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Suite 285
Duluth, Georgia 30097

Also Admitted in New York
and Maryland

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

February 7, 2002

VIA OVERNIGHT DELIVERY

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

RECEIVED

FEB 08 2002

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

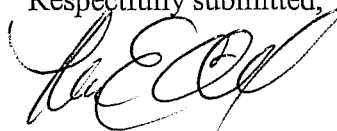
Re: TELEFYNE INCORPORATED

Dear Mr. Bullard:

Enclosed please find one original and ten (10) copies of TELEFYNE INCORPORATED's Application for Registration as an Alternative Operator Service Provider and applicable Tariff No. 2. Applicant was issued a Certificate of Authority to provide Interexchange Telecommunications Service in South Dakota on July 27, 2001, Order No. TC01-058.

I have also enclosed an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me via phone or email (kcampbell@telecomcounsel.com).

Respectfully submitted,



Karen E. Campbell
Regulatory Specialist
for Lance J.M. Steinhart
Attorney for TELEFYNE INCORPORATED

Enclosures

cc: Christine Stevens

APPLICATION FOR REGISTRATION
OF TELEFYNE INCORPORATED
FILED WITH THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)
APPLICATION OF)
TELEFYNE INCORPORATED)
)
FOR AN ORDER) Docket No.
AUTHORIZING THE REGISTRATION)
OF APPLICANT AS A)
ALTERNATIVE OPERATOR SERVICE)
PROVIDER)

APPLICATION

Application is hereby made to the South Dakota Public Utilities Commission for an Order authorizing TELEFYNE INCORPORATED ("Applicant") to register as an alternative operator service provider within the State of South Dakota. The following information is furnished in support thereof:

- 1. **Name, Address and Telephone Number of Applicant:**
TELEFYNE INCORPORATED
4286 Woodbine Road, Ste. B
Pace, Florida 32571
Telephone: (850) 995-8807
Toll-Free Customer Service: (888) 913-8282

- 2. **The name under which the Applicant will provide these services:**

TELEFYNE INCORPORATED

3. Applicant's corporate information:

Applicant was organized in the State of Nevada on February 2, 1998. A copy of the Applicant's Articles of Incorporation is attached hereto as Exhibit A. A copy of Applicant's Certificate of Authority to transact business as a foreign corporation in the State of South Dakota is attached hereto as Exhibit B.

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

National Corporate Research, Ltd.
C/O Marilyn Person
819 West Third
Pierre, South Dakota 57501

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

Name and Address	Shares Owned	Percentage of all Shares Issued and Outstanding and Voting Control
Jorge Bellas	2250	45%

All of the above can be reached through the company as set forth in Section 1 above.

4. Partnership Information:

Not Applicable.

5. Description of Services Applicant intends to offer:

Applicant is a reseller which intends to offer intrastate alternative operator services.

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

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

7. Geographic Areas in which services will be offered:

Applicant intends to provide alternative operator services on a statewide basis.

8. Financial Qualifications:

Applicant is financially qualified to provide intrastate alternative operator services within South Dakota. In particular, Applicant has adequate access to the capital necessary to fulfill any obligations it may undertake with respect to the provision of intrastate alternative operator

services in the State of South Dakota. See Exhibit C, which is attached hereto, Applicant's Financial Statements for the period ending February 28, 2001, which demonstrates that Applicant has the financial ability to provide the services that it proposes to offer. Applicant hereby respectfully requests a waiver of ARSD 20:10:24:02(8) to the extent it requires applicant to file a current balance sheet, income statement, and cash flow statements.

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

All inquiries regarding regulatory matters should be

addressed to:

Christine Stevens, Asst. Secretary & Treasurer
4286 Woodbine Road, Ste. B
Pace, Florida 32571
Telephone: (850) 995-8807
Facsimile: (850) 995-8372
E-Mail: cstevens@telefyne.com

All inquiries regarding complaints should be addressed to:

Christine Stevens, Asst. Secretary & Treasurer
4286 Woodbine Road, Ste. B
Pace, Florida 32571
Telephone: (850) 995-8807; (888) 913-8282 (toll-free)
Facsimile: (850) 995-8372
E-Mail: cstevens@telefyne.com

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

10. Regulatory Status:

Applicant was granted a Certificate of Authority to provide interexchange telecommunications services in South Dakota on July 27, 2001 in Docket TC01-058.

Applicant is currently in the process of obtaining all required authorizations from the state regulatory agencies to provide interexchange and alternative operator services. Applicant is currently authorized to provide interexchange service in Alabama, Arizona, Arkansas, California, Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin and Wyoming. Applicant is currently authorized to provide alternative operator service in Colorado, Nebraska, North Carolina and Utah.

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

11. Description of Marketing

Applicant intends to market its services primarily to residential customers and to small to mid-sized businesses. All sales personnel will have telecommunications service experience.

Applicant will market through direct sales by employees and agents. Applicant does not intend to engage in multilevel marketing. Applicant's marketing materials are currently being developed and are not available at this time.

12. Cost Support:

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

13. Federal Tax Identification Number:

63-1194114

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

None.

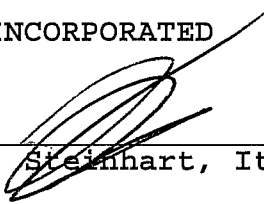
15. Tariff

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

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

DATED this 7 day of February, 2002.

TELEFYNE INCORPORATED

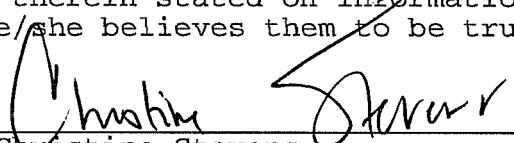
By: 
Lance J.M. Steinhart, Its Counsel

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

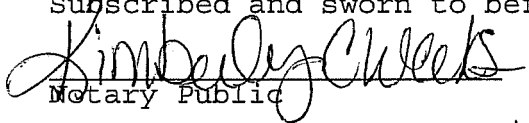
State of Florida

County of Santa Rosa

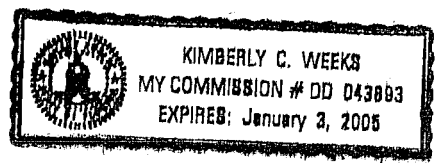
Christine Stevens, being first duly sworn, deposes and says that he/she is the Asst. Secretary & Treasurer of TELEFYNE INCORPORATED, the Applicant in the proceeding entitled above, that he/she has read the foregoing application and knows the contents thereof; that the same are true of his/her knowledge, except as to matters which are therein stated on information or belief, and to those matters he/she believes them to be true.


Christine Stevens
Asst. Secretary & Treasurer

Subscribed and sworn to before this 25 day of Jan., 2001.


Notary Public

My Commission expires: 1/3/05



LIST OF EXHIBITS

- A - ARTICLES OF INCORPORATION
- B - CERTIFICATE OF AUTHORITY
- C - MARKETING MATERIAL
- D - FINANCIAL INFORMATION
- E - PROPOSED TARIFF

EXHIBIT A - ARTICLES OF INCORPORATION

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

FEB 02 1998

ARTICLES OF INCORPORATION
OF
TELEFYNE INCORPORATED

No. 190698
Dean Heller

DEAN HELLER, SECRETARY OF STATE, proposes to form a corporation under the laws of the State of Nevada, relating to private corporations, and to that end hereby adopts articles of incorporation as follows:

ARTICLE ONE
NAME

The name of the corporation is TELEFYNE INCORPORATED.

ARTICLE TWO
LOCATION

The registered office of this corporation is at 318 North Carson Street, Suite 214, City of Carson City, State of Nevada, 89701. The resident agent is State Agent and Transfer Syndicate, Inc., 318 North Carson Street, Suite 214, Carson City, Nevada, 89701.

ARTICLE THREE
PURPOSES

This corporation is authorized to carry on any lawful business or enterprise.

ARTICLE FOUR
CAPITAL STOCK

The total authorized capital stock of this corporation is 25,000 shares each without par value. Such shares are non-assessable.

ARTICLE FIVE
DIRECTORS

The initial governing board of this corporation shall be styled directors and shall have one member. The name and address of the member of the first board of directors is:

Clifford C. Sharpe
P. O. Box 8116
Mobile, Alabama 36689

ARTICLES SIX
ELIMINATING PERSONAL LIABILITY

Officers and directors shall have no personal liability to the corporation or its stockholders for damages for breach of fiduciary duty as an officer or director. This provision does not eliminate or limit the liability of an officer or director for acts or omissions which involve intentional misconduct, fraud or a knowing violation of law or the payment of dividends and/or distributions in violations of NRS 78.300.

ARTICLE SEVEN
INCORPORATION

The name and address of the incorporator is: Clifford C. Sharpe, P. O. Box 8116, Mobile, Alabama, 36689.

ARTICLE EIGHT
PERIOD OF EXISTENCE

The period of existence of this corporation shall be perpetual.

ARTICLE NINE
AMENDMENT OF ARTICLES OF INCORPORATION

The articles of incorporation of the corporation may be amended from time to time by a majority vote of all shareholders voting by written ballot in person or by proxy held at any general or special meeting of shareholders upon lawful notice.

ARTICLE TEN
VOTING OF SHARES

In any election participated in by the shareholders, each shareholder shall have one vote for each share of stock he owns, either in person or by proxy as provided by law. Cumulative voting shall prevail in any election by the shareholders of this corporation.

IN WITNESS WHEREOF the undersigned, Clifford C. Sharpe, for the purpose of forming a corporation under the laws of the State of Nevada, does make, file and record these articles, and certifies that the facts herein stated are true; and I have accordingly hereunto set my hand this 8th day of January, 1998.

INCORPORATOR

Clifford C. Sharpe
Clifford C. Sharpe

STATE OF ALABAMA)
COUNTY OF MOBILE)

I, the undersigned Notary Public in and for said State and County, do hereby certify that CLIFFORD C. SHARPE, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that being informed of the contents of said instrument, he executed the same voluntarily on the day the same bears date.

GIVEN under my hand and seal this the 8th day of JAN., 1998.

Gay Harrison
Notary Public

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: June 17, 2000.
BONDED THROUGH NOTARY PUBLIC UNDERWRITERS



CERTIFICATE OF ACCEPTANCE
OF APPOINTMENT BY RESIDENT AGENT

State Agent and Transfer Syndicate, Incorporated hereby certifies that on the 21st day of JAN., 1998, we accepted appointment as Resident Agent for the above mentioned corporation in accordance with Sec. 78.090, NRS 1957.

IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of JAN., 1998.

John E. Block
John E. Block for
State Agent and Transfer Syndicate, Inc.

EXHIBIT B - CERTIFICATE OF AUTHORITY

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

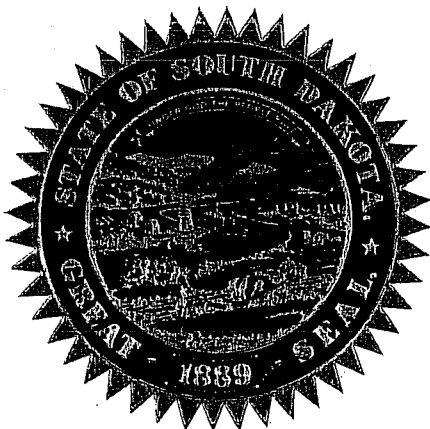
Certificate of Authority

ORGANIZATIONAL ID #: FB025193

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

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this June 4, 2001.



Joyce Hazeltine
Secretary of State



Secretary of State
 State Capitol
 500 E. Capitol Ave.
 Pierre SD 57501
 Phone 605-773-4845
 Fax 605-773-4550

FILE NO. _____

RECEIPT NO. _____

RECEIVED

JUN 04 '01

S.D. SEC. OF STATE

Application for Certificate of Authority

Pursuant to the provisions of SDCL 47-8-7, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of South Dakota and for that purpose submits the following statement:

(1) The name of the corporation is TELEFYNE INCORPORATED
(exact corporate name)

(2) If the name of the corporation does not contain the word "corporation", "company", "incorporated" or "limited" or does not contain an abbreviation of one of such words, then the name of the corporation with the word or abbreviation which it elects to add thereto for use in this state is _____

(3) State where incorporated Nevada Federal Taxpayer ID# 63-1194114

(4) The date of its incorporation is February 2, 1998 and the period of its duration, which may be perpetual, is Perpetual

(5) The address of its principal office in the state or country under the laws of which it is incorporated is 318 North Carson St., Ste. 214, Carson City, NV 89701 Zip Code _____
 mailing address if different from above is: _____ Zip Code _____

(6) The street address, or a statement that there is no street address, of its proposed registered office in the State of South Dakota is 819 West Third Pierre SD Zip Code 57501
 and the name of its proposed registered agent in the State of South Dakota at that address is National Corporate Research, Ltd.

(7) The purposes which it proposes to pursue in the transaction of business in the State of South Dakota are: (state specific purpose)
Provide Telecommunication Services

(8) The names and respective addresses of its directors and officers are:

Name	Officer Title	Street Address	City	State	Zip
<u>See Attached</u>					

(9) 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 is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
<u>25,000</u>	<u>Common</u>		<u>No Par Value</u>

(10) The aggregate number of its issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class, is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
5,000	Common		No Par Value

(11) The amount of its stated capital is \$ 100,000.00
Shares issued times par value equals stated capital. In the case of no par value stock, stated capital is the consideration received for the issued shares.

(12) This application is accompanied by a CERTIFICATE OF FACT or a CERTIFICATE OF GOOD STANDING duly acknowledged by the Secretary of State or other officer having custody of corporate records in the state or country under whose laws it is incorporated.

(13) That such corporation shall not directly or indirectly combine or make any contract with any incorporated company, foreign or domestic, through their stockholders or the trustees or assigns of such stockholders, or with any copartnership or association of persons, or in any manner whatever to fix the prices, limit the production or regulate the transportation of any product or commodity so as to prevent competition in such prices, production or transportation or to establish excessive prices therefor.

(14) That such corporation, as a consideration of its being permitted to begin or continue doing business within the State of South Dakota, will comply with all the laws of the said State with regard to foreign corporations.

The application must be signed, in the presence of a notary public, by the chairman of the board of directors, or by the president or by another officer.

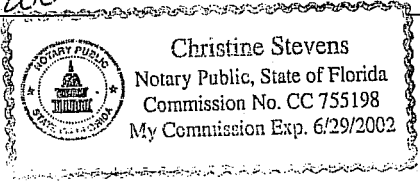
I DECLARE AND AFFIRM UNDER THE PENALTY OF PERJURY THAT THIS APPLICATION IS IN ALL THINGS, TRUE AND CORRECT.

Dated 4/25/01 19

Bellay
(Signature) President
(Title)

STATE OF Santa Rosa/FL
COUNTY OF Santa Rosa
I, Christine Stevens, a notary public, do hereby certify that on this 24 day of April 192001
personally appeared before me Jose Bellay who, being by me first duly sworn, declared that he/she
is the President of Telehome, that he/she signed the foregoing document as
officer of the corporation, and the statements therein contained are true.

6-29-2002
My Commission Expires _____ (Notary-Public) Christine Stevens



Notarial Seal

The Consent of Appointment below must be signed by the registered agent listed in number six.

LIST OF OFFICERS & DIRECTORS OF
TELEFYNE INCORPORATED

Officers

Jorge Bellas
Thomas Marr Sr.
Thomas Marr Jr.
Rutherford Smith
Christine Marr
Christine Stevens

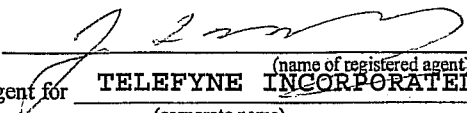
President
Chairman of the Board
V.P. & Assistant Secretary/Treasurer
V.P. & Assistant Secretary/Treasurer
Assistant Secretary/Treasurer
Assistant Secretary/Treasurer

Directors

Jorge Bellas
Thomas Marr Sr.
Rutherford Smith
Thomas Marr Jr.
Jane B. Marr
Dwight Reid
Christine Marr
Maury Friedlander
Thurmon Bell

All the above referenced Officers & Directors can be reached at:
4286 Woodbine Road, Suite B, Pace, FL 32571

Consent of Appointment by the Registered Agent

I, , hereby give my consent to serve as the registered agent for TELEFYNE INCORPORATED
(name of registered agent)
(corporate name)

Dated _____ 19 _____

(signature of registered agent)

The proper filing fee must accompany the application. Make checks payable to the Secretary of State.

FEE SCHEDULE

Authorized capital stock of	25,000	or less	\$ 90
Over \$25,000 and not exceeding	100,000		110
Over \$100,000 and not exceeding	500,000		130
Over \$500,000 and not exceeding	1,000,000		150
Over \$1,000,000 and not exceeding	1,500,000		200
Over \$1,500,000 and not exceeding	2,000,000		250
Over \$2,000,000 and not exceeding	2,500,000		300
Over \$2,500,000 and not exceeding	3,000,000		350
Over \$3,000,000 and not exceeding	3,500,000		400
Over \$3,500,000 and not exceeding	4,000,000		450
Over \$4,000,000 and not exceeding	4,500,000		500
Over \$4,500,000 and not exceeding	5,000,000		550

For each additional \$500,000, \$40 in addition to \$550.

For purposes only of computing fees under this section, the dollar value of each authorized share having a par value shall be equal to par value and the value of each authorized share having no par value shall be equal to one hundred dollars per share. The maximum amount charged under this subdivision may not exceed sixteen thousand dollars.

FILING INSTRUCTIONS:

The application must be signed, in the presence of a notary public, by the chairman of the board of directors, or its president, or any other officer. **One original and one photocopy of the application must be submitted.**

The application must be accompanied by an **original, currently dated, CERTIFICATE OF FACT** or a **CERTIFICATE OF GOOD STANDING** from the Secretary of State in the state where incorporated. A photocopy of a certificate is not acceptable. It should be dated within ninety (90) days of submitting it to our office.

South Dakota law requires every corporation to continuously maintain a resident of this state as the registered agent (number six on the application). The registered agent's address is considered the registered office address of the corporation in South Dakota. A complete street address must be listed for service of process.

The Consent of Registered Agent portion must be signed by the South Dakota registered agent.

Mail the application, certificate, and filing fee to the Secretary of State, Corporate Division, 500 E. Capitol Avenue, Pierre, SD 57501-5070. The duplicate and a Certificate of Authority will be returned for your records.

EXHIBIT C - MARKETING MATERIAL
Not Available

EXHIBIT D - FINANCIAL INFORMATION

COMPILED FINANCIAL STATEMENTS--INCOME TAX BASIS
AND OTHER FINANCIAL INFORMATION

TELEFYNE, INC.

MARCH 31, 2001

TELEFYNE, INC.
STATEMENTS OF ASSETS, LIABILITIES, AND EQUITY (INCOME TAX BASIS)
MARCH 31, 2001

ASSETS

CURRENT ASSETS

Cash-Amsouth	\$	318,302
Cash-Amsouth		334
Cash-SouthTrust Bank		308
Amsouth-Money Market		453,095
Cash-SouthTrust CD		134,452
Accounts receivable		1,313,886
Inventory-Phone Cards		40,927
Inventory-Long Distance		80,000
Returned checks		6,200
Prepaid expenses		<u>1,360</u>
TOTAL CURRENT ASSETS		2,348,864

OTHER ASSETS

Security Deposit		10,150
		<u>10,150</u>

PROPERTY AND EQUIPMENT

Furniture & fixtures		8,795
Equipment		1,287,089
Leasehold improvements		<u>1,000</u>
		1,296,884
Less accumulated depreciation		<u>366,852</u>
		<u>930,032</u>
	\$	<u>3,289,046</u>

TELEFYNE, INC.
STATEMENTS OF ASSETS, LIABILITIES, AND EQUITY (INCOME TAX BASIS)
MARCH 31, 2001

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Short-term borrowings	\$	52,659
Accounts payable		1,928,029
Accounts payable--Amex		3,808
Accounts payable--S/H Agreement		26,604
Payroll taxes & withholdings		8,398
Accrued liabilities		31,542
Current portion L/T debt		<u>67,781</u>
TOTAL CURRENT LIABILITIES		<u>2,118,821</u>

OTHER LIABILITIES

Note payable-Shareholders		44,137
Note payable-SouthTrust Bank		67,500
Note payable-Dell		281
Less Current portion L/T debt		<u>(67,781)</u>
		44,137

SHAREHOLDERS' EQUITY

Common Stock		1,000
par value \$1.00 per share, authorized 1,000 shares, issued and outstanding 1,000 shares		49,000
Paid in Capital		<u>1,076,088</u>
Retained earnings		<u>1,126,088</u>
	\$	<u>3,289,046</u>

TELEFYNE, INC.
 STATEMENT OF REVENUES AND EXPENSES (INCOME TAX BASIS)
 PERIOD ENDED MARCH 31, 2001

	1 Month Ended		3 Months Ended	
	Mar. 31, 2001	Pct	Mar. 31, 2001	Pct
SALES	\$ 1,249,285	100.00	\$ 3,648,218	100.00
COST OF SALES	<u>1,005,674</u>	<u>80.50</u>	<u>2,936,815</u>	<u>80.50</u>
GROSS PROFIT	243,611	19.50	711,403	19.50
EXPENSES				
Salaries	70,193	5.62	180,845	4.96
Advertising	407	0.03	407	0.01
Bad debt	0	0.00	3,602	0.10
Bank charges	945	0.08	2,011	0.06
Consulting fees	250	0.02	500	0.01
Commissions	0	0.00	9,900	0.27
Depreciation	28,580	2.29	73,746	2.02
Donations	75	0.01	75	0.00
Dues and subscriptions	342	0.03	790	0.02
Entertainment	281	0.02	388	0.01
Engineering expense	0	0.00	20,335	0.56
Equipment rental	180	0.01	49,370	1.35
Gifts and flowers	34	0.00	34	0.00
Insurance	4,025	0.32	8,594	0.24
Interest	0	0.00	80	0.00
Legal and accounting	1,045	0.08	2,400	0.07
Licenses and permits	0	0.00	6,297	0.17
Meals	1,611	0.13	3,905	0.11
Marketing Expense	2,151	0.17	3,088	0.08
Miscellaneous	0	0.00	20	0.00
Office supplies	1,742	0.14	4,528	0.12
Outside labor	300	0.02	300	0.01
Postage and shipping	2,516	0.20	7,286	0.20
Rent	2,414	0.19	6,692	0.18
Repair and maintenance	6,181	0.49	7,066	0.19
Royalties	9,144	0.73	17,021	0.47
Security service	256	0.02	399	0.01
Seminars	0	0.00	2,520	0.07
Taxes	35,408	2.83	115,173	3.16
Telephone	17,738	1.42	45,497	1.25
Travel	7,482	0.60	15,642	0.43
Utilities	577	0.05	1,368	0.04
Total other expenses	<u>193,877</u>	<u>15.52</u>	<u>589,879</u>	<u>16.17</u>
	49,734	3.98	121,524	3.33
Total other income--net	<u>1,851</u>	<u>0.15</u>	<u>5,928</u>	<u>0.16</u>
NET INCOME (LOSS)	<u>\$ 51,585</u>	<u>4.13</u>	<u>\$ 127,452</u>	<u>3.49</u>

TELEFYNE, INC.
STATEMENT OF RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2001

Retained earnings beginning of year	\$ 948,636
Current period income (loss)	127,452
Retained earnings three months ended Mar. 31, 2001	<u>\$ 1,076,088</u>

TELEFYNE, INC.
 STATEMENT OF CASH FLOWS--INCOME TAX BASIS
 FOR THE THREE MONTHS ENDED MARCH 31, 2001
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 127,452
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	73,746
Changes in operating assets and liabilities:	
Increase in accounts receivable	(176,981)
Increase in inventories	(106,433)
Decrease in prepaid expenses	424
Increase in accounts payable and accrued expenses	629,754
Total adjustments	<u>420,510</u>
Net cash provided by operating activities	547,962
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(390,050)
Net cash used in investing activities	<u>(390,050)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from borrowings	21,687
Principal payments on borrowings	(79,863)
Net cash used in financing activities	<u>(58,176)</u>
Net increase in cash and cash equivalents	99,736
Cash and cash equivalents at beginning of year	<u>806,755</u>
Cash and cash equivalents at March 31, 2001	<u>\$ 906,491</u>

OTHER FINANCIAL INFORMATION

TELEFYNE, INC.

STATEMENTS OF REVENUES AND EXPENSES (INCOME TAX BASIS) --SUPPORTING SCHEDULE
 PERIOD ENDED MARCH 31, 2001

	1 Month Ended		3 Months Ended	
	Mar. 31, 2001	Pct.	Mar. 31, 2001	Pct.
SALES:				
Sales	\$ 1,249,285	100.00	\$ 3,648,218	100.00
TOTAL	<u>\$ 1,249,285</u>	<u>100.00</u>	<u>\$ 3,648,218</u>	<u>100.00</u>
COST OF SALES:				
Phone cards	\$ 46,310	3.71	\$ 64,880	1.78
T-1 call processing	53,836	4.31	80,607	2.21
Long-distance	905,528	72.48	2,791,328	76.51
TOTAL	<u>\$ 1,005,674</u>	<u>80.50</u>	<u>\$ 2,936,815</u>	<u>80.50</u>
SALARIES:				
Salaries--officers	\$ 12,212	0.98	\$ 31,750	0.87
Salaries	57,981	4.64	149,095	4.09
TOTAL	<u>\$ 70,193</u>	<u>5.62</u>	<u>\$ 180,845</u>	<u>4.96</u>
INSURANCE:				
Insurance--group	\$ 2,036	0.16	\$ 4,522	0.12
Insurance--other	1,989	0.16	4,072	0.11
TOTAL	<u>\$ 4,025</u>	<u>0.32</u>	<u>\$ 8,594</u>	<u>0.24</u>
TAXES:				
Taxes--payroll	\$ 4,886	0.39	\$ 15,340	0.42
Taxes--excise	29,988	2.40	98,374	2.70
Taxes--other	534	0.04	1,459	0.04
TOTAL	<u>\$ 35,408</u>	<u>2.83</u>	<u>\$ 115,173</u>	<u>3.16</u>
OTHER INCOME--NET:				
Interest income	\$ 1,851	0.15	\$ 5,928	0.16
	<u>\$ 1,851</u>	<u>0.15</u>	<u>\$ 5,928</u>	<u>0.16</u>
TOTAL	<u>\$ 0</u>	<u>0.00</u>	<u>\$ 0</u>	<u>0.00</u>

COMPILED FINANCIAL STATEMENTS--INCOME TAX BASIS
AND OTHER FINANCIAL INFORMATION

TELEFYNE, INC.

DECEMBER 31, 2000

TELEFYNE, INC.

STATEMENTS OF ASSETS, LIABILITIES, AND EQUITY (INCOME TAX BASIS)

DECEMBER 31, 2000

ASSETS

CURRENT ASSETS

Cash-Amsouth Bank	75
Cash-Amsouth	224,394
Cash-Amsouth	333
Cash-SouthTrust Bank	331
Amsouth-Money Market	447,170
Cash-SouthTrust CD	134,452
Accounts receivable	1,136,905
Inventory-Phone Cards	14,494
Prepaid rent	1,784

TOTAL CURRENT ASSETS 1,959,938

OTHER ASSETS

Security Deposit	10,150
	<u>10,150</u>

PROPERTY AND EQUIPMENT

Furniture & fixtures	3,891
Equipment	901,943
Leasehold improvements	1,000
	<u>906,834</u>
Less accumulated depreciation	<u>293,107</u>
	<u>613,727</u>

\$ 2,583,815

TELEFYNE, INC.

STATEMENTS OF ASSETS, LIABILITIES, AND EQUITY (INCOME TAX BASIS)
DECEMBER 31, 2000

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Short-term borrowings	\$	100,555
Accounts payable		1,234,099
Accounts payable--Amex		18,454
Accounts pay--S/H Agreement		39,230
Retirement plan payable		14,909
Payroll taxes & withholdings		19,604
Accrued liabilities		36,129
Current portion L/T debt		78,062
TOTAL CURRENT LIABILITIES		<u>1,541,042</u>

OTHER LIABILITIES

Note payable-Shareholders		44,137
Note payable-SouthTrust Bank		77,500
Note payable-Dell		562
Less Current portion L/T debt		<u>(78,062)</u>
		44,137

SHAREHOLDERS' EQUITY

Common Stock		1,000
par value \$1.00 per share, authorized 1,000 shares, issued and outstanding 1,000 shares		
Paid in Capital		49,000
Retained earnings		<u>948,636</u>
		<u>998,636</u>
	\$	<u>2,583,815</u>

TELEFYNE, INC.
STATEMENT OF REVENUES AND EXPENSES (INCOME TAX BASIS)
PERIOD ENDED DECEMBER 31, 2000

	12 Months Ended Dec. 31, 2000	Pct
SALES	\$ 12,348,753	100.00
COST OF SALES	<u>9,941,022</u>	<u>80.50</u>
GROSS PROFIT	2,407,731	19.50
EXPENSES		
Salaries	476,737	3.86
Advertising	6,448	0.05
Auto and truck expense	788	0.01
Bad debt	30,213	0.24
Bank charges	9,944	0.08
Consulting fees	3,589	0.03
Commissions	55,745	0.45
Credit reports	95	0.00
Depreciation	216,577	1.75
Donations	65	0.00
Dues and subscriptions	3,392	0.03
Employee Retirement Plan	14,909	0.12
Entertainment	3,420	0.03
Engineering expense	136,672	1.11
Equipment rental	309,693	2.51
Continued education	1,944	0.02
Gifts and flowers	208	0.00
Insurance	26,996	0.22
Interest	18,084	0.15
Legal and accounting	8,221	0.07
Licenses and permits	1,789	0.01
Meals	5,685	0.05
Marketing Expense	14,645	0.12
Miscellaneous	51	0.00
Office supplies	8,947	0.07
Penalties	167	0.00
Postage and shipping	23,539	0.19
Rent	23,553	0.19
Repair and maintenance	8,051	0.07
Royalties	77,906	0.63
Security service	447	0.00
Supplies	307	0.00
Taxes	376,511	3.05
Telephone	105,745	0.86
Trade Shows	2,894	0.02
Travel	35,776	0.29
Utilities	3,840	0.03
Total other expenses	<u>2,013,593</u>	<u>16.31</u>
Total other income--net	394,138	3.19
NET INCOME (LOSS)	<u>\$ 404,941</u>	<u>3.28</u>

See accountant's compilation report

TELEFYNE, INC.
STATEMENT OF RETAINED EARNINGS
TWELVE MONTHS ENDED DECEMBER 31, 2000

Retained earnings beginning of year	\$	899,860
Current period income (loss)		404,941
Distributions		<u>(356,165)</u>
Retained earnings twelve months ended Dec. 31, 200	\$	<u>948,636</u>

TELEFYNE, INC.
STATEMENT OF CASH FLOWS--INCOME TAX BASIS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2000
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$ 404,941
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	216,577
Losses on sales of assets	11,980
Changes in operating assets and liabilities:	
Increase in accounts receivable	(932,825)
Decrease in inventories	2,065
Decrease in prepaid expenses	5,437
Increase in accounts payable and accrued expenses	1,329,681
Total adjustments	<u>632,915</u>
Net cash provided by operating activities	1,037,856

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	(592,177)
Net cash used in investing activities	<u>(592,177)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from borrowings	202,638
Principal payments on borrowings	(162,606)
Dividends paid	(356,165)
Net cash used in financing activities	<u>(316,133)</u>

Net increase in cash and cash equivalents	129,546
Cash and cash equivalents at beginning of year	<u>677,209</u>
Cash and cash equivalents at December 31, 2000	<u>\$ 806,755</u>

OTHER FINANCIAL INFORMATION

TELEFYNE, INC.

STATEMENTS OF REVENUES AND EXPENSES (INCOME TAX BASIS) --SUPPORTING SCHEDULE
PERIOD ENDED DECEMBER 31, 2000

	12 Months Ended Dec. 31, 2000	Pct
SALES:		
Sales	\$ 12,349,095	100.00
Sales returns and allowances	(342)	0.00
TOTAL	<u>\$ 12,348,753</u>	<u>100.00</u>
COST OF SALES:		
Phone cards	\$ 194,728	1.58
T-1 call processing	798,196	6.46
Long-distance	8,929,348	72.31
Purchases	18,750	0.15
TOTAL	<u>\$ 9,941,022</u>	<u>80.50</u>
SALARIES:		
Salaries--officers	\$ 89,829	0.73
Salaries	386,908	3.13
TOTAL	<u>\$ 476,737</u>	<u>3.86</u>
INSURANCE:		
Insurance--group	\$ 14,707	0.12
Insurance--other	12,289	0.10
TOTAL	<u>\$ 26,996</u>	<u>0.22</u>
TAXES:		
Taxes--payroll	\$ 40,359	0.33
Taxes--excise	325,253	2.63
Taxes--other	10,899	0.09
TOTAL	<u>\$ 376,511</u>	<u>3.05</u>
OTHER INCOME--NET:		
Interest income	\$ 22,783	0.18
Losses on sales of assets	(11,980)	(0.10)
	<u>\$ 10,803</u>	<u>0.09</u>
TOTAL	<u>\$ 0</u>	<u>0.00</u>

See accountant's compilation report



EXHIBIT E - PROPOSED TARIFF

TARIFF APPLICABLE TO
MESSAGE TELECOMMUNICATIONS & ALTERNATE OPERATOR SERVICES
WITHIN THE STATE OF SOUTH DAKOTA
PROVIDED BY
TELEFYNE INCORPORATED

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by TELEFYNE INCORPORATED ("TELEFYNE"), with principal offices at 4286 Woodbine Road, Suite B, Pace, Florida 32571. This tariff applies for services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

CONCURRING, CONNECTING OR
OTHER PARTICIPATING CARRIERS

1. Concurring Carriers - None
2. Connecting Carriers - None
3. Other Participating Carriers - None

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

CHECK SHEET

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

<u>SHEET</u>	<u>REVISION</u>
1.....	Original
2.....	Original
3.....	Original
4.....	Original
5.....	Original
6.....	Original
7.....	Original
8.....	Original
9.....	Original
10.....	Original
11.....	Original
12.....	Original
13.....	Original
14.....	Original
15.....	Original
16.....	Original
17.....	Original
18.....	Original
19.....	Original
20.....	Original
21.....	Original

* - New or Revised Sheet

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

TABLE OF CONTENTS

Title Sheet.....2
Check Sheet.....4
Section 1 - Technical Terms and Abbreviations.....8
Section 2 - Rules and Regulations.....10
Section 3 - Description of Service.....15
Section 4 - Rates.....18

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4286 Woodbine Road, Suite B
Pace, Florida 32571

SYMBOLS

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

- D - Delete or Discontinue
- I - Change Resulting In An
Increase to A Customer's Bill
- M - Moved from Another Tariff Location
- N - New
- R - Change Resulting In A
Reduction to A Customer's Bill
- T - Change in Text or Regulation
But No Change In Rate or Charge

Issued:

Effective:

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Pace, Florida 32571

TARIFF FORMAT

- A. Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Consult the Check Sheet for the sheet 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.
- D. Check Sheets** - When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some sheets.)

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Auto-Collect Call - A billing arrangement by which the charges for a call may be billed to the called party without the intervention of a live operator, provided the called party agrees to accept the charges. The Called Party is responsible for charges associated with the call.

Automated Person-to-Person Collect Call - A service in which the caller may designate a specific individual, station number or extension with whom he or she wishes to speak. Call charges do not begin until the caller acknowledges the called party or an agreed upon alternate. The Called Party is responsible for charges associated with the call.

Called Party - The person, individual, corporation or other entity whose telephone number is called. The Called Party is responsible for payment of the charges for use of TELEFYNE's automated collect service.

Commission - South Dakota Public Utilities Commission.

Company or Carrier - TELEFYNE INCORPORATED unless otherwise clearly indicated by the context.

Consumer or Customer - A person, firm, partnership, corporation or other entity which arranges for the Company to provide, discontinue or rearrange telecommunications services on behalf of itself or others; uses the Company's telecommunications services; and is responsible for payment of charges, all under the provisions and terms of this price list.

Issued:

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Pace, Florida 32571

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, CON'T.

TELEFYNE - Used throughout this tariff to refer to TELEFYNE INCORPORATED

LEC - Local Exchange Company.

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

Issued:

Effective:

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4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

TELEFYNE's services and facilities are furnished for communications originating at specified points within the state of South Dakota under terms of this tariff.

TELEFYNE installs, operates, and maintains the communications services provided herein under in accordance with the terms and conditions set forth under this tariff.

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

2.2 Limitations

- 2.2.1 Service is limited to "0+" collect calling for local, intraLATA and interLATA calls.
- 2.2.2 Service is offered subject to the availability of the necessary facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.
- 2.2.3 TELEFYNE reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when service is used in violation of provisions of this tariff, or in violation of the law.

Issued:

Effective:

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4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.2 Limitations, con't.

2.2.4 The company does not undertake to transmit messages, but offers the use of facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 [reserved for future use]

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.5 Taxes

All 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.

2.6 Installation and Termination

Service is installed upon mutual agreement between the Payphone Facility and the Company. The service agreement does not alter rates specified in this tariff.

2.7 Billing and Payment For Service

A. Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an end user of the Customer by TELEFYNE. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments (such as a local exchange company).

B. Disputed Charges

Charges billed directly by the Company are due upon receipt. Amounts not paid within 10 days of the invoice will be considered past due. For charges billed directly by the Company, notice from the Customer of a dispute as to charges must be received in writing by the Company within one hundred eighty (180) days after the date of the invoice. Otherwise, all charges will be considered correct and binding.

For charges billed through the Customer's local exchange carrier, notice from the Customer of disputed charges must be received in writing by the Company within one hundred eighty (180) days after the date of the bill is issued. Otherwise, all charges will be considered correct and binding on the Customer.

Issued:

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4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.7 Billing and Payment For Service, Con't.

B. Disputed Charges, con't.

The Company will promptly investigate and advise all billed parties as to its findings concerning disputed charges. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate. Customers may contact the South Dakota Public Utilities Commission in the event of an unresolved dispute at 500 East Capitol, Pierre, SD 57501-5070, (605) 773-3201, (800) 332-1782, TTY through Relay Service South Dakota (800) 877-1113.

C. Return Check Charge

A return check charge of \$20.00 will be assessed for checks returned for insufficient funds. Any applicable return check charges will be assessed according to the terms and conditions of the Company or its billing agent and pursuant to South Dakota law.

Issued:

Effective:

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Pace, Florida 32571

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.8 Credit Allowance for Interruption of Service

Credit allowances for interruptions of service are limited to the initial minimum call charge for re-establishing the interrupted call.

2.9 Inspection, Testing and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made when the interruption is less than twenty-four consecutive hours.

2.10 Positive Acceptance of Calls

No charges shall be incurred by the Called Party unless the Called Party clearly and affirmatively indicates a willingness to accept and pay for the call.

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 3 - DESCRIPTION OF SERVICE

3.1 General

Service is offered to customers of alternate operator services.

3.2 Timing of Calls

3.2.1 Long distance usage charges are based on usage of TELEFYNE's network. The Company will determine that a call has been established through industry standard answer detection methods, including hardware answer detection.

3.2.2 Chargeable time for a call ends upon disconnection by either party.

3.2.3 The minimum call duration for billing purposes is one minute.

3.2.4 After the minimum call duration, calls are rounded up to the next higher full minute for billing purposes.

3.2.5 No charges apply for incomplete calls.

Issued:

Effective:

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4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 3 - DESCRIPTION OF SERVICE, CON'T.

3.3 Calculation of Distance

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

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the rate centers, as defined by AT&T in its Tariff No. 10 as filed with the FCC in the following manner:

Step 1 - Obtain the "V" and "H" coordinates for the originating and terminating points of the call.

Step 2 - Obtain the difference between the "V" coordinates. Obtain the Difference between the "H" coordinates.

Step 3 - Square the differences obtained in Step 2.

Step 4 - Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5 - Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the V&H mileage between the originating and terminating points of the call.

Formula:

$$\sqrt{\frac{(V_1V_2)^2 + (H_1H_1)^2}{10}}$$

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 3 - DESCRIPTION OF SERVICE, CON'T.

3.4 TELEFYNE's Automated Collect Operator Service

TELEFYNE provides Automated Operator Service. Calls are billed to the Called Party. The Called Party must actively accept charges for the call. A per-call service charge applies to each call, the rate for which varies depending upon the class of the call.

Classes of Calls

Automated Collect Station Calls: are calls which are placed by a customer who dials all of the digits required to route the call and who follows the TELEFYNE system prompts, enabling the Called Party to accept the charges for the call. If the Called Party does not accept the call, the call is terminated and no billing applies.

Automated Collect Person-to-Person Calls: are calls which are placed by a customer who dials all of the digits required to route the call and who follows the TELEFYNE system prompts to place the call on a person-to-person basis (i.e. specify the person to which the call is being placed). The Called Party must accept responsibility for the charges. If the Called Party does not accept the call, the call is terminated and no billing applies.

Issued:

Effective:

Issued by: Jorge Bellas, President
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Pace, Florida 32571

SECTION 4 - RATES

4.1 General

Each call is billed individually to the party responsible for the charges. Charges are computed on an airline mileage basis as described in Section 3.3 of this tariff. The Called Party is billed based on their use of TELEFYNE's long distance service.

The charges for TELEFYNE services are determined by the:

- distance between stations
- duration of the call
- class of call
- jurisdictional nature of the call (intra v. interLATA)

4.2 Automated Operator Service Charges

All automated operator assisted calls are subject to operator service charges. These charges apply on a per call basis and will be added to the usage charges on the bill for service.

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
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SECTION 4 - RATES, CON'T.

4.3 Schedule 1
TELEFYNE Automated Operator IntraLATA Service

4.3.1 Automated Operator Service Usage Rates

MILES	DAY		EVENING		NIGHT/WEEKEND	
	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute
ALL	\$0.29	\$0.29	\$0.27	\$0.27	\$0.27	\$0.27

	Per Call Charges
Per Call Service Charge	\$2.25
Pay Phone Charge	\$0.26
Local Charge	\$2.45

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 4 - RATES, CON'T.

4.3 Schedule 1, continued
TELEFYNE Automated Operator InterLATA Service, continued

4.3.2 Automated Operator Service Charges

MILES	DAY		EVENING		NIGHT/WEEKEND	
	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute
ALL	\$0.47	\$0.47	\$0.47	\$0.47	\$0.47	\$0.47

Per Call Service Charge Per Call
Charges

\$3.00

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571

SECTION 4 - RATES, CON'T.

4.3 Schedule 1, continued
TELEFYNE Automated Operator IntraLATA Service, continued

4.4 Rate Periods: Time-of-Day and Holiday Periods
The following time of day periods apply to all
rate schedules.

Day: Monday through Friday, 8AM to 4:59 PM

Evening: Sunday though Friday, 5PM to 10:59PM;

Night: 11PM to 7:59 AM every day
All day Saturday
Sunday 8AM to 4:59PM

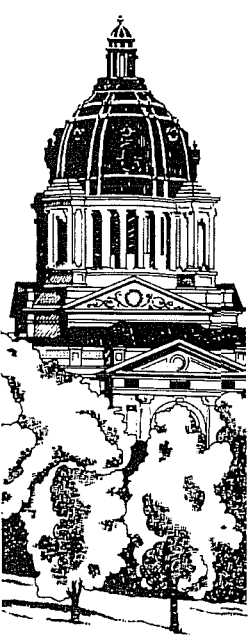
Holiday: For recognized holidays, the evening rate
applies unless a lower rate would normally
apply. The following are Company recognized
holidays.

New Year's Day	(January 1)
Martin Luther King Day	(as Federally Observed)
Thanksgiving Day	(as Federally Observed)
Christmas Day	(December 25)

Issued:

Effective:

Issued by: Jorge Bellas, President
4286 Woodbine Road, Suite B
Pace, Florida 32571



South Dakota Public Utilities Commission



State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070
VIA FAX: 770-232-9208

February 8, 2002

Mr. Lance J.M. Steinhart, P.C.
Attorney at Law
6455 East Johns Crossing, Suite 285
Duluth, GA 30097

RE: APPLICATION FOR CERTIFICATE OF AUTHORITY
Telefyne Incorporated

Dear Mr. Steinhart:

We received your Application for a Certificate of Authority to operate as an alternative operator service provider 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
Legal Secretary

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

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

Consumer Hotline
1-800-332-1782

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

Internet Website
www.state.sd.us/puc

♦
Jim Burg
Chairman
Pam Nelson
Vice-Chairman
Bob Sahr
Commissioner

Debra Elofson
Executive Director

Harlan Best
Martin C. Bettmann
Sue Cichos
Karen E. Cremer
Christopher W. Downs
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Heather K. Forney
Kelly D. Frazier
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Mary A. Healy
Lisa Hull
Dave Jacobson
Patti Jennings
Amy Kayser
Bob Knadle
Delaine Kolbo
Gregory A. Rislov
Keith Senger
Rolayne Ailts Wiest
♦

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of February 7, 2002 through February 13, 2002

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

TELECOMMUNICATIONS

TC02-014 In the Matter of the Application of Telefyne Incorporated for a Certificate of Authority to Provide Alternative Operator Services in South Dakota.

Telefyne Incorporated (Telefyne) has filed an application for registration as an alternative operator service provider in South Dakota. The applicant is a reseller which intends to offer intrastate alternative operator service. Telefyne was issued a Certificate of Authority to provide interexchange telecommunications services in South Dakota on July 27, 2001.

Staff Analyst: Heather Forney
Staff Attorney: Karen Cremer
Date Docketed: 02/08/02
Intervention Deadline: 03/01/02

TC02-015 In the Matter of the Application of Excel Telecommunications, Inc. for a Certificate of Authority to Provide Competitive Facilities-Based Local Exchange Services in South Dakota.

Excel Telecommunications, Inc. has filed an application requesting an expansion of its Certificate of Authority to provide telecommunications services in South Dakota. The applicant was granted authority to provide resold local exchange services in South Dakota on December 17, 1996. The Company now proposes to offer facilities-based local exchange services to consumers in the State utilizing combinations of unbundled network elements ("UNEs"), specifically the unbundled network elements platform ("UNE-P") purchased from the incumbent local exchange carrier.

Staff Analyst: Heather Forney
Staff Attorney: Kelly Frazier
Date Docketed: 02/13/02
Intervention Deadline: 03/01/02

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MAR 01 2002

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Lance J.M. Steinhart, P.C.

Attorney At Law
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

Also Admitted in New York
and Maryland

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

February 28, 2002

VIA OVERNIGHT DELIVERY

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

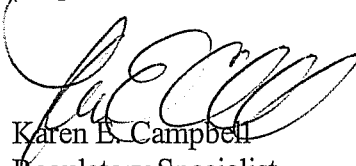
Re: TELEFYNE INCORPORATED

Dear Mr. Bullard:

Enclosed please find for submission a check in the amount of \$250.00 payable to South Dakota Public Utilities Commission. This check was inadvertently omitted from TELEFYNE INCORPORATED's Application for Registration as an Alternative Operator Service Provider and applicable Tariff No. 2.

I have also enclosed an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me via phone or email (kcampbell@telecomcounsel.com).

Respectfully submitted,



Karen E. Campbell
Regulatory Specialist
for Lance J.M. Steinhart
Attorney for TELEFYNE INCORPORATED

Enclosures

cc: Christine Stevens

8880

TELEFYNE INC.
4286 WOODBINE RD SUITE B
PACE, FL 32571

AMSOUTH BANK
PENSACOLA, FL
63-1011/632 34

02/21/02

PAY TO THE ORDER OF **South Dakota Pub Util Co**

\$ *****250.00

***** Two Hundred Fifty & 00/100 Dollars

DOLLARS

South Dakota Pub Util Co

MEMO

Cristina Jensen
AUTHORIZED SIGNATURE

⑈008880⑈ ⑆063210112⑆ 3400901423⑈

TELEFYNE INC.

8880

TC02-014

South Dakota Pub Util Co

02/21/02

*****250.00

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
TELEFYNE INCORPORATED FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
ALTERNATIVE OPERATOR SERVICES IN)	
SOUTH DAKOTA)	TC02-014

On February 8, 2002, 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 Telefyne Incorporated (Applicant)

Applicant proposes to offer intrastate alternative operator services. A proposed tariff was filed by Applicant. The Commission has classified long distance service as fully competitive.

On February 14, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of March 1, 2002, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled September 24, 2002, meeting, the Commission considered Applicant's request for a certificate of authority. Commission Staff recommended granting a certificate of authority.

The Commission finds it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3, and ARSD 20:10:24:02, 20:10:24:03 and 20:10:24:05. The Commission finds that Applicant has met the legal requirements established for the granting of a certificate of authority. Applicant 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 Applicant's application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that Applicant's application for a certificate of authority to provide alternative operator services is granted. It is

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

Dated at Pierre, South Dakota, this 30th day of September, 2002.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>Melaine Kalbo</i></u>
Date: <u>10/1/02</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Robert K. Sahr
ROBERT K. SAHR, 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. TC02-014

This is to certify that

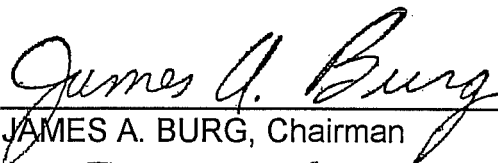
TELEFYNE INCORPORATED

is authorized to provide alternative operator 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 30th day of September, 2002.


**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**



JAMES A. BURG, Chairman



PAM NELSON, Commissioner



ROBERT K. SAHR, Commissioner

