistance. The surcharge below applies to all calling card calls.

Usage rate: \$0.159 per minute  
Calling Card Surcharge: \$0.65 per call

- 12.3 In addition to the monthly usage rate listed in the preceding paragraph, all relevant fees and surcharges apply, as well.

- 12.4 Term of Agreement is one year.

- 12.5 If any part of this tariff is found invalid or unenforceable, the remaining provisions shall remain valid and enforceable.

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SECTION II - RATES (Cont'd)

12.1 NON-PROFIT TERM PLAN II

12.1 The Term Plan is the interstate complement to, and is only available in combination with, the interstate Non-Profit Term Plan II

12.2 The usage rate applies to intrastate dial-1, calling card, and toll-free calls appearing on your Working Assets bill except those placed with the aid of an operator and calls placed to directory assistance. The surcharge below applies to all calling card calls.

Usage rate: \$0.159 per minute  
Calling Card Surcharge: \$0.65 per call

12.3 In addition to the monthly usage rate listed in the preceding paragraph, all relevant fees and surcharges apply, as well.

12.4 Term of Agreement is one year.

12.5 Customer is entitled to 10 minutes of Free Speech call(s) per day when the call is to policy maker designated by Working Assets. Free Speech minutes not used on one day cannot be carried over to any other day.

12.6 If any part of this tariff is found invalid or unenforceable, the remaining provisions shall remain valid and enforceable.

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SECTION II - RATES (Cont'd)

14. SMALL BUSINESS TERM PLAN

14.1 This Term Plan is the interstate complement to, and is only available in combination with, the interstate Business Advantage Term Plan III.

14.2 The usage rate applies to intrastate dial-1, calling card, and toll-free calls appearing on your Working Assets bill except those placed with the aid of an operator and calls placed to directory assistance. The surcharge below applies to all calling card calls.

Usage rate: \$0.159 per minute  
Calling Card Surcharge: \$0.65 per call

14.3 In addition to the monthly usage rate listed in the preceding paragraph, all relevant fees and surcharges apply, as well.

14.4 Term of Agreement is one year.

14.5 If any part of this tariff is found invalid or unenforceable, the remaining provisions shall remain valid and enforceable.

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SECTION II - RATES (Cont'd)

15 PEAK RATE RESIDENTIAL CALLING PLANS

15.1 Peak Rate Calling Plan No. 1

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.30 per minute | \$0.18 per minute |
| Calling Card: | \$0.30 per minute | \$0.18 per minute |
| Surcharge:    | \$0.10 per call   | \$0.10 per call   |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the interstate Peak Rate Plan.

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SECTION II - RATES (Cont'd)

15. PEAK RATE RESIDENTIAL CALLING PLANS

15.2 Peak Rate Calling Plan No.2

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.15 per minute | \$0.15 per minute |
| Calling Card: | \$0.25 per minute | \$0.25 per minute |
| Surcharge:    | \$0.00            | \$0.00            |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the interstate Peak Rate Plan.

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SECTION II - RATES (Cont'd)

15. PEAK RATE RESIDENTIAL CALLING PLANS

15.3 Peak Rate Calling Plan No.3

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.10 per minute | \$0.10 per minute |
| Calling Card: | \$0.59 per minute | \$0.59 per minute |
| Surcharge:    | \$0.99 per call   | \$0.99 per call   |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate Peak Rate Plan.

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SECTION II - RATES (Cont'd)

15. PEAK RATE RESIDENTIAL CALLING PLANS

15.4 Peak Rate Calling Plan No.4

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.10 per minute | \$0.10 per minute |
| Calling Card: | \$0.50 per minute | \$0.50 per minute |
| Surcharge:    | \$0.99 per call   | \$0.99 per call   |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate Peak Rate Plan

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SECTION II - RATES (Cont'd)

15. PEAK RATE RESIDENTIAL CALLING PLANS

15.5 Peak Rate Calling Plan No. 5

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1        | \$0.25 per minute | \$0.15 per minute |
| Calling Card: | \$0.50 per minute | \$0.50 per minute |
| Surcharge:    | \$0.99 per call   | \$0.99 per call   |

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate compliment to, and is only available in combination with, the corresponding interstate Peak Rate Plan.

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS

16.1 Calling Plan No. 1

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate, regardless of the time of day or day of week of the call:

Dial 1: \$0.15 per minute

Calling Card: \$0.25 per minute

Calling Card Surcharge: \$0.05 per minute

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate Plan.

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Date of Issue:

Effective Date: 10-1-80

Issued By:

Stephen Gunn, Vice President of Operations  
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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin)

16.2 Calling Plan No. 2

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate:

Dial 1: \$0.15 per minute

Calling Card: \$0.25 per minute

Surcharge: \$0.05 per call

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate Plan.

Date of Issue:

Effective Date:

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin.)

16.3 Combination Plan

Those Working Assets customers who receive bills via e-mail; and who pay their bills via automatic deduction from a checking account may receive interstate telephone service at the rates listed below:

|               |                   |
|---------------|-------------------|
| Direct Dial:  | \$0.15 per minute |
| Calling Card: | \$0.30 per minute |
| Calling Card  | Surcharge: none   |

Volume and Friendship discounts do not apply to traffic priced at these rates.

Customers must comply with all three eligibility requirements to be able to choose this plan. If after enrolling in this calling plan the customer discontinues any one of the qualifying requirements, the customer is subject to removal from the plan, at which time s/he will automatically be returned to her/his previous Working Assets billing arrangement. If the customer enrolled in the plan at the initiation of Working Assets service, the customer will be transferred to the Peak Rate Calling Plan No. 1.

This plan is a complement to, and is only available in combination with, the corresponding interstate calling plan.

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Effective Date:

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin.)

16.4 Calling Plan No. 3

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate, regardless of the time of day or day of week of the call:

Dial 1: \$0.10 per minute

Calling Card: \$0.30 per minute

Surcharge: \$0.30 per call

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate Plan.

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS

16.5 Calling Plan No.4

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate, regardless of the time of day or day of week of the call:

**Dial 1:** \$0.10 per minute

**Calling Card:** \$0.30 per minute

**Surcharge:** \$0.99 per minute

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate.

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS

16.6 Calling Plan No. 5

Customers selecting the One Rate Plan receive direct dial MTS service at the following rate:

Dial 1: \$0.10 per minute

Calling Card: \$0.30 per minute

Surcharge: \$0.99 per call

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate compliment to, and is only available in combination with, the corresponding interstate One Rate Plan.

Date of Issue:

Effective Date:

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin.)

16.7 Calling Card Plan No. 1

Working Assets customers may choose this plan in place of the basic calling card rates and surcharges:

Usage charge: \$0.25 per minute

No calling card surcharge is applied to these calls. The payphone surcharge still applies

This plan is a complement to, and is only available in combination with the corresponding interstate calling card plan.

Volume and Friendship discounts do not apply to traffic priced at these rates.

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin.)

16.8 Calling Card Plan No. 2

Working Assets customers may choose this plan in place of the basic calling card rates and surcharges:

|                     |                   |
|---------------------|-------------------|
| Monthly charge:     | \$1.00            |
| Usage charge:       | \$0.25 per minute |
| Payphone surcharge: | \$0.26            |

No calling card surcharge is applied to these calls.

16.9 Calling Card Plan No. 3

Working Assets customers may choose this plan in place of the basic or calling plan calling card rates and surcharges:

|                     |                   |
|---------------------|-------------------|
| Monthly charge:     | \$4.50            |
| Usage charge:       | \$0.10 per minute |
| Payphone surcharge: | \$0.26            |

No calling card surcharges are applied to these calls.

The surcharge for calls to Directory Assistance using this plan is \$0.95 per call.

This Plan is the intrastate complement to, and is only available in combination with, the interstate One Rate Plan contained in FCC No. 1, Section 2.6.

Date of Issue:

Effective Date:

Issued By:

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin.)

16.8 Calling Card Plan No. 2

Working Assets customers may choose this plan in place of the basic calling card rates and surcharges:

|                     |                   |
|---------------------|-------------------|
| Monthly charge:     | \$1.00            |
| Usage charge:       | \$0.25 per minute |
| Payphone surcharge: | \$0.26            |

No calling card surcharge is applied to these calls.

16.9 Calling Card Plan No. 3

Working Assets customers may choose this plan in place of the basic or calling plan calling card rates and surcharges:

|                     |                   |
|---------------------|-------------------|
| Monthly charge:     | \$4.50            |
| Usage charge:       | \$0.10 per minute |
| Payphone surcharge: | \$0.26            |

No calling card surcharges are applied to these calls.

The surcharge for calls to Directory Assistance using this plan is \$0.95 per call.

This Plan is the intrastate complement to, and is only available in combination with, the interstate One Rate Plan contained in FCC No. 1, Section 2.6.

Date of Issue:

Effective Date:

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Effective Date:

Issued By:

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Effective Date:

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SECTION II - RATES (Cont'd)

17. MISCELLANEOUS CHARGES

17.1 Payphone Surcharge

This surcharge applies to any call initiated from a payphone and billed to a WALD customer. The surcharge merely passes on a charge billed to WALD by its underlying carrier(s) or the payphone provider.

Surcharge: \$.26 per call

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EXHIBIT D

SAMPLE BILL



## Make Your Voice Heard

Date 11/03/00  
Page 1 of 8  
Member # 0000008

### Make Citigroup Clean Up Predatory Lending

After a lifetime of working and saving for the security of homeownership, many low-income, elderly and minority Americans are losing their homes to predatory lenders. These lenders target people with misleading offers featuring high up-front fees and exorbitant interest rates, creating a high risk of foreclosure. Among the worst offenders is Associates, currently under investigation by the Justice Department. Citigroup is acquiring Associates, but refuses to adopt guidelines that would prevent Associates from continuing its practices.

Call on Citigroup Director Robert Rubin at 212/559-1000 to adopt the fair lending guidelines proposed by the Coalition for Responsible Lending or cancel its purchase of Associates. Or check the box below to send a CitizenLetter.

### Ask Clinton to Put a Hold on Executions

More than 75% of inmates on federal death row are men of color. Since reinstatement by the Supreme Court, the death penalty has been imposed largely on minority men too poor to afford effective legal counsel. The Republican governor of Illinois recently declared a moratorium on executions because of mounting evidence of racial bias in the judicial system and the sentencing to death of innocent people. A moratorium by President Clinton would require the president-elect to specifically lift the hold before executing additional prisoners.

Call President Clinton at 202/456-1111 and urge him to place an immediate moratorium on all federal executions. Or check the box below to send a CitizenLetter.

### California Action: Stop Mojave Water Grab

Call Phillip Pace, Metropolitan Water District chairman, 213/217-6292, and urge him to stop the Mojave water grab to prevent destruction of the desert's fragile ecosystem. Read on for details.

Check boxes below to send CitizenLetters (\$3 for one, \$2.25 each for two or more). **DON'T PAY NOW; we'll bill you.** Or make a **FREE SPEECH** call any day. To hear more information on the issues call 800/INFO-735.

Round up your check to \$23 or more.

The tax-deductible difference goes to nonprofit action groups.

Detach coupon and enclose with your payment



WORKING ASSETS®

Check here to send CitizenLetters.

- 313 ☐ Clean Up Predatory Lending  
314 ☐ Halt Federal Executions  
640 ☐ CA: Stop Mojave Water Grab

Mary Frances Buffington  
132 Anderson St  
Santa Cruz, CA 95060-5808



### Round-the-Clock Plus

Pay just 7 cents a minute on all direct-dialed, state-to-state calls 24 hours a day, for a \$4.95 monthly fee. Visit [rates.workingassets.com](http://rates.workingassets.com) or call 800/264-9253 for details.

Member# 0000008 Bill Date: 11/03/00

TOTAL DUE BY 11/28/00 \$22.72  
Includes past due amount on pg. 3

Amount Enclosed \$  
☐ YES! I ROUNDED UP THIS MONTH!

### MAKE CHECK PAYABLE TO WALD

Please write your member number on your check. Thanks for helping us build a better world.

00000080000022726



## Make Your Voice Heard

Date 11/03/00  
Page 1 of 1  
Member # 00000008

### Make Citigroup Clean Up Predatory Lending

After a lifetime of working and saving for the security of homeownership, many low-income, elderly and minority Americans are losing their homes to predatory lenders. These lenders target people with misleading offers featuring high up-front fees and exorbitant interest rates, creating a high risk of foreclosure. Among the worst offenders is Associates, currently under investigation by the Justice Department. Citigroup is acquiring Associates, but refuses to adopt guidelines that would prevent Associates from continuing its practices.

Call on Citigroup Director Robert Rabin at 212/559-1000 to adopt the fair lending guidelines proposed by the Coalition for Responsible Lending or cancel its purchase of Associates. Or check the box below to send a CitizenLetter.

### Ask Clinton to Put a Hold on Executions

More than 75% of inmates on federal death row are men of color. Since reinstatement by the Supreme Court, the death penalty has been imposed largely on minority men too poor to afford effective legal counsel. The Republican governor of Illinois recently declared a moratorium on executions because of mounting evidence of racial bias in the judicial system and the sentencing to death of innocent people. A moratorium by President Clinton would require the president-elect to specifically lift the hold before executing additional prisoners.

Call President Clinton at 202/456-1111 and urge him to place an immediate moratorium on all federal executions. Or check the box below to send a CitizenLetter.

### California Action: Stop Mojave Water Grab

Call Phillip Pace, Metropolitan Water District chairman, 213/217-6202, and urge him to stop the Mojave water grab to prevent destruction of the desert's fragile ecosystem. Read on for details.

Check boxes below to send CitizenLetters (\$3 for one, \$2.25 each for two or more). **DON'T PAY NOW**; we'll bill you. Or make a **FREE SPEECH** call any day. To hear more information on the issues call 800/INFO-745.

Round up your check to \$23 or more.

The tax-deductible difference goes to nonprofit action groups.

Detach coupon and enclose with your payment



**WORKING ASSETS®**

Check here to send CitizenLetters.

- 313 ☐ Clean Up Predatory Lending  
314 ☐ Halt Federal Executions  
640 ☐ CA: Stop Mojave Water Grab

Mary Frances Buffington  
132 Anderson St  
Santa Cruz, CA 95060-5808



### Round-the-Clock Plus

Pay just 7 cents a minute on all direct-dialed, state-to-state calls 24 hours a day, for a \$4.95 monthly fee. Visit [rates.workingassets.com](http://rates.workingassets.com) or call 800/264-9253 for details.

Member# 00000008 Bill Date: 11/03/00

**TOTAL DUE BY 11/28/00 \$22.72**  
Includes past due amount on pg. 2

Amount Enclosed \$  
☐ YES! I ROUNDED UP THIS MONTH

### MAKE CHECK PAYABLE TO WALD

Please write your member number on your check. Thanks for helping us build a better world.

0000008000022726





# WORKING ASSETS®

Making Your Voice Heard™

040002003

Date 11/03/00  
Page 3 of 5  
Member # 0400004

## BILLING SUMMARY

### Detail of Current Working Assets Charges

Long Distance Total ..... 10.97  
Total Current Charges ..... 10.97

### Payment History

Total charges due last billing ..... 11.75  
Adjustments through 11/03/00 ..... 00  
Past due ..... 11.75

### Amount Due

Past due ..... 11.75  
Total current charges ..... 10.97  
TOTAL DUE ..... 22.72  
PLEASE PAY TOTAL DUE BY 11/28/00.

PLEASE CALL 800 548 2567 FOR CUSTOMER SERVICE

## Working Assets Long Distance

### ITEMIZED CALLS FOR 831/460-0752

| No.       | Date  | Time    | Location    | Number          | Min  | Sec | Amount |
|-----------|-------|---------|-------------|-----------------|------|-----|--------|
| 1         | 10-07 | 2:52PM  | WAYZATA     | MN 612-476-4898 | 24.0 | N   | 3.14   |
| 2         | 10-21 | 11:08AM | EXCELSIOR   | MN 952-474-8431 | 1.0  | N   | .15    |
| 3         | 10-24 | 7:26PM  | OLYMPIA     | WA 360-705-5100 | 1.0  | E   | .18    |
| 4         | 10-28 | 12:26PM | WAYZATA     | MN 612-476-4898 | 24.0 | N   | 3.44   |
| 5         | 10-29 | 2:20PM  | WINSTN. SAL | NC 336-766-2315 | 1.0  | N   | .15    |
| 6         | 10-29 | 3:03PM  | SALINAS     | CA 831-757-8111 | 8.0  | N   | .08    |
| Sub Total |       |         |             |                 |      |     | 6.92   |

### DIRECTORY ASSISTANCE

| No.       | Date  | Time    | Location | Number          | Min | Sec | Amount |
|-----------|-------|---------|----------|-----------------|-----|-----|--------|
| 7         | 10-18 | 9:35AM  | DIR ASST | MN 612-555-1212 | 1.0 | F   | .58    |
| 8         | 10-21 | 11:06AM | DIR ASST | MN 612-555-1212 | 1.0 | F   | .65    |
| Sub Total |       |         |          |                 |     |     | 1.23   |

TOTAL ITEMIZED CALLS ..... 8.40

### SUMMARY OF LONG DISTANCE

Long Distance - Total Itemized Calls ..... 8.40  
FCC Universal Fee ..... 5.50  
Federal Tax ..... 30  
Local Tax ..... 70  
CA High cost fund-B surcharge ..... 02  
TOTAL ..... 10.97





## A New Look for Your Bill

You might have noticed that your bill looks different. That's because we've redesigned it to make it easier to read. The changes will be most noticeable if you use more than one of our services. If that's the case, you'll see that your various services -- Long Distance, Internet Access, Phone Me, and other products and services -- along with their associated charges -- are displayed separately. There's also a handy summary of charges at the beginning of the bill. The formatting is the only thing about the bill that's changed. There are no new charges or fees. And we still print our bills on 100% post-consumer recycled paper using non-toxic soy-based ink.

## ActForChange.com -- Where Speaking Up Is Easy

You're reading the newspaper, watching the news or surfing the Net when you see an issue -- like violence in the Middle East, campaign finance reform or toxic waste disposal -- that makes you stop and want to do something. And you don't know who to call or where to turn. Now there's a site that's done the work for you -- ActForChange.com, Working Assets' online activism site. We keep in touch with hundreds of advocacy groups and post those actions we think you'll find most valuable. Then we connect you directly to decision-makers who can influence the outcome of important events. With a click of your mouse, your voice will be heard. It's the simplest and fastest way we know to take action. So, check out ActForChange and send a message today.

## Daily \$1,000 Giveaway at ShopForChange.com

How would you like to win money for your favorite nonprofits? Well, you just might if you enter our special holiday "giving spree" at ShopForChange, Working Assets' online shopping site. Just by signing in at ShopForChange, you become eligible to win a \$1,000 donation to a group on GiveForChange, our online donations site. Simply visit ShopForChange, register or sign in, and you're entered in the sweepstakes. We're giving away \$1,000 daily until December 31, 2000, and you can enter every day, so visit the site often. While you're there, check out our holiday specials. For each purchase you make, we donate 5% of the merchandise purchase price to nonprofit groups.

## California Citizen Action

### Stop Mojave Water Grab

The Metropolitan Water District of Southern California (MWD) wants to suck pristine water from aquifers beneath the Mojave Desert National Preserve, thereby threatening the desert's fragile ecosystem. The water is to be piped to Southern California. The aquifers sustain delicate flora and wildlife like the desert bighorn sheep and the threatened desert tortoise. The U.S. Geological Survey, the National Park Service and national conservation groups all oppose the plan. The MWD should focus its efforts more on promoting water conservation and less on filling swimming pools and watering golf courses.

Call Phillip Pace, Chairman of the MWD Board, at 213/217-6292, and urge him to stop the Mojave water grab, which will destroy the desert's fragile ecosystem. To order a CitizenLetter, check the box on page one. For more information on this issue, call toll-free 877/224-6362.

EXHIBIT E

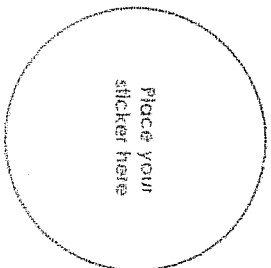
SAMPLE MARKETING PIECE

# Great values and a great value.

Sign up for Working Assets Long Distance today to help your favorite progressive causes. Then help yourself to 60 FREE minutes of long distance calls every month for 6 months, a low 7¢-a-minute rate\* around the clock for just \$4.95 a month and a coupon for a FREE pint of **BEN & JERRY'S** ice cream every month for a year.

**Yes!** Sign me up for Working Assets Long Distance\*  
Just sign and return this card today

Place your  
sticker here



Phone Number

1 800 333 3333

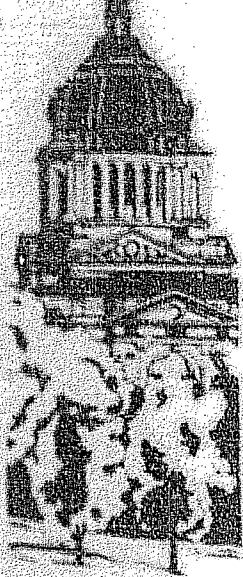
Birth Date

22 Nov 1955

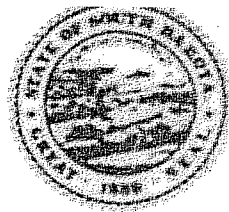
Sign From me (A 04114-2204)

1 800 333 3333

Your Special Number Y1 071 510-1



# South Dakota Public Utilities Commission



State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070  
VIA FAX: 415-371-1048

March 8, 2001

Mr. Walter McGee  
Regulatory Manager  
Working Assets Funding Service, Inc.  
101 Market Street, Suite 700  
San Francisco, CA 94105

RE: APPLICATION FOR CERTIFICATE OF AUTHORITY  
Working Assets Funding Service, Inc.

Dear Mr. McGee:

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.

Thank you for your cooperation in this matter.

Sincerely,

*Delaine Kolbo*  
Delaine Kolbo  
Legal Secretary

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

Transportation/  
Warehouse Division  
Telephone (605) 773-3280  
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/](http://www.state.sd.us/puc/)

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Linda Schoenfelder  
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Heather K. Forney  
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Mary Giddings  
Lara Healy  
Mary Healy  
Lisa Hull  
Dave Jacobson  
Amy Kayser  
Jennifer Kirk  
Bob Knadle  
Delaine Kolbo  
Charlene Lund  
Gregory A. Rulov  
Kath Senger  
Kathryn Aults Wiest



March 7, 2001

South Dakota Public Utilities Commission  
ATTN: William Bullard  
Executive Director  
Capitol Building, 1st floor  
500 East Capitol Avenue  
Pierre, SD 57501-5070

**RECEIVED**

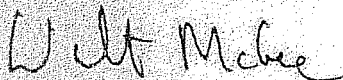
MAR 13 2001

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

RE: Attachment to Cover Letter for Application for Certificate of Authority

On March 8, 2001 Working Assets filed an Application for a Certificate of Authority. The cover letter (dated March 7) to that Application refers to an Attachment to the cover letter, "an accounting of the intraLATA (should read intrastate) revenues from the date when Working Assets began providing service in South Dakota." That Attachment was inadvertently omitted from the March 7 cover letter. I enclose it herein and apologize for any inconvenience or confusion caused by my oversight. If you or your staff have any questions, I can be reached at (415) 369-2084. Thank you.

Sincerely,



Walter N. McGee  
Regulatory Manager

Enc.

*Received \$350.00  
filing fee with  
this letter.*

WORKING ASSETS FUNDING SERVICE, INC.TOTAL SOUTH DAKOTA INTRASTATE REVENUES FROM INCEPTION OF SERVICE TO CLOSE OF  
FISCAL YEAR 2000

| Year  | Intrastate<br>Revenues |
|-------|------------------------|
| 1991  | \$ 4                   |
| 1992  | \$ 765                 |
| 1993  | \$ 2,074               |
| 1994  | \$ 1,936               |
| 1995  | \$ 7,311               |
| 1996  | \$ 10,928              |
| 1997  | \$ 10,204              |
| 1998  | \$ 12,893              |
| 1999  | \$ 11,311              |
| 2000  | \$ 10,452              |
| Total | \$ 67,878              |

4009

**WORKING ASSETS**

FUNDING SERVICE  
101 MARKET ST., STE. 700 415.369.2000  
SAN FRANCISCO, CA 94105

DATE MAR. 12, 2001 11-24-1210

PAY TO THE ORDER OF SOUTH DAKOTA PUBLIC UTILITIES COMMISSION \$ \*\*250.00\*\*

TWO HUNDRED FIFTY & NO/100----- DOLLARS



Wells Fargo Bank, N.A.  
www.wellsfargo.com

FOR

⑈004009⑈ ⑆121000248⑆4518094487⑈

*[Signature]*

MP

**South Dakota Public Utilities Commission**  
**WEEKLY FILINGS**  
For the Period of March 8, 2001 through March 14 , 2001

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**

**CT01-010** In the Matter of the Complaint filed by Robert E. Anderson, Hudson, South Dakota, against AT&T Communications of the Midwest, Inc. Regarding Unauthorized Switching of Services.

The Complainant claims that he did not give authorization to switch service. AT&T claims that authorization was given by the Complainant's daughter who was ordering service from AT&T for her residence in Hawaii. The Complainant is seeking \$1000 plus credit of all charges.

Staff Analyst: Leni Healy  
Staff Attorney: Kelly Frazier  
Date Filed: 03/08/01  
Intervention Deadline: N/A

**CT01-011** In the Matter of the Complaint filed by Joanna Gilkerson, Gregory, South Dakota against Excel Telecommunications, Inc. Regarding Delayed Cancellation.

Complainant alleges that she cancelled long distance services with Excel in 1999 and began receiving monthly bills from Excel in March 2000. She requests that Excel stop billing her and that the billing problem is permanently solved.

Staff Analyst: Charlene Lund  
Staff Attorney: Karen Cremer  
Date Docketed: 03/13/01  
Intervention Deadline: N/A

**TELECOMMUNICATIONS**

**TC01-020** In the Matter of the Filing for Approval of an Agreement for Interconnection, Unbundled Network Elements, Ancillary Services and Resale of Telecommunications Services between Qwest Corporation and FiberComm, L.C.

On March 09, 2001, an Agreement for Interconnection, Unbundled Network Elements, Ancillary Services and Resale of Telecommunications Services between Qwest Corporation (Qwest) and FiberComm, L.C. (FiberComm) was filed with the Commission



Date Docketed: 03/12/01

Intervention Deadline: 03/30/01

**TC01-023 In the Matter of the Application of Working Assets Funding Service, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.**

Working Assets Funding Service, Inc. is seeking a Certificate of Authority to provide interexchange telecommunication services in South Dakota. The applicant is a reseller who is currently providing interexchange services in South Dakota.

Staff Analyst: Keith Senger

Staff Attorney: Kelly Frazier

Date Docketed: 3/13/01

Intervention Deadline: 3/30/01

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You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc/>

LAW OFFICES  
MAY, ADAM, GERDES & THOMPSON LLP  
503 SOUTH PIERRE STREET  
P.O. BOX 160  
PIERRE, SOUTH DAKOTA 57501-0160  
www.magt.com

THOMAS C. ADAM  
DAVID A. GERDES  
CHARLES H. THOMPSON  
ROBERT B. ANDERSON  
BRENT A. WILBUR  
TIMOTHY M. ENGEL  
MICHAEL F. SHAW  
NEIL FULTON  
BOBBIE J. BENSON

March 26, 2001

RECEIVED  
MAY 17 2001  
SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

Mr. William Bullard, Jr.  
Executive Director  
Public Utilities Commission  
State Capitol  
500 East Capitol  
Pierre, South Dakota 57501

RE: WORKING ASSETS FUNDING SERVICE, INC.  
TC01-023  
Our file: 0239

Dear Bill:

Enclosed are original and ten copies of a Notice of Appearance in the above-entitled docket. Please file the enclosure.

With a copy of this letter, I am sending copies of the Notice of Appearance to the Service list.

Yours truly,

MAY, ADAM, GERDES & THOMPSON LLP

BY: 

DAG:mw

Enclosures

cc/enc: Kelly Frazier  
Keith Senger  
Walt McGee

RECEIVED

MAR 17 2001

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA


IN THE MATTER OF THE APPLICATION        )    TC01-023  
OF WORKING ASSETS FUNDING SERVICE,       )  
INC., FOR A CERTIFICATE OF                )  
AUTHORITY TO PROVIDE INTEREXCHANGE       )    NOTICE OF APPEARANCE  
TELECOMMUNICATIONS SERVICES IN           )  
THE STATE OF SOUTH DAKOTA                )

TO: THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA,  
ITS STAFF AND OTHER INTERESTED PARTIES

YOU WILL PLEASE TAKE NOTICE that the undersigned appears as  
counsel for the applicant Working Assets Funding Service, Inc., in  
the above-entitled matter, and that copies of all pleadings and  
other filings should be served upon the undersigned in his capacity  
as counsel for the applicant.

Dated this 26 day of March, 2001.

MAY, ADAM, GERDES & THOMPSON LLP

BY:   
DAVID A. GERDES  
Attorneys for Working Assets Funding  
Service, Inc.  
503 South Pierre Street  
P.O. Box 160  
Pierre, South Dakota 57501-0160  
Telephone: (605) 224-8803  
Telefax: (605) 224-6299

RECEIVED

MAR 27 2001

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

CERTIFICATE OF SERVICE

David A. Gerdes of May, Adam, Gerdes & Thompson LLP hereby  
certifies that on the 26 day of March, 2001, he mailed by United  
States mail, first class postage thereon prepaid, a true and

correct copy of the foregoing in the above-captioned action to the following at their last known addresses, to-wit:

Keith Senger  
Staff Analyst  
Public Utilities Commission  
500 East Capitol  
Pierre, South Dakota 57501

Kelly Frazier  
Staff Attorney  
Public Utilities Commission  
500 East Capitol  
Pierre, South Dakota 57501



David A. Gerdes

April 23, 2001

RECEIVED

APR 24 2001

South Dakota Public Utilities Commission  
ATTN: Keith Senger  
Utility Analyst  
State Capitol Building  
500 East Capitol Avenue  
Pierre, South Dakota 57501-5070

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

Dear Mr. Senger:

Working Assets Funding Service, Inc. ("Working Assets") respectfully submits an original and 10 copies of the following information in response to the March 22, 2001 set of staff interrogatories prepared by yourself:

1. Attached are audited "Working Assets Funding Service Consolidated Financial Statements, December 31, 2000 and 1999" ("Statements"), which includes detailed financial information about the Company. Working Assets is a privately held company and these Statements are not made available to the public. Disclosure of the information in these Statements would cause competitive harm to the company. Therefore pursuant to the provisions of 20:10:01.41 Working Assets requests that all financial data in the application, including these Statements and the shareholder information provided in item no 3.c of the original application be classified as confidential and the information therein not be disclosed to persons outside the Commission.

Working Assets requests that this information be kept confidential for a minimum of 5 years. Should there be any question about the confidentiality request, please contact Walter McGee, Working Assets Funding Service, Inc., 101 Market Street, Suite 700, San Francisco, CA 94105. The grounds for confidentiality are Section 20:10:01.39 (4) "Trade secrets recognized and protected by law" Section 37:29-1(4) defines "Trade Secret" as follows:

"(4) 'Trade secret,' information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

- (i) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and
- (ii) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy."

Relying on the foregoing Working Assets respectfully requests confidential treatment for the financial information outlined above.

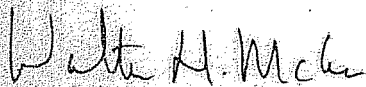
2. The toll free number at which Working Assets staff may be reached is (800) 668-9253.
3. Working Assets does not engage in any multilevel marketing.
4. Working Assets is providing Emerging Competitive Service as defined in 49-31-1.2
5. See Attached Tariff
6. See Attached Tariff
7. See Attached Tariff



8. Ms. Mary Healy of the Commission staff called in February or March of this year to ask if we were Certificated. It was the ensuing conversation with Ms. Healy and our attorney, as well as an internal investigation that made us aware that Certification was necessary.
9. Calculation of the amount owed will follow by fax tomorrow or Wednesday. Payment will be made in the early part of next week.

Should you have any further questions, I may be reached at (415) 369-2084.

Sincerely,

A handwritten signature in dark ink, appearing to read "Walter N. McGee". The signature is written in a cursive, slightly slanted style.

Walter N. McGee

Encs.

**CONFIDENTIAL**

## Independent Auditors' Report

The Board of Directors  
Working Assets Funding Service, Inc.

We have audited the accompanying consolidated balance sheets of Working Assets Funding Service, Inc. and subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of income, stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Working Assets Funding Service, Inc. and subsidiaries as of December 31, 2000 and 1999, and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

*Moss Adams LLP*

San Francisco, California  
February 23, 2001

**CONFIDENTIAL**



## WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Consolidated Balance Sheets

| <u>Assets</u>                                                                                                | <u>December 31,</u> |               |
|--------------------------------------------------------------------------------------------------------------|---------------------|---------------|
|                                                                                                              | <u>2000</u>         | <u>1999</u>   |
| Current assets:                                                                                              |                     |               |
| Cash and cash equivalents, including restricted cash<br>of \$2,633,000 for 2000 and \$3,334,000 for 1999     | \$ 22,572,175       | \$ 23,700,240 |
| Investment securities, including restricted securities of<br>\$1,046,000 for 2000 and \$999,000 for 1999     | 2,046,123           | 1,132,755     |
| Accounts receivable (less allowance for doubtful accounts<br>of \$1,646,000 for 2000 and \$985,000 for 1999) | 6,510,307           | 7,416,295     |
| Other receivables                                                                                            | 1,152,713           | 1,262,115     |
| Prepaid expenses                                                                                             | 790,666             | 647,767       |
| Deferred and prepaid advertising costs                                                                       | 247,109             | 628,823       |
| Current portion of note receivable                                                                           |                     | 152,500       |
| Inventory                                                                                                    | 371,645             | 33,662        |
| Income taxes receivable                                                                                      | 92,830              | 33,919        |
| Total current assets                                                                                         | 33,783,568          | 35,008,076    |
| Furniture and equipment, net                                                                                 | 1,260,560           | 1,258,825     |
| Other assets                                                                                                 | 540,405             | 422,424       |
|                                                                                                              | \$ 35,584,533       | \$ 36,689,325 |
| <u>Liabilities and Stockholders' Equity</u>                                                                  |                     |               |
| Current liabilities:                                                                                         |                     |               |
| Payable to long distance carriers                                                                            | \$ 3,948,742        | \$ 3,315,537  |
| Accounts payable and other accrued liabilities                                                               | 7,677,905           | 6,409,978     |
| Note payable - short-term portion                                                                            | 55,020              | 51,056        |
| Dividend payable                                                                                             | 5,000,000           | 8,731,461     |
| Donations payable                                                                                            | 3,940,431           | 2,137,399     |
| Total current liabilities                                                                                    | 20,622,098          | 20,645,431    |
| Note payable - long-term portion                                                                             | 375,937             | 430,937       |
| Total liabilities                                                                                            | 20,998,035          | 21,076,368    |
| Stockholders' equity:                                                                                        |                     |               |
| Common stock, no par value, 16,000,000 shares authorized                                                     | 4,877,580           | 3,295,408     |
| Retained earnings                                                                                            | 9,708,918           | 12,317,529    |
| Total stockholders' equity                                                                                   | 14,586,498          | 15,612,937    |
|                                                                                                              | \$ 35,584,533       | \$ 36,689,325 |

See accompanying notes to consolidated financial statements.

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Consolidated Statements of Income

|                                                        | Years ended<br>December 31, |                      |
|--------------------------------------------------------|-----------------------------|----------------------|
|                                                        | <u>2000</u>                 | <u>1999</u>          |
| Revenues:                                              |                             |                      |
| Sales of long distance service provided (residential)  | \$ 125,819,275              | \$ 125,304,657       |
| Sales of long distance service provided (commercial)   | 8,369,719                   | 8,762,848            |
| Credit card fees                                       | 3,162,832                   | 3,293,596            |
| Other                                                  | <u>4,231,385</u>            | <u>2,748,216</u>     |
| Total revenues                                         | 141,583,211                 | 140,114,317          |
| Operating expenses:                                    |                             |                      |
| Costs of long distance service provided (residential): |                             |                      |
| Network                                                | 49,066,729                  | 52,965,312           |
| Provision for doubtful accounts                        | 3,137,085                   | 3,417,901            |
| Operations                                             | 13,412,549                  | 12,637,131           |
| Marketing                                              | <u>13,284,138</u>           | <u>13,346,543</u>    |
| Costs of long distance service provided (commercial):  |                             |                      |
| Network                                                | 4,690,550                   | 4,913,481            |
| Provision for doubtful accounts                        | 56,295                      | 114,798              |
| Operations                                             | 1,517,856                   | 1,947,743            |
| Marketing                                              | <u>66,525</u>               | <u>140,419</u>       |
| Network, other                                         | 2,591,628                   | 1,559,115            |
| Operations, other                                      | 3,674,966                   | 1,310,880            |
| Marketing, other                                       | 1,666,751                   | 1,552,090            |
| Donations                                              | 3,441,994                   | 2,036,645            |
| General and administrative                             | <u>12,315,014</u>           | <u>10,043,125</u>    |
|                                                        | <u>108,922,080</u>          | <u>107,985,922</u>   |
| Operating profit                                       | 32,661,131                  | 32,128,395           |
| Other income (expense):                                |                             |                      |
| Interest income                                        | 1,207,717                   | 763,269              |
| Interest expense                                       | (34,853)                    | (74,043)             |
| Other                                                  | <u>(1,443)</u>              | <u>34,357</u>        |
|                                                        | <u>1,171,421</u>            | <u>723,583</u>       |
| Net income before income taxes                         | 33,832,552                  | 32,902,508           |
| Provision for income taxes                             | <u>(554,264)</u>            | <u>(479,812)</u>     |
| Net income                                             | \$ <u>33,278,288</u>        | \$ <u>32,422,696</u> |

See accompanying notes to consolidated financial statements.

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Consolidated Statements of Stockholders' Equity

Years ended December 31, 2000 and 1999

|                                             | <u>Common stock</u> |                     | <u>Retained earnings</u> | <u>Total</u>         |
|---------------------------------------------|---------------------|---------------------|--------------------------|----------------------|
|                                             | <u>Shares</u>       | <u>Amount</u>       |                          |                      |
| Balances as of December 31, 1998            | 4,463,912           | \$ 2,403,799        | \$ 11,918,541            | \$ 14,322,340        |
| Common stock issued                         | 150,114             | 1,044,485           | —                        | 1,044,485            |
| Repurchase of common stock                  | (23,777)            | (152,876)           | (91,567)                 | (244,443)            |
| Options repurchased for cash by the Company | —                   | —                   | (72,806)                 | (72,806)             |
| Dividends                                   | —                   | —                   | (31,859,330)             | (31,859,330)         |
| Net income                                  | —                   | —                   | 32,422,691               | 32,422,691           |
| Balances as of December 31, 1999            | 4,590,249           | \$ 3,295,408        | \$ 12,317,529            | \$ 15,612,937        |
| Common stock issued                         | 296,085             | 2,150,399           | —                        | 2,150,399            |
| Repurchase of common stock                  | (74,624)            | (558,227)           | (298,976)                | (867,203)            |
| Options repurchased for cash by the Company | —                   | —                   | (87,923)                 | (87,923)             |
| Dividends                                   | —                   | —                   | (35,500,000)             | (35,500,000)         |
| Net income                                  | —                   | —                   | 33,278,288               | 33,278,288           |
| Balances as of December 31, 2000            | <u>4,811,710</u>    | <u>\$ 4,877,580</u> | <u>\$ 9,708,918</u>      | <u>\$ 14,586,498</u> |

See accompanying notes to consolidated financial statements.

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Consolidated Statements of Cash Flows

|                                                                                   | Years ended<br>December 31, |                      |
|-----------------------------------------------------------------------------------|-----------------------------|----------------------|
|                                                                                   | 2000                        | 1999                 |
| Cash flows from operating activities:                                             |                             |                      |
| Net income                                                                        | \$ 33,278,288               | \$ 32,422,691        |
| Adjustments to reconcile net income to net cash provided by operating activities: |                             |                      |
| Depreciation and amortization                                                     | 645,997                     | 541,380              |
| Loss on disposal of fixed assets                                                  | 17,230                      | 62,375               |
| Provision for doubtful accounts                                                   | 3,291,619                   | 3,592,816            |
| Common stock issued for employee benefits                                         | 2,880                       | 4,884                |
| Amortization of investment securities                                             | 85,755                      | —                    |
| Changes in operating assets and liabilities:                                      |                             |                      |
| Accounts receivable                                                               | (2,385,631)                 | (4,315,109)          |
| Other receivables                                                                 | 109,402                     | (541,467)            |
| Prepaids and other assets                                                         | 140,301                     | (362,905)            |
| Inventory                                                                         | (371,844)                   | —                    |
| Note receivable                                                                   | 152,500                     | —                    |
| Payable to long distance carriers                                                 | 633,203                     | (555,251)            |
| Accounts payable and other accrued liabilities                                    | 1,267,927                   | 601,774              |
| Income taxes receivable                                                           | (58,912)                    | 103,856              |
| Donations payable                                                                 | 1,803,032                   | 331,616              |
| Net cash provided by operating activities                                         | <u>38,611,947</u>           | <u>31,986,660</u>    |
| Cash flows from investing activities:                                             |                             |                      |
| Purchases of furniture and equipment                                              | (650,765)                   | (1,015,200)          |
| Proceeds from sales/maturities of securities                                      | 1,047,000                   | 1,439,492            |
| Purchases of investment securities                                                | (2,046,123)                 | (999,414)            |
| Net cash used in investing activities                                             | <u>(1,649,888)</u>          | <u>(575,122)</u>     |
| Cash flows from financing activities:                                             |                             |                      |
| Repurchase of common stock                                                        | (867,203)                   | (244,443)            |
| Stock options exercised for cash                                                  | (87,923)                    | (72,806)             |
| Payments on note payable                                                          | (51,056)                    | (42,987)             |
| Proceeds of shares issued                                                         | 2,147,519                   | 1,039,601            |
| Dividends paid                                                                    | (39,231,461)                | (28,564,739)         |
| Net cash used in financing activities                                             | <u>(38,090,124)</u>         | <u>(27,905,374)</u>  |
| Net increase in cash and cash equivalents                                         | (1,128,065)                 | 3,516,164            |
| Cash and cash equivalents at the beginning of the year                            | <u>23,700,240</u>           | <u>20,184,076</u>    |
| Cash and cash equivalents at end of year                                          | <u>\$ 22,572,175</u>        | <u>\$ 21,700,240</u> |
| Supplemental disclosures of cash flow information:                                |                             |                      |
| Cash paid during the year for:                                                    |                             |                      |
| Interest                                                                          | \$ 34,000                   | \$ 23,000            |
| Income taxes, net                                                                 | \$ 590,000                  | \$ 393,000           |
| Non-cash financing and investing activities:                                      |                             |                      |
| Issuance of common stock for certain employee benefits                            | \$ 2,880                    | \$ 4,884             |
| Radio station assets acquired for note payable                                    | \$ —                        | \$ 525,000           |
| Dividend declared, not paid (net) as of December 31                               | \$ 3,731,461                | \$ 3,274,591         |

See accompanying notes to consolidated financial statements.

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

### (1) Description of Business and Summary of Significant Accounting Policies

Working Assets Funding Service, Inc. (the Company) is a for profit company primarily engaged in the business of marketing consumer and business services to generate donations for organizations working for peace, human rights, economic and social justice, the environment, and education. These services are primarily provided under contract by long distance telephone carriers, a commercial bank, and other service providers. The Company also provides customers the opportunity to speak out on vital issues through letters and phone calls to targeted decision-makers in Congress and in business. The Company's principal market is individuals, small businesses and not-for-profit organizations, located throughout the United States. The Company also operates a radio station in Boulder, Colorado and a number of internet sites.

The Company has two wholly-owned subsidiaries, Working Assets OnLine, Inc., which operates certain of the companies internet sites, and Working Assets Green Power, Inc. which has been inactive since 1998.

The majority of the Company's long distance service is provided by two long distance carriers. Terms of the contracts provide the Company with a certain amount of time to switch all service provided to alternative carriers. Management feels that a discontinuation of service from the current principal carriers would not cause delays in service or significant loss of revenues. Billing, collections, and customer service are also provided by third-party vendors. To mitigate risks in the event of a premature discontinuation of service from these vendors, the Company has agreements with alternate vendors to perform customer service and collection services. The Company also has a disaster recovery plan that covers short-term billing services.

#### *Basis of Consolidation*

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions have been eliminated.

#### *Cash and Cash Equivalents*

Cash and cash equivalents are comprised of highly liquid instruments with original maturities of three months or less. Cash equivalents, held in money market funds, totaled \$21.2 million as of December 31, 2000, and \$22.8 million as of December 31, 1999. At these dates, \$2.0 million and \$2.1 million, respectively, were segregated by management for the payment of donations. In addition, as of December 31, 2000 and 1999, \$633,000 and \$1.2 million, respectively, were restricted by certain contracts and leases entered into by the Company. For these reasons, such funds are designated as restricted in the accompanying consolidated balance sheets.

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

Financial instruments, which potentially subject the Company to credit risk, consist principally of cash on deposit in excess of federally insured limits. The Company maintains its cash with high-credit, quality financial institutions.

### *Investment Securities*

The Company's investment portfolio is comprised principally of U.S. Treasury bills with maturities of not more than one year. Debt securities that the Company has both the intent and ability to hold to maturity are classified as "held-to-maturity" and are carried at amortized cost. Debt securities that the Company does not have the intent and ability to hold to maturity are classified as "available-for-sale" and carried at fair value with unrealized holding gains or losses on these securities, net of applicable taxes, included as a separate component of stockholders' equity, if material. The estimated fair value of investments is determined based on quoted market prices. Realized gains and losses are recognized using the specific identification method. If it is probable that the carrying value of any debt security will not be realized due to other than temporary impairment, the estimated loss is recorded in other expense. As of December 31, 2000 and 1999, debt securities classified as "held-to-maturity" aggregated \$2.0 million and \$1.0 million, respectively. At December 31, 2000 and 1999, debt securities totaling \$967,000 and \$1.0 million, respectively, were restricted by a lease entered into by the Company.

### *Furniture and Equipment*

Furniture and equipment are stated at cost net of accumulated depreciation. Depreciation is computed using the straight-line method based on estimated useful lives of two to seven years. Leasehold improvements are depreciated over the lesser of the term of the lease or useful life of the improvements.

### *Revenue and Accounts Receivable*

#### Sales of Long Distance Service Provided

Sales of long distance service provided are principally derived from volume purchase agreements between the Company and two major long distance carriers (Carriers) under which the Company purchases long distance phone service from the Carriers at tariffed, discounted rates and resells it to customers at residential and commercial rates. Revenue is recognized at the time of billing, one month after the service is utilized.

#### Credit Card Fees

The Company has an agreement with a bank, which provides the Company with revenue based on card balances and transactions on credit cards issued to the Company's customers. Income is recognized in the month earned.



# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

### Other

Other revenue is comprised of revenue from a number of sources, including Flash Activist Network fees, internet service fees, book sales, and affiliate commissions. The Flash Activist Network quickly notifies concerned citizens who want to influence decision makers on key issues as they unfold. This service provides customers the means to reach decision makers immediately on fast-moving legislation via fax, phone or e-mail. Revenue is generated from a monthly service fee.

### Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable represent amounts due for services rendered and are shown net of the allowance for doubtful accounts. The provision for doubtful accounts is determined by management based upon forecasting trends calculated from historical activity.

### Advertising

The Company's advertising costs, including direct mail costs, are expensed the first time the advertising takes place. Total advertising expenses, which are included in marketing expense in the accompanying consolidated statements of income, were approximately \$3,855,000 and \$6,871,000 during 2000 and 1999, respectively, and total deferred and prepaid advertising costs were approximately \$247,000 and \$629,000 as of December 31, 2000 and 1999, respectively.

### Donations

Donations are provided to selected organizations working for peace, human rights, economic and social justice, and the environment from revenues generated by telephone, sign-up and purchase transactions by credit cardholders, and service fees. Eligible organizations are nominated by the Company's customers and selected by the Board of Directors. The allocation of donations is determined by a vote of the Company's customers. Donations payable as of December 31, 1999 were paid in March 2000. Donations payable as of December 31, 2000 were paid in February 2001. In addition to the \$3.4 million in 2000 and \$2.0 million in 1999 included in donations in the accompanying income statement, residential marketing expense for December 31, 2000 and 1999 include \$1.1 million and \$100,000, respectively, in donations. Customer-generated donations for both 2000 and 1999, including bill round-ups and year-end ballot donations, totaled \$1.5 million.

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

### *Income Taxes*

As of January 1, 1998, the Company received approval from the Internal Revenue Service to change to Subchapter S status. Accordingly, with the exception of a 1.5% tax imposed by the state of California, all income taxes are now the responsibility of the stockholders. Distributions will be periodically made to the stockholders for federal and state liability purposes. The subsidiary formed by the Company in 2000 also elected Subchapter S status. The Company's inactive subsidiary did not elect to be taxed under Subchapter S. Future income of this subsidiary, if any, will be taxed at corporate rates. The effect on deferred tax assets and liabilities of a change in tax rates was recognized in income in the period that included the enactment date.

### *Stock-Based Compensation Plans*

The Company accounts for its stock-based compensation plan using the intrinsic value method.

### *Use of Estimates*

The preparation of consolidated financial statements and accompanying footnotes in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **(3) Furniture and Equipment**

Furniture and equipment consisted of the following as of December 31:

|                                 | <u>2000</u>         | <u>1999</u>         |
|---------------------------------|---------------------|---------------------|
| Computer equipment and software | \$ 2,479,172        | \$ 1,928,294        |
| Furniture and fixtures          | <u>1,204,667</u>    | <u>1,130,415</u>    |
|                                 | 3,683,839           | 3,058,709           |
| Less accumulated depreciation   | <u>2,423,279</u>    | <u>1,799,884</u>    |
|                                 | \$ <u>1,260,560</u> | \$ <u>1,258,825</u> |

## **(4) Stockholders' Equity**

### *Common Stock*

On May 10, 1999, the Company implemented an eight-for-one split of its common stock. Shares, authorized and outstanding, and stock options prior to this date have been restated in the accompanying financial statements to reflect this split.



# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

During 2000 and 1999, the Company repurchased 74,624 and 23,777 shares of common stock, respectively from the Employee Savings Plan and certain shareholders.

### Stock Option Plan

The Company has four stock option plans, of which three are nonqualified stock option plans and one is an incentive stock option plan, whereby options may be granted under the plans from time to time to enable key employees and directors of the Company to purchase shares of common stock.

Nonqualified stock options have a term of 10 years and vest over 5 years as determined by the Board of Directors at the date of grant. Incentive stock options have a term that is not to exceed 10 years from the date of grant, and vest over not more than 5 years as determined by the Board of Directors at the date of grant.

Options are granted with an exercise price of the fair market value at the measurement date, which is the date of grant, with the exception of options granted to shareholders owning 10 percent or more of the Company's stock, in which case the exercise price is at least 110 percent of the fair market value at the measurement date, which is the date of grant. Accordingly, no compensation expense related to stock options has been recognized in the accompanying consolidated statements of income.

A summary of stock option activity follows:

|                                                                       | Years ended<br>December 31, |                                       |                |                                       |
|-----------------------------------------------------------------------|-----------------------------|---------------------------------------|----------------|---------------------------------------|
|                                                                       | 2000                        |                                       | 1999           |                                       |
| Options                                                               | Shares                      | Weighted-average<br>exercise<br>price | Shares         | Weighted-average<br>exercise<br>price |
| Outstanding at beginning of year                                      | 627,795                     | \$ 7.91                               | 554,408        | \$ 5.95                               |
| Granted                                                               | 232,290                     | 12.17                                 | 272,435        | 10.48                                 |
| Exercised                                                             | (241,863)                   | 5.88                                  | (107,597)      | 4.97                                  |
| Canceled                                                              | (17,949)                    | 9.56                                  | (91,451)       | 8.50                                  |
| Options at end of year                                                | <u>600,273</u>              | \$10.25                               | <u>627,795</u> | \$ 7.91                               |
| Options exercisable at year-end                                       | <u>84,036</u>               |                                       | <u>146,082</u> |                                       |
| Weighted-average fair value of<br>options granted during the<br>year: |                             |                                       |                |                                       |
| Exercise price equal to<br>market price at grant<br>date              |                             | \$ 1.71                               |                | \$ 1.58                               |
| Exercise price exceeds<br>market price at grant<br>date               |                             | \$ 0.72                               |                | \$ 0.71                               |

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

The following table summarizes information about stock options outstanding as of December 31, 2000:

| <u>Range of<br/>exercise prices</u> | <u>Number<br/>outstanding</u> | <u>Weighted-<br/>average<br/>remaining<br/>contractual<br/>life</u> | <u>Weighted-<br/>average<br/>exercise<br/>price</u> | <u>Number<br/>exercisable</u> |
|-------------------------------------|-------------------------------|---------------------------------------------------------------------|-----------------------------------------------------|-------------------------------|
| \$2.95 - \$3.10                     | 20,400                        | 4.4 years                                                           | \$ 3.03                                             | 20,400                        |
| 5.11 - 6.84                         | 68,538                        | 4.8 years                                                           | 5.46                                                | 24,640                        |
| 8.63 - 10.30                        | 218,045                       | 7.2 years                                                           | 9.86                                                | 38,996                        |
| 11.17 - 14.08                       | 293,290                       | 6.8 years                                                           | 12.15                                               | —                             |

The Company applies the intrinsic value method prescribed by Accounting Principles Board Opinion No. 25 (APB 25), *Accounting for Stock Issued to Employees* in accounting for its stock-based compensation plans. Had the compensation cost of the stock option plans been determined consistent with the fair value approach set forth in SFAS 123, *Accounting for Stock-Based Compensation*, the Company's net income for 2000 and 1999 would not have differed materially.

The fair value of options granted during the years ended December 31, 2000 and 1999, is estimated at the date of grant using the minimum value method, with the following weighted-average assumptions: risk-free interest rates of 5.26% in 2000 and 5.49% in 1999, and an expected life of 3 years for options granted in both 2000 and 1999.

### (4) Employee Savings Plan

In 1990, the Company established an employee savings plan (the Plan) under Section 401(k) of the Internal Revenue Code. The Plan covers most full-time employees. Employees can contribute up to 15% of compensation, excluding bonuses, subject to statutory limit of \$10,500 and \$10,000 for 2000 and 1999, respectively. The Company matches 100% of each employee's first \$2,000 in contributions, 80% of amounts over \$2,000 up to \$3,000 and 50% of remaining contributions. The Company recognized expense related to the matching commitment of approximately \$239,000 and \$233,000 in 2000 and 1999, respectively, which is included in general and administrative expense in the accompanying consolidated statements of income.

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

The Plan includes a profit-sharing, discretionary contribution in the form of Company common stock. This contribution covers all full-time employees who have worked at the Company for at least 1,000 hours during the year the contribution relates to and are still employed by the Company as of December 31 of that year. The contribution vests over a 5 to 7 year period (from the date of employment, on a plan-year basis) as determined by the Board of Directors. The Company recognized expense of \$321,000 and \$103,000 for this contribution in 2000 and 1999, respectively. Accounts payable and other accrued liabilities reported in the accompanying consolidated balance sheet include accruals for this contribution of \$412,000 and \$103,000 as of December 31, 2000 and 1999, respectively. The 2000 contribution was paid in January 2001. As a result of the Company's change in corporate structure (see note 5), the stock portion of the plan has been restructured in the form of an employee stock ownership plan.

### (5) Income Taxes

As of January 1, 1998, the Company received approval from the Internal Revenue Service to change to Subchapter S status. There was no federal income tax expense in 2000 or 1999, and there were no deferred income taxes at December 31, 2000 or December 31, 1999.

### (6) Related Party Transactions

The Company purchases services from a not-for-profit organization whose president is a Board Member. These services include managing funds donated by customers to be distributed to groups. Fees for these services were approximately \$15,000 in 2000 and 1999. This not-for-profit organization is also an investor in a limited partnership in which the Company has invested. In 2000 and 1999, the Company also purchased services from a firm partly owned by a relative of an officer of the Company. Fees for these services were approximately \$10,000 and \$36,000 in 2000 and 1999, respectively. In addition, the company has given advances on salaries to certain employees of the company. At December 31, 2000, these advances total \$92,000.

### (7) Leases

The Company is obligated under various operating leases for office facilities. Rent expense approximated \$858,000 and \$813,000 for the years ended December 31, 2000 and 1999, respectively. The 2000 amount was offset by sublease income of \$77,000. Future minimum lease payments required under leases as of December 31, 2000, are as follows:

# WORKING ASSETS FUNDING SERVICE, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2000 and 1999

### Year ending December 31:

|      | <u>Minimum<br/>rentals</u> |
|------|----------------------------|
| 2001 | \$ 988,000                 |
| 2002 | 958,000                    |
| 2003 | 938,000                    |
| 2004 | 77,000                     |
| 2005 | —                          |
|      | <u>\$ 2,961,000</u>        |

Total minimum future lease payments have not been reduced by \$123,000 of sublease rentals to be received in the future under non-cancelable subleases.

### (2) Commitments

The Company has entered into a contract with a long distance carrier for the purchase of services. The minimum annual purchase commitment for 2001 for network costs is \$6.0 million. Expenditures during 2000, for these services approximated \$7.7 million. It is expected that the Company's usage will be above minimum commitment levels and therefore, it is not expected that the Company would incur losses under these commitments.

WORKING ASSETS FUNDING SERVICE, INC.

"1+" RESELLER SERVICE

This Tariff contains the descriptions, regulations, and rates applicable to the furnishing of telecommunication services provided by Working Assets Funding Service between one or more points in the State of South Dakota.

State of Issue:

Effective Date:.....

Authorized By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service  
101 Market Street, Suite 700  
San Francisco, CA 94105

CHECK SHEET

Pages 1 through 60 inclusive of this Tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below represent all changes from the original Tariff and are currently in effect as of the date on the bottom of this page.

| <u>SHEET</u> | <u>REVISION</u> | <u>SHEET</u> | <u>REVISION</u> |
|--------------|-----------------|--------------|-----------------|
| Title Page   | Original        | 32           | Original        |
| 1            | Original        | 33           | Original        |
| 2            | Original        | 34           | Original        |
| 3            | Original        | 35           | Original        |
| 4            | Original        | 36           | Original        |
| 5            | Original        | 37           | Original        |
| 6            | Original        | 38           | Original        |
| 7            | Original        | 39           | Original        |
| 8            | Original        | 40           | Original        |
| 9            | Original        | 41           | Original        |
| 10           | Original        | 42           | Original        |
| 11           | Original        | 43           | Original        |
| 12           | Original        | 44           | Original        |
| 13           | Original        | 45           | Original        |
| 14           | Original        | 46           | Original        |
| 15           | Original        | 47           | Original        |
| 16           | Original        | 48           | Original        |
| 17           | Original        | 49           | Original        |
| 18           | Original        | 50           | Original        |
| 19           | Original        | 51           | Original        |
| 20           | Original        | 52           | Original        |
| 21           | Original        | 53           | Original        |
| 22           | Original        | 54           | Original        |
| 23           | Original        | 55           | Original        |
| 24           | Original        | 56           | Original        |
| 25           | Original        | 57           | Original        |
| 26           | Original        | 58           | Original        |
| 27           | Original        | 59           | Original        |
| 28           | Original        | 60           | Original        |
| 29           | Original        |              |                 |
| 30           | Original        |              |                 |
| 31           | Original        |              |                 |

\*Included in first change to tariff

Date of Issue:

Effective Date:.....

Issued By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service  
101 Market Street, Suite 700  
San Francisco, CA 94105

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SYMBOLS USED IN THIS TARIFF

- (D) - Delete or Discontinue.
- (I) - Change resulting in an increase to a subscriber's bill.
- (M) - Moved from another tariff location.
- (N) - New.
- (R) - Change resulting in a reduction to a subscriber's bill.
- (T) - Change in text or regulation but no change in rate or charge.
- (Z) - Correction

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# TARIFF FORMAT

- A. Page Numbering - page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the Tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between page 14 and 15 would be 14.1.
- B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the SDPUC. For example, the 4th revised page 14 cancels the 3rd revised page 14. Consult the check page for the page currently in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2.
  - 2.1
  - 2.1.1
  - 2.1.1.A
  - 2.1.1.A.1
  - 2.1.1.A.1.(a).
  - 2.1.1.A.1.(a).I
  - 2.1.1.A.1.(a).I.(i).
  - 2.1.1.A.1.(a).I.(i).(1).
- D. Check Pages - When a tariff filing is made with the SDPUC an updated check page accompanies the tariff filing. The check page lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the check page is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages).

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SECTION I  
GENERAL REGULATIONS

1. APPLICATION OF TARIFF

- 1.1 This Tariff contains the descriptions, regulations, and rates applicable to the furnishing of telecommunications services provided by Working Assets Funding Services, with principal offices at 101 Market Street, Suite 700, San Francisco, CA, 94105.
- 1.2 This Tariff applies to services furnished statewide within the state of South Dakota. This Tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected during normal business hours, at the Company's principal place of business.

2. DEFINITIONS

- 2.1 Certain terms used generally throughout this tariff for communications services furnished by the Carrier over its facilities are defined below.
- 2.1.1 Automatic Number Identification (ANI) - The calling telephone number identification that will be forwarded to the Carrier's network by the Local Exchange Company (LEC) as a call is placed. ANI is provided by the LEC only when LEC switch access Feature Group B direct or Feature Group D interconnections are used to gain access to carrier's switched telecommunications service.
- 2.1.2 Commercial MTS - Outbound toll services offered by the Carrier for business users billing at least \$150 monthly.
- 2.1.3 Company or Carrier - Working Assets Funding Services, dba/Working Assets Long Distance.
- 2.1.4 Day - From 8:00 AM up to, but not including, 5:00 PM local time on Monday through Friday, excluding Carrier-specified holidays.
- 2.1.5 Evening - From 5:00 PM up to, but not including, 11:00 PM local time on Sunday through Friday, and for 24 hours on Carrier-specified holidays unless a lower rate would normally apply.

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2. DEFINITIONS (Con't)

2.1.6 FCC - Federal Communications Commission

2.1.7 Holidays - All Carrier-specified holidays: New Year's Day#, Martin Luther King Day\*, President's Day\*, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day#, Thanksgiving Day, and Christmas Day#.

\* Applies to Federally observed day only.

# When this holiday falls on a Sunday, the Holiday calling rate applies to calls placed on the following Monday.

When this holiday falls on a Saturday, the Holiday calling rate applies to calls placed on the preceding Friday.

2.1.8 LEC - Local Exchange Carrier

2.1.9 Night/Weekend - From 11:00 PM up to, but not including, 8:00 AM local time, Sunday through Friday, any time on Saturday, any time on Sunday except for the period beginning at 5:00 PM up to, but not including, 11:00 PM.

2.1.10 Normal Work Hours - The time after 8:30 AM and before 5:30 PM Monday through Friday excluding Holidays.

2.1.11 Regular Billing - A standard bill sent in the normal Carrier Billing cycle. This billing consists of one bill for each amount assigned to the subscriber together with explanatory detail showing the derivation of the charges.

2.1.12 Residential Use - Average monthly usage that is 1000 minutes or less with less than a 3.5 minute average call length.

2.1.13 Subscriber - The person, firm, company or corporation, or other entity, having a communication requirement of its own, which contracts for service under this tariff and is responsible for the payment of charges as well as compliance with the Carrier's regulations pursuant to this tariff.

2.1.14 SDPUC - South Dakota Public Utilities Commission.

2.1.15 800 Services - Inbound toll services offered by the carrier

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### 3 DESCRIPTION OF SERVICES

3.1 Working Assets is a communications common carrier providing various intrastate toll communications services. Specific service offerings are described below.

#### 3.2 Timing of Calls

3.2.1 The subscriber's long distance usage charge is based on the actual usage of Carrier's network. Usage begins when the called party picks up the receiver. When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. A call is terminated when the calling party hangs up. Residential usage charges are rounded to the next full minute. Commercial usage charges are rounded to the next six seconds.

#### 3.3 Calculation of Distance

3.3.1 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.

3.3.2 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 and associated vertical and horizontal coordinates that are produced by Bell Communications Research in the NA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA:

$$\sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

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3 DESCRIPTION OF SERVICES (Con't)

3.4 Minimum Call Completion Rate

3.4.1 A subscriber can expect a call completion rate of not less than 99.6% during peak use periods for all Feature Group D services (1+ dialing).

3.5 Service Hours

3.5.1 Service is available 24 hours a day, seven days a week. Rate periods are applicable as indicated in the chart below and are based on the time at the point of origin of the call, except for 800 Services, where calls will be rated according to the time at the point of termination. The evening rate shall also apply for 24 hours on Carrier-specified holidays as defined in Rule No.2.1.7.

3.5.2 Calls that begin in one rate period and terminate in another will be prorated accordingly.

RATE PERIOD CHART

| MON                            | TUE | WED | THU | FRI | SAT                    | SUN |
|--------------------------------|-----|-----|-----|-----|------------------------|-----|
| 8:00 A.M.<br>to<br>5:00 P.M.*  |     |     |     |     | Day Rate               |     |
| 5:00 P.M.<br>to<br>11:00 P.M.* |     |     |     |     | Evening Rate           |     |
| 11:00 P.M.<br>to<br>8:00 A.M.* |     |     |     |     | Night and Weekend Rate |     |

\* To but not including.

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### 3. DESCRIPTION OF SERVICES (Con't)

#### 3.6 Emergency Services

3.6.1 Calls to Emergency Services are provided at no charge.

#### 3.7 Service Offerings

##### 3.7.1 Message Telecommunications Services (MTS)

3.7.1.A Residential and Commercial Message Telecommunications Services (MTS) are intercity services available for use by subscribers 24 hours a day. The subscriber's telephone line(s) are programmed by the local telephone company to automatically route "1+" and/or "10XXX" calls to the network.

3.7.1.B Subscribers may originate MTS from all locations and may terminate calls in all equal access locations within the State of South Dakota.

##### 3.7.2 800 Services

3.7.2.A 800 Services are virtual banded inbound toll services which permit calls to be completed at the subscriber's location without charge to the calling

3.7.2.B 800 Service calls are originated via normal shared use facilities and are terminated via the subscriber's local exchange service access line. 800 Service with a Working Assets-provided 800. NXX is available to subscribers as a stand-alone offering.

##### 3.7.3 800 Personal Identification Service

PIN 800 provides 800 service to residential and commercial customers through the use of a 4-digit Personal Identification Number ("PIN"). Multiple end users dial one toll-free number and terminate the call to the desired location by using a specific 4-digit PIN.

Date of Issue:

Effective Date: 1992.07.06

Issued By:

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Service Offerings. (cont'd.)3.7.4 Term Plans

These plans are complementary to an interstate service and are only available to commercial customers in combination with the corresponding interstate service.

3.7.5 Peak Rate Calling Plans

These calling plans have flat rates in peak and non-peak time periods. They are available only to residential customers. These plans are complementary to an interstate service and are only available in combination with that service.

3.7.6 One Rate Calling Plans

These calling plans have a 24 hour flat rate. They are available only to residential customers. These plans are complementary to an interstate service and are only available in combination with that service.

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#### 4. UNDERTAKING OF THE CARRIER

- 4.1 The Carrier's services are furnished for communications originating at equal access points within the State of South Dakota served by one or more of the certificated long distance carriers which carry the Carrier's long distance traffic.
- 4.2 The Carrier neither owns nor operates any long distance facility within the State of South Dakota but rather resells services provided by other long distance carriers. When authorized by the subscriber, the Carrier may act as the subscriber's agent for ordering access by the local exchange company instead of other carriers or entities to allow connection of a subscriber's location to the networks of long distance carriers who carry the Carrier's long distance traffic. The subscriber shall be responsible for all charges due for such service arrangement. The subscriber shall be billed by the Carrier, and shall be considered a subscriber of the Carrier and not of any other long distance carrier.
- 4.3 Request for service under this Tariff shall authorize the Carrier to conduct a credit search on the subscriber. The Carrier reserves the right to refuse service on the basis of credit history, and to refuse further service due to the late payment or non-payment by the subscriber.

#### 5. LIMITATIONS

- 5.1 Service is offered subject to the availability of carrier facilities and the provisions of this Tariff.
- 5.2 The Carrier reserves the right to discontinue or limit the use of service necessitated by conditions beyond its control, or when the subscriber is using the service in violation of the law or the provisions of this Tariff.
- 5.3 No service provided under this Tariff may be transferred or assigned by the subscriber, except with the express written consent of the Carrier. Such transfer or assignment shall apply only where there is no interruption of the use of service. Transferees or assigns shall be subject to the terms and conditions of this Tariff.

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5. LIMITATIONS (cont'd)

- 5.4 The Company's Services will operate as specified in its agreement with Customer during the 20<sup>th</sup> and 21<sup>st</sup> centuries. The Company will make reasonable efforts to cure any material failure to provide Services caused solely by year 2000 defects in the Company's and/or its underlying vendors' hardware, software or systems. Due to the interdependence among telecommunications companies, especially the dependence of Working Assets on its underlying vendors, and the interrelationship with non-Working Assets processes, equipment and systems, the Company is not responsible for failures caused by circumstances beyond its control including, but not limited to, failures caused by: (1) a local exchange carrier; (2) Customer premise equipment; (3) Customer; or (4) other telecommunications carriers and vendors. In addition, the Company does not assert compatibility between Working Assets Services and other services used by Customer.

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- 6.1 The liability of the Carrier for damages arising out of such delays, interruptions, interruptions, delays or errors or defects in the transmission occurring in the course of furnishing service, channels or other facilities and not caused by the negligence of the subscriber, commences on agreement to provide service and shall be determined in accordance with SBCS 49-43-1, 49-43-1.1 and any other applicable law.
- 6.2 When the facilities of other carriers are used in establishing connections to points not reached by the Carrier's facilities, the Carrier is not liable for any act or omission of the other carrier or carriers. The subscriber will indemnify and hold harmless the Carrier from any third party claims for such damages subject to the Rule No. 6.1 above.
- 6.3 The Carrier will make no refund on overpayments by a subscriber unless the claim for such overpayment together with proper evidence is submitted within two (2) years from the date of alleged overpayment. In calculating volume discounts will be adjusted based on total usage after all credits or adjustments have been applied.
- 6.4 The Carrier shall be indemnified and held harmless by the subscriber against claims for libel, slander, or infringement of copyright arising out of the material, data, information or other content transmitted through the Carrier's services, and against all other claims arising out of any act or omission of the subscriber in connection with any service provided by the Carrier.

Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains.

Stephen Chen, Vice President of Operations  
Working Assets Funding Group  
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## 7. TEMPORARY SUSPENSION FOR REPAIRS

- 7.1 The Carrier shall have the right to make necessary repairs or changes in its facilities at any time and will have the right to suspend service temporarily for the purpose of making the necessary repairs or changes in its system. When such suspension of service for any appreciable period is necessary the Carrier will give the subscribers who may be affected as reasonable notice thereof as circumstances will permit, and will prosecute the work with reasonable diligence, and if practicable at times that will cause the least inconvenience.
- 7.2 When the Carrier is repairing or changing its facilities, it shall take appropriate precautions to avoid unnecessary interruptions of conversations or subscriber's service.

## 8. ESTABLISHMENT AND REESTABLISHMENT OF CREDIT

- 8.1 The Carrier reserves the right to examine the credit record and check the references of all applicants or subscribers prior to accepting an order for new or expanded service. An unsatisfactory credit history may result in denial of service.

## 9. RESTORATION OF SERVICE

- 9.1 The use and restoration of service shall be in accordance with the priority systems of the long distance carriers providing service to Working Assets Funding Service.

## 10. DEPOSITS

- 10.1 The collection, amount and refund of deposits is governed by the Rules of the South Dakota Public Utilities Commission.

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## 11. ADVANCE PAYMENTS

- 11.1 For commercial subscribers from whom the Carrier feels an advance payment is necessary, Working Assets 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 first month's charges and, if necessary, a new advance payment will be collected for the next month.

## 12. TAXES

- 12.1 All federal, state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

## 13. NOTICES

- 13.1 Unless otherwise provided by these Rules, any notice from the Carrier to a subscriber may be given orally to the subscriber or his authorized representative, or by written notice properly deposited in any United States Post Office, postage prepaid, addressed to the subscriber at the subscriber's place of address.
- 13.2 Unless otherwise provided by these Rules, any notice from any subscriber to Carrier may be given orally to Carrier by the subscriber, or any authorized representative, or by written notice properly addressed and mailed to Carrier.

## 14. USAGE CHARGES

- 14.1 Charges will be billed monthly in arrears, with the exception of the billing of fixed charges which are billed in the month in which they occur. Subscriber will be billed for all usage accrued beginning immediately on access to the service. For the purpose of computing charges, a month is considered to consist of 30 days. Upon the request of the subscriber, invoices for low-billing accounts will be issued bi-monthly.

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#### 15. BILLING DATE

- 15.1 The billing date is dependent on the billing cycle assigned to the subscriber. The Company may bill customers on other than a monthly basis (e.g., every other month, every third month) unless a customer requests monthly billing. In no case will the Company issue bills less frequently than once every three months.

#### 16. BILL PAYMENT

- 16.1 Bills may be paid by mail, by telephone using a credit card, or by debit authorization prearranged by the customer. All charges for services are payable only in United States currency. Payment by mail may be made by check, money order, or cashier's check.

#### 17. RETURN CHECK FEE

- 17.1 A charge of ten dollars (\$10), or applicable state return check charge, whichever is less, will apply whenever a check or draft presented for payment of service is not accepted by the institution on which it is written.

#### 18. LATE CHARGES

- 18.1 Bills are due and payable within twenty days of the billing date. Bills not paid by the date specified on the invoice, as stated above, are subject to a 1.5% monthly finance charge, or the highest amount allowed by this state, whichever is lowest. Subscriber's service may be terminated if service is not paid for by the 10th day past the billing date.

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## 19. CANCELLATION FOR CAUSE

- 19.1 Disconnection of service for nonpayment or for other reasons is governed by the South Dakota Public Utilities Commission's Rules.
- 19.2 Also, the Carrier, after complying with the written notice requirements of the Rules of the South Dakota Public Utilities Commission, may cancel the application for or discontinue service without incurring any liability for any of the following reasons:
- a) Non-payment of any sum due to the Carrier for service for more than 30 days beyond the date of rendition of the bill for such services;
  - b) A violation of any of the provisions of this tariff;
  - c) A violation of any law, rule, regulation or policy of any governing authority having jurisdiction over Carrier's services;
  - d) The Carrier is prohibited from furnishing service by order of a court or other government authority having jurisdiction;
  - e) Upon request of the subscriber;
  - f) Abandonment of premises served, which includes, but is not limited to, three consecutive billing periods in which no direct dial, 800, or calling card calls are billed on the line to be disconnected;
  - g) Use of the service to injuriously affect the efficiency of the Company's personnel, plant, property, or service, including use of profane or obscene language intended to harass, frighten, or abuse carrier's personnel; or
  - h) For fraudulent use of service. Upon evidence of fraudulent use of the service Working Assets may discontinue service without notice. However, if the subscriber makes immediate payment for the estimated amount of service as has been fraudulently taken, Working Assets shall restore service in a manner consistent with the rates, charges, terms and conditions of this tariff. If a second offense is detected, the Company may refuse to reestablish service, subject to appeal to the Commission. The burden of proof of such fraudulent use will be upon Working Assets in case of an appeal to the Commission. This rule shall not be interpreted as relieving the subscriber or any other person of civil or criminal responsibility.

## 20. RECONNECTION FEE

Customers whose service has been blocked for non-payment are subject to a reconnection fee of \$10.00 for restoration of service.

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## 21. DISPUTED CHARGES AND COMPLAINTS

21.1 In the case of a billing dispute between the customer and the carrier for service furnished to the customer, the customer can take the following course of action:

21.1.1 First, the customer may request, and the Carrier will perform within 15 days of receipt of notification disputing the affected charges, an in-depth review of the disputed amount. During the period that the disputed amount is under investigation, the Carrier shall not pursue any collection procedures or assess late fees with regard to the disputed amount. (The undisputed portion and subsequent bills must be paid to avoid disconnection.)

21.1.2 Second, if there is still disagreement about the disputed amount after the investigation and the review by a manager of the Carrier, the customer may appeal to the SDPUC for investigation and decision.

21.1.3 Charges may be disputed up to 180 days from the date billed.

21.2 The address and telephone number of the SDPUC is:

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

1-800-332-1782

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

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SECTION II  
RATES

1. Message Telecommunications Service (MTS)

1.2 Dial-1 services are available for origination from Feature Group D end offices within the State of South Dakota.

1.3 Residential Service Rates

Residential service is billed by whole minutes, with partial minutes of usage rounded up to the next whole minute. These rates also apply to calls placed by casual callers. Rates are as follows:

1.3.A USAGE RATES:

|                |            | <u>Initial Minute</u> |                           | <u>Additional Minute</u> |                |                           |
|----------------|------------|-----------------------|---------------------------|--------------------------|----------------|---------------------------|
| <u>Mileage</u> | <u>Day</u> | <u>Evening</u>        | <u>Night/<br/>Weekend</u> | <u>Day</u>               | <u>Evening</u> | <u>Night/<br/>Weekend</u> |
| 0-10           | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 11-22          | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 23-55          | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 56-70          | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 71-124         | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 125-292        | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |
| 292+           | \$0.10     | \$0.10                | \$0.10                    | \$0.10                   | \$0.10         | \$0.10                    |

1.4 Commercial Service Rates

Commercial service is billed in six second increments after a 30 second minimum, with lesser amounts of usage rounded up to the next six seconds. Rates are as follows:

|              | <u>Day</u> | <u>Evening<br/>Night/Weekend</u> |
|--------------|------------|----------------------------------|
| Rate/Minute: | .192       | .222                             |

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SECTION II – RATES (Cont'd)

2. DIRECTORY ASSISTANCE (Available to MTS Subscribers.)
- 2.1 Subscribers will be billed \$.60 per call for directory assistance calls.
- 2.2 A credit allowance for Directory Assistance will be provided upon request if subscriber experiences poor transmission quality, is cut-off, receives an incorrect telephone number, or misdials the intended Directory Assistance number.
- 2.3 There will be a charge for all calls dialed from directory assistance after a telephone number has been obtained.

Directory Assistance call completion charge: \$.50 per call

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SECTION II - RATES (Cont'd)

3. Operator Services (Available to MTS Subscribers)

3.1 Operator Services are available from all originating service locations. The Operator Services per-minute base rates are as follows. An additional one-time Call Placement charge, as set forth below, will be added to the first minute of each call.

3.2 Non-Calling Card Usage Rates

| <u>Initial Minute</u> |            |             |                         | <u>Additional Minute</u> |             |                         |
|-----------------------|------------|-------------|-------------------------|--------------------------|-------------|-------------------------|
| <u>Mileage</u>        | <u>Day</u> | <u>Eve.</u> | <u>Night/<br/>Wkend</u> | <u>Day</u>               | <u>Eve.</u> | <u>Night/<br/>Wkend</u> |
| All                   | \$ .6900   | \$ .6900    | \$ .6900                | \$ .6900                 | \$ .6900    | \$ .6900                |

3.3 Dial-1 Call Placement Charges

|                                   |        |
|-----------------------------------|--------|
| 1. Collect Station-to-Station     | \$3.95 |
| 2. Collect Person-to-Person       | \$4.90 |
| 3. Person-to-Person               | \$4.90 |
| 4. Station-to-Station             | \$3.95 |
| 5. Operator Dialed Surcharge      | \$1.15 |
| 6. Third Party Person-to-Person   | \$4.90 |
| 7. Third Party Station-to-Station | \$3.95 |
| 8. Busy Line Verification*        | \$6.50 |
| 9. Emergency Interruption**       | \$6.50 |

\*Applies when the Company provides operator assistance to determine if there is an ongoing conversation at a called station.

\*\*Applies in addition to the Busy Line Verification charge when the Company provides operator assistance to interrupt an ongoing conversation, regardless of whether the interruption is successful

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SECTION II - RATES (Cont'd)

3. Operator Services (Available to MTS Subscribers) (Cont'd)

3.4 Calling Card Usage Rates

|                | <u>Initial</u> | <u>Additional</u>         |
|----------------|----------------|---------------------------|
| <u>Mileage</u> | <u>Day</u>     | <u>Night/<br/>Weekend</u> |
| 0-10           | \$ .4353       | \$ .2870                  |
| 11-22          | \$ .4850       | \$ .3277                  |
| 23-55          | \$ .5099       | \$ .3357                  |
| 56-70          | \$ .5288       | \$ .3357                  |
| 71-124         | \$ .5288       | \$ .3357                  |
| 125-292        | \$ .5288       | \$ .3357                  |
| 292+           | \$ .5597       | \$ .3357                  |

3.5 Calling Card Call Placement Charges

|                                         |        |
|-----------------------------------------|--------|
| 1. Collect Station-to-Station           | \$1.80 |
| 2. Collect Person-to-Person             | \$4.10 |
| 3. Person-to-Person                     | \$4.10 |
| 4. Station-to-Station                   | \$1.80 |
| 5. Directory Assistance Call Completion | \$1.80 |
| 6. Third Party Person-to-Person         | \$4.10 |
| 7. Third Party Station-to-Station       | \$1.80 |

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Working Assets Funding Service  
101 Market Street, Suite 700  
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SECTION II - RATES (Cont'd)

4. CALLING CARD (Available to MTS Subscribers).

- 4.1 A Calling Card is provided to all MTS subscribers at no charge. Calling Card Service allows subscribers who are away from their home or business to access the network to place calls from any location in the State of South Dakota. Access to the Working Assets network is gained by dialing 1-800-766-0606. The Calling Card Service per-minute rates described below apply to intrastate calls plus the following surcharge:

Charge per call: \$ 0.55\*

4.2 Calling Card Usage Rates

| <u>Initial Minute</u> |          |          |                 | <u>Additional Minutes</u> |          |                 |
|-----------------------|----------|----------|-----------------|---------------------------|----------|-----------------|
| Mileage               | Day      | Evening  | Night/<br>Wkend | Day                       | Evening  | Night/<br>Wkend |
| 0-10                  | \$ .2900 | \$ .2271 | \$ .1670        | \$ .1799                  | \$ .1439 | \$ .1079        |
| 11-16                 | \$ .3700 | \$ .2940 | \$ .2149        | \$ .1999                  | \$ .1599 | \$ .1199        |
| 17-22                 | \$ .3800 | \$ .2990 | \$ .2211        | \$ .2199                  | \$ .1759 | \$ .1319        |
| 23-30                 | \$ .4200 | \$ .3311 | \$ .2449        | \$ .2399                  | \$ .1919 | \$ .1439        |
| 31-40                 | \$ .4400 | \$ .3470 | \$ .2572        | \$ .2599                  | \$ .2079 | \$ .1559        |
| 41-55                 | \$ .4700 | \$ .3711 | \$ .2749        | \$ .2899                  | \$ .2319 | \$ .1739        |
| 56-85                 | \$ .5000 | \$ .3949 | \$ .2930        | \$ .3199                  | \$ .2559 | \$ .1919        |
| 86-124                | \$ .5200 | \$ .4111 | \$ .3049        | \$ .3399                  | \$ .2719 | \$ .2039        |
| 125-244               | \$ .5300 | \$ .4191 | \$ .3113        | \$ .3599                  | \$ .2879 | \$ .2159        |
| 245+                  | \$ .5400 | \$ .4271 | \$ .3170        | \$ .3799                  | \$ .3039 | \$ .2279        |

\*This surcharge applies to all calls placed via calling card w/o regard to calling plan unless the tariff describing the calling plan explicitly states otherwise.

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---

SECTION II - RATES (Cont'd)5. INTRANETWORK DISCOUNT

- 5.1 For residential subscribers, a 25% discount will be applied to those calls which terminate to other subscribers of Working Assets' communications services.
- 5.2 For commercial subscribers, a 10% discount will be applied to those calls which terminate to other subscribers of Working Assets' communications services who have the same billing telephone number as the commercial subscriber.
- 5.3 For residential subscribers whose total usage charges exceed \$25.00 per month a 15% discount shall be applied to all of their intrastate usage.
- 5.4 MTS, Calling Card, and Operator Service calls from hearing-impaired WALD customers using teletypewriters for residential telecommunications will be discounted by 20%. This discount is in addition to any other applicable discount. Customer must provide Working Assets with a medical doctor's signed statement verifying his or her impairment prior to receiving discount.

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SECTION II - RATES (Cont'd)

9. 800 SERVICE

9.1 Rates for 800 calls originating and terminating within the State of South Dakota.

|             | <u>Day</u> | <u>Evening</u> | <u>Night/<br/>Weekend</u> |
|-------------|------------|----------------|---------------------------|
| Rate/Minute | .3200      | .3200          | .3200                     |

Each fractional call is rounded up to the next one-tenth minute.

800 service is billed in six second increments after a 30 second minimum, with lesser amounts of usage rounded up to the next six seconds.

10. COMMERCIAL VOLUME DISCOUNTS

10.1 All dial-1 and 800 calls billed to commercial accounts not on a term plan receive the following discounts based on volume:

| <u>Gross Minute Usage</u> | <u>Volume Discount</u> |
|---------------------------|------------------------|
| 0-199                     | 0%                     |
| 200-599                   | 5%                     |
| 600-1,999                 | 10%                    |
| 2,000-3,899               | 12.5%                  |
| 3,900 +                   | 15%                    |

11. PIN 800 SERVICE

11.1 Monthly recurring fee of \$2.50 per account.

Usage Charge: \$.22 per minute

This usage shall not be included in the calculation of any discount in this tariff nor shall any discount be applied to the usage of this service.

Each fractional call is rounded up to the next full minute.

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SECTION II - RATES (Cont'd)

12. BUSINESS ADVANTAGE TERM PLAN III

- 12.1 This Term Plan is the interstate complement to, and is only available in combination with, the interstate Business Advantage Term Plan III.
- 12.2 The usage rate applies to intrastate dial-1, calling card, and toll-free calls appearing on your Working Assets bill except those placed with the aid of an operator and calls placed to directory assistance. The surcharge below applies to all calling card calls.

Usage rate: \$0.159 per minute  
Calling Card Surcharge: \$0.65 per call

- 12.3 In addition to the monthly usage rate listed in the preceding paragraph, all relevant fees and surcharges apply, as well.
- 12.4 Term of Agreement is one year.
- 12.5 If any part of this tariff is found invalid or unenforceable, the remaining provisions shall remain valid and enforceable.

Date of Issue:

Effective Date: 12.1.1994

Issued By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service  
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San Francisco, CA 94105

SECTION II - RATES (Cont'd)

13. NON-PROFIT TERM PLAN II

- 13.1 This Term Plan is the interstate complement to, and is only available in combination with, the interstate Non-Profit Term Plan II
- 12.3 The usage rate applies to intrastate dial-1, calling card, and toll-free calls appearing on your Working Assets bill except those placed with the aid of an operator and calls placed to directory assistance. The surcharge below applies to all calling card calls.
- Usage rate: \$0.159 per minute  
Calling Card Surcharge: \$0.65 per call
- 13.3 In addition to the monthly usage rate listed in the preceding paragraph, all relevant fees and surcharges apply, as well.
- 13.4 Term of Agreement is one year.
- 13.5 Customer is entitled to 10 minutes of Free Speech call(s) per day when the call is to policy maker designated by Working Assets. Free Speech minutes not used on one day cannot be carried over to any other day.
- 13.6 If any part of this tariff is found invalid or unenforceable, the remaining provisions shall remain valid and enforceable.

Date of Issue:

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Issued By:

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SECTION II - RATES (Cont'd)

14. SMALL BUSINESS TERM PLAN

- 14.1 This Term Plan is the interstate complement to, and is only available in combination with, the interstate Business Advantage Term Plan III.
- 14.2 The usage rate applies to intrastate dial-1, calling card, and toll-free calls appearing on your Working Assets bill except those placed with the aid of an operator and calls placed to directory assistance. The surcharge below applies to all calling card calls.
- Usage rate: \$0.159 per minute  
Calling Card Surcharge: \$0.65 per call
- 14.3 In addition to the monthly usage rate listed in the preceding paragraph, all relevant fees and surcharges apply, as well.
- 14.4 Term of Agreement is one year.
- 14.5 If any part of this tariff is found invalid or unenforceable, the remaining provisions shall remain valid and enforceable.

Date of Issue:

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SECTION II - RATES (Cont'd)15 PEAK RATE RESIDENTIAL CALLING PLANS15.1 Peak Rate Calling Plan No. 1

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.30 per minute | \$0.18 per minute |
| Calling Card: | \$0.30 per minute | \$0.18 per minute |
| Surcharge:    | \$0.10 per call   | \$0.10 per call   |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the Interstate Peak Rate Plan.

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SECTION II - RATES (Cont'd)15. PEAK RATE RESIDENTIAL CALLING PLANS15.2 Peak Rate Calling Plan No.2

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.15 per minute | \$0.15 per minute |
| Calling Card: | \$0.25 per minute | \$0.25 per minute |
| Surcharge:    | \$0.00            | \$0.00            |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the Interstate Peak Rate Plan.

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SECTION II - RATES (Cont'd)

15. PEAK RATE RESIDENTIAL CALLING PLANS

15.3 Peak Rate Calling Plan No.3

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.10 per minute | \$0.10 per minute |
| Calling Card: | \$0.59 per minute | \$0.59 per minute |
| Surcharge:    | \$0.99 per call   | \$0.99 per call   |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate Peak Rate Plan.

Date of Issue:

Effective Date:

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101 Market Street, Suite 700  
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SECTION II - RATES (Cont'd)15. PEAK RATE RESIDENTIAL CALLING PLANS15.4 Peak Rate Calling Plan No.4

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1:       | \$0.10 per minute | \$0.10 per minute |
| Calling Card: | \$0.50 per minute | \$0.50 per minute |
| Surcharge:    | \$0.99 per call   | \$0.99 per call   |

Where peak is 7am to 7pm and off-peak is 7pm to 7am. Off-peak also includes the entire 24 hours of each holiday as defined in this tariff.

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate Peak Rate Plan

Date of Issue:

Effective Date: 10/1/82

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SECTION II - RATES (Cont'd)15. PEAK RATE RESIDENTIAL CALLING PLANS15.5 Peak Rate Calling Plan No. 5

Customers selecting this Peak Rate Plan receive direct dial MTS service at the following rates:

|               | <u>PEAK</u>       | <u>OFF-PEAK</u>   |
|---------------|-------------------|-------------------|
| Dial 1        | \$0.25 per minute | \$0.15 per minute |
| Calling Card: | \$0.50 per minute | \$0.50 per minute |
| Surcharge:    | \$0.99 per call   | \$0.99 per call   |

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate Peak Rate Plan.

Date of Issue:

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WORKING ASSETS FUNDING SERVICE, INC  
d/b/a WORKING ASSETS LONG DISTANCE

S.D.F.U.C. TARIFF NO. 1  
Original PAGE NO. 42

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS

16.1 Calling Plan No. 1

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate, regardless of the time of day or day of week of the call:

Dial 1: \$0.15 per minute

Calling Card: \$0.25 per minute

Calling Card Surcharge: \$0.05 per minute

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate Plan.

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin)

16.2 Calling Plan No. 2

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate:

Dial 1: \$0.15 per minute

Calling Card: \$0.25 per minute  
Surcharge: \$0.05 per call

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate Plan.

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### TABLE 1. RESIDENTIAL CALLING PLANS (Contin.)

These Working Assets customers who receive bills via e-mail, and who pay their bills via automatic deduction from a checking account may receive interstate telephone service at the rates listed below:

|               |                   |
|---------------|-------------------|
| Direct Dial:  | \$0.15 per minute |
| Calling Card: | \$0.30 per minute |
| Calling Card  | Surcharge: none   |

Customers must comply with all three eligibility requirements to be able to choose this plan. If after enrolling in this calling plan the customer discontinues any one of the qualifying requirements, the customer is subject to removal from the plan, at which time s/he will automatically be returned to her/his previous Working Assets billing arrangement. If the customer enrolled in the plan at the initiation of Working Assets service, the customer will be transferred to the Peak Rate Calling Plan No. 1.

~~This plan is a complement to, and is only available in combination with, the corresponding interstate calling plan.~~

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SECTION II - RATES (Cont'd)ONE RATE RESIDENTIAL CALLING PLANS (Contin.)One Rate Plan No. 1

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate, regardless of the time of day or day of week of the call:

Local                      \$0.10 per minute

Calling Card            \$0.30 per minute

Long Distance          \$0.30 per call

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in conjunction with, the corresponding interstate One Rate Plan.

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Signed By:

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Working Assets Funding Service  
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SECTION II - RATES (Cont'd)10 ONE RATE RESIDENTIAL CALLING PLANS10.1 Calling Plan No. 4

Customers selecting this One Rate Plan receive direct dial MTS service at the following rate, regardless of the time of day or day of week of the call:

Dial 1: \$0.10 per minute

Calling Card: \$0.30 per minute

Surcharge: \$0.99 per minute

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate.

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SECTION II - RATES (Cont'd)

18. ONE RATE RESIDENTIAL CALLING PLANS

18.5 Calling Plan No. 5

Customers selecting the One Rate Plan receive direct dial MTS service at the following rate:

|               |                   |
|---------------|-------------------|
| Dial 1:       | \$0.10 per minute |
| Calling Card: | \$0.30 per minute |
| Surcharge:    | \$0.99 per call   |

Volume and Friendship discounts do not apply to traffic priced at these rates.

This Plan is the intrastate complement to, and is only available in combination with, the corresponding interstate One Rate Plan.

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SECTION II - RATES (Cont'd)16. ONE RATE RESIDENTIAL CALLING PLANS (Contin.)16.7 Calling Card Plan No. 1

Working Assets customers may choose this plan in place of the basic calling card rates and surcharges:

Usage charge: \$0.25 per minute

No calling card surcharge is applied to these calls. The payphone surcharge still applies

This plan is a complement to, and is only available in combination with the corresponding interstate calling card plan.

Volume and Friendship discounts do not apply to traffic priced at these rates.

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SECTION II - RATES (Cont'd)

16. ONE RATE RESIDENTIAL CALLING PLANS (Contin.)

16.8 Calling Card Plan No. 2

Working Assets customers may choose this plan in place of the basic calling card rates and surcharges:

|                     |                   |
|---------------------|-------------------|
| Monthly charge:     | \$1.00            |
| Usage charge:       | \$0.25 per minute |
| Payphone surcharge: | \$0.26            |

No calling card surcharge is applied to these calls.

16.9 Calling Card Plan No. 3

Working Assets customers may choose this plan in place of the basic or calling plan calling card rates and surcharges:

|                     |                   |
|---------------------|-------------------|
| Monthly charge:     | \$4.50            |
| Usage charge:       | \$0.10 per minute |
| Payphone surcharge: | \$0.26            |

No calling card surcharges are applied to these calls.

The surcharge for calls to Directory Assistance using this plan is \$0.95 per call.

This Plan is the intrastate complement to, and is only available in combination with, the interstate One Rate Plan contained in FCC No. 1, Section 2.6.

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Issued By:

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Date of Issue

1/1/2014

Issued By

Stephen G. H. Van der Horst  
Director General, Health Services  
Ministry of Health, Government of Ontario  
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Issued By

Walter J. Jones, Vice President, Marketing

Walter J. Jones, Vice President, Marketing

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Report Date:

Issued By:

Stephen Gurn, Vice President of Operations

Working Assets Funding Service

1014 Market Street, Suite 220

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Working Paper

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Stephen Quinn, Vice President, Operations

Working Assets Funding Service

101 Market Street, Suite 1100

San Francisco, CA 94102



SECTION II - RATES (Cont'd)17. MISCELLANEOUS CHARGES

## 17.1 Payphone Surcharge

This surcharge applies to any call initiated from a payphone and billed to a WALD customer. The surcharge merely passes on a charge billed to WALD by its underlying carrier(s) or the payphone provider.

Surcharge: \$.25 per call

Date of Issue: \_\_\_\_\_ Effective Date: \_\_\_\_\_

Issued By:

Stephen Gunn, Vice President of Operations  
Working Assets Funding Service  
101 Market Street, Suite 700  
San Francisco, CA 94105

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

IN THE MATTER OF THE APPLICATION OF )  
WORKING ASSETS FUNDING SERVICE, INC. )  
FOR A CERTIFICATE OF AUTHORITY TO )  
PROVIDE INTEREXCHANGE )  
TELECOMMUNICATIONS SERVICES IN )  
SOUTH DAKOTA )

**ORDER GRANTING  
CERTIFICATE OF  
AUTHORITY**

TC01-023

On March 8, 2001, 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 Working Assets Funding Service, Inc. (Working Assets).

Working Assets is a reseller who is currently providing interexchange services in South Dakota. A proposed tariff was filed by Working Assets. The Commission has classified long distance service as fully competitive.

On March 15, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of March 30, 2001, to interested individuals and entities. No petitions to intervene or comments were filed and at its May 8, 2001, meeting, the Commission considered Working Assets' request for a certificate of authority. Commission Staff recommended granting a certificate of authority.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24.02 and 20:10:24.03. The Commission finds that Working Assets has met the legal requirements established for the granting of a certificate of authority. Working Assets has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves Working Assets' application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that Working Assets' application for a certificate of authority is hereby granted. It is

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

Dated at Pierre, South Dakota, this 14th 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 first class mail, in properly addressed envelopes, with charges prepaid therein.

By: Melaine Kaelo

Date: 5/15/01

(OFFICIAL SEAL)

**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 as of the date of the  
Order Granting Certificate of Authority  
Docket No. TC01-023

*This is to certify that*

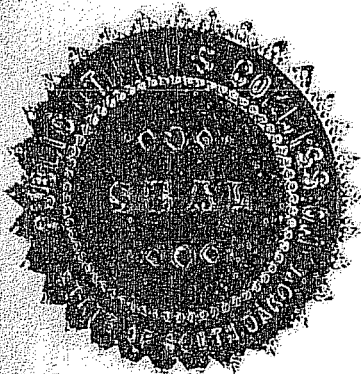
**WORKING ASSETS FUNDING SERVICE, INC.**

is authorized to provide interexchange 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 14th day of May 2001.

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION:



*James A. Burg*  
JAMES A. BURG, Chairman

*Pam Nelson*  
PAM NELSON, Commissioner