

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted effective June 18, 2002
Docket No. TC02-039

This is to certify that

NORTH BY NORTHEASTCOM LLC

is authorized to provide interexchange telecommunications services in South Dakota, subject to the condition that it not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission.

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 7th day of June, 2002.

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**



James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

Robert K. Sahr

ROBERT K. SAHR, Commissioner

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

| | |
|--|-----------------------|
| IN THE MATTER OF THE APPLICATION OF) | ORDER GRANTING |
| NORTH BY NORTHEASTCOM LLC FOR A) | CERTIFICATE OF |
| CERTIFICATE OF AUTHORITY TO PROVIDE) | AUTHORITY |
| INTEREXCHANGE TELECOMMUNICATIONS) | |
| SERVICES IN SOUTH DAKOTA) | TC02-039 |

On April 18, 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 North By NortheastCom LLC (NBNE).

NBNE proposes to offer nationwide directory assistance with call completion, long distance transport and enhanced directory services. A proposed tariff was filed by NBNE. The Commission has classified long distance service as fully competitive.

On April 25, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of May 10, 2002, to interested individuals and entities. No petitions to intervene or comments were filed and at its May 30, 2002, meeting, the Commission considered NBNE's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that NBNE not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission. Commission Staff further recommended a waiver of ARSD 20:10:24:02(8).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that NBNE has met the legal requirements established for the granting of a certificate of authority. NBNE has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive ARSD 20:10:24:02(8). The Commission approves NBNE's application for a certificate of authority, subject to the condition that NBNE not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

ORDERED, that NBNE's application for a certificate of authority to provide interexchange telecommunications services is hereby granted, effective June 18, 2002, subject to the condition that NBNE not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission. It is

FURTHER ORDERED, that the Commission waives ARSD 20:10:24:02(8). It is

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

Dated at Pierre, South Dakota, this 7th day of June, 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 first class mail, in properly addressed envelopes, with charges prepaid thereon. |
| By: <u>Helaine Kalbo</u> |
| Date: <u>6/11/02</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
WEEKLY FILINGS
For the Period of April 18, 2002 through April 24, 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 report. Phone: 605-773-3705 Fax: 605-773-3809

ELECTRIC

EL02-006 In the Matter of the Filing by Otter Tail Power Company for Approval of a Contract with Deviations with the City of New Effington.

On April 22, 2002, Otter Tail Power Company filed with the Commission a municipal contract with the City of New Effington effective May 1, 2002, and Otter Tail Power Company's summary List of Contracts with Deviations. The municipal contract for the City of New Effington was updated because the old contract will expire on May 1, 2002. The new contract does not include any new rates that would be considered a deviation.

Staff Analyst: Heather Forney
Staff Attorney: Kelly Frazier
Date Docketed: 04/22/02
Intervention Deadline: 05/03/02

EL02-007 In the Matter of the Application of Xcel Energy for Approval to Renew the Customer Buyback Program.

Northern States Power Company d/b/a Xcel Energy (Xcel) is requesting the Commission renew its Customer Buyback Program. The original program tariff was approved by the Commission on July 20, 2000 and expired December 31, 2001. This renewal would allow Xcel to purchase energy from its large customers who curtail their load.

Staff Analyst: Keith Senger
Staff Attorney: Kelly Frazier
Date Docketed: 04/22/02
Intervention Deadline: 05/10/02

TELECOMMUNICATIONS

TC00-196 In the Matter of the Application of Z-Tel Communications, Inc. for a Certificate of Authority to Provide Local Exchange Services in South Dakota.

On April 22, 2002, the Commission received a filing from Z-Tel Communications (Z-Tel) whereby Z-Tel, to amend its certificate of authority, posted a \$25,000 bond in order to receive Commission approval to provide prepaid services. Z-Tel requested that the Commission reinstate the company's ability to obtain advance payments from customers.

Staff Analyst: Michele Farris
Staff Attorney: Kelly Frazier
Date Docketed: 04/22/02
Intervention Deadline: 05/03/02

TC02-039 In the Matter of the Application of North By NortheastCom LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

North By NortheastCom LLC is seeking a Certificate of Authority to provide interexchange telecommunication services in South Dakota. The Applicant plans to offer nationwide directory assistance with call completion, long distance transport and enhanced directory services.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Docketed: 04/18/02
Intervention Deadline: 05/10/02

TC02-040 In the Matter of the Filing by Ionex Communications North, Inc. for Approval of its Intrastate Switched Access Tariff and for an Exemption from Developing Company Specific Cost-Based Switched Access Rates.

Ionex Communications North, Inc. has filed a request for an exemption from developing Company-specific cost-based switched access rates contained in ARSD 20:10:27:07. The Company indicates that it does not have the available resources to determine company-specific cost-based intrastate switched access rates. Ionex is also requesting a waiver from the process to determine switched access rates under ARSD 20:10:27:12.

Staff Analyst: Heather Forney
Staff Attorney: Karen Cremer
Date Docketed: 04/18/02
Intervention Deadline: 05/10/02

TC02-041 In the Matter of the Application of ePHONE Telecom, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

On April 22, 2002, ePHONE Telecom, Inc. filed an application for a Certificate of Authority to provide resold interexchange telecommunications service throughout South Dakota. ePHONE intends to utilize traditional telephony connections, as well as the internet, to provide intrastate interexchange service. They intend to offer a variety of prepaid IP telephony services through either a monthly calling plan, where customers are billed in advance for service, or through prepaid calling cards.

Staff Analyst: Michele Farris
Staff Attorney: Kelly Frazier
Date Docketed: 04/22/02
Intervention Deadline: 05/10/02

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



TC02-039

April 17, 2002
Overnight Delivery

RECEIVED

APR 18 2002

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

210 N. Park Ave.
Winter Park, FL
32789

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

P.O. Drawer 200
Winter Park, FL
32790-0200

RE: Registration of **North By NortheastCom LLC**

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

Dear Mr. Bullard:

Enclosed for filing are the original and ten (10) copies of the registration request of North By NortheastCom LLC for authority to provide intrastate telecommunications services within South Dakota.

Also enclosed is our check in the amount of \$250.00 to cover the filing fee.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed stamped envelope.

Any questions you may have regarding this filing may be directed to me at (407) 740-8575. Thank you for your assistance.

Sincerely,

Robin Norton
Consultant to North By NortheastCom LLC

Enclosures

TMF/ks

cc: Laurie Willman - NBNE
file: NBNE - SD
tms: SDi0200

BEFORE THE
SOUTH DAKOTA PUBLIC SERVICE COMMISSION

TC02-039

RECEIVED

APR 18 2002

REGISTRATION OF
NORTH BY NORTHEASTCOM LLC

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Pursuant to Rule 20:10:24:02 of the Commission's Telecommunications Services Rules, North By NortheastCom LLC ("NBNE") submits the following registration information:

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

North By NortheastCom LLC ("NBNE")
11200 Murray Scholls Place
Beaverton, OR 97007
Phone: 503-643-9500
Fax: 503-643-9600
Toll-Free: 800-933-4034

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

Same as subdivision (1).

3. If the applicant is a corporation:

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

North By NortheastCom LLC was incorporated on December 26, 2001 under the laws of the State of Delaware. A copy of the Secretary of State authority in South Dakota is included as Attachment I.

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

NBNE has no principal offices in South Dakota.

Registered Agent: National Registered Agents, Inc.
300 So. Phillips Avenue, Suite 300
Sioux Falls, SD 57102

3. If the applicant is a corporation: (cont'd.)

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

A copy of NBNE's Articles of Incorporation are included as Attachment II.

- (d) A list of the names and addresses of the current corporate officers and members of the board of directors.**

A list of the names and addresses of the current officers of NBNE is included as Attachment III.

- (e) The names and addresses of the ten common stockholders who own the greatest number of shares of common stock and the number of shares owned by each.**

NBNE does not have any stockholders.

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

NBNE is wholly owned by Metro One Telecommunications, Inc., a publicly traded company. Please see Attachment IV.

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

None.

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

Not applicable.

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

The Company proposes to offer Nationwide Directory Assistance with call completion, long distance transport and enhanced directory services. The Directory Assistance call will be billed on a per call basis. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

NBNE has contracted the services of ACI Billing Services for LEC and credit card billing. Their toll free telephone number for customer inquiries and complaints is 800-944-9646. The Company may also bill the Customer, in which case the toll free telephone number is 800-933-4034. The Customer Service Department is staffed Monday through Friday from 6AM to 6 PM Pacific time. After hours emergencies are handled by voicemail, and are called back the next business day.

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

NBNE is a switch-based reseller of interexchange telecommunications services with 30 switches nationwide. However, NBNE does own a switch in the State of South Dakota, and will therefore, originates calls via feature group D purchased by an underlying carriers. The calls are routed over switched access facilities to the nearest underlying carrier's point of presence. The underlying carrier transports the calls to its switch and terminates calls over its own terminating network (feature group or leased facilities).

NBNE has no plans to construct switching or transmission facilities in South Dakota.

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

NBNE intends to offer its services throughout the State of South Dakota.

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

NBNE does not have any recent financial statements, however, the overall parent company, Metro One Telecommunications, Inc.'s 10Q for the Quarterly period ended September 30, 2001, is submitted as Attachment IV.

The terms and conditions of service, as well as all rates and charges are provided in the NBNE's proposed tariff in Attachment V.

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

For inquiries regarding this application and tariff, contact:

Robin Norton, Consultant to North By NortheastCom LLC
Technologies Management, Inc.
210 N. Park Avenue
Winter Park, FL 32789
Phone: 407-740-8575
Fax: 407-740-0613

For complaints and on-going regulatory issues:

Laurie Willman, Regulatory Manager
North By NortheastCom LLC
11200 Murray Scholls Place
Beaverton, OR 97007
Phone: 503-643-9500
Fax: 503-643-9600
Toll-Free: 800-933-4034
E-Mail: laurie.willman@metro1.com

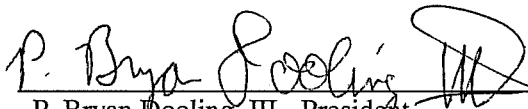
For all other matters, contact:

P. Bryan Dooling, III - President
North By NortheastCom LLC
11200 Murray Scholls Place
Beaverton, OR 97007
Phone: 503-643-9500
Fax: 503-643-9600
Toll-Free: 800-933-4034
E-Mail: bryan.dooling@metro1.com

10. **A detailed description of how the applicant intends to market services, the qualifications of its marketing sales personnel, its target market, whether the applicant engages in any multilevel marketing and copies of any company brochures used to assist in the sale of services.**

North By NortheastCom LLC utilizes direct sales employees to contact and market the company's services to new customers. The company does not utilize any form of multilevel marketing in the sale of its services.

Submitted by:



P. Bryan Dooling, III - President
North By NortheastCom LLC

ATTACHMENT I

Authority to Operate in South Dakota

THUR 03 2002 FRI 09:30 AM UNSEARCHED FAX NO. 3609569504 P. 02 50

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

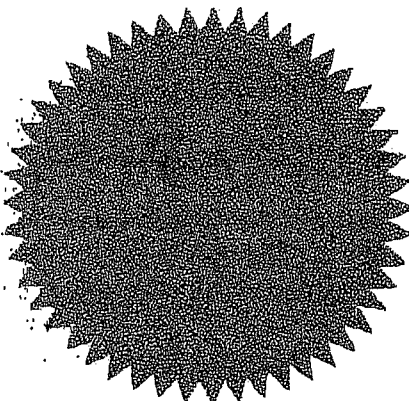
Certificate of Authority Limited Liability Company

ORGANIZATIONAL ID #: FL001200

I, **JOYCE HAZELTINE**, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of **NORTH BY NORTHEASTCOM LLC (DE)** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Limited Liability Company Act, have been received in this office and are found to conform to law.

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this March 7, 2002.



A handwritten signature in cursive script, reading "Joyce Hazeltine", written over a horizontal line.

Joyce Hazeltine
Secretary of State

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

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

RECEIVED

MAR 07 2002

60 SEC OF STATE

Filed this

7th
Month 2002

[Handwritten Signature]

SECRETARY OF STATE

1. The name of the foreign Limited Liability Company is:

NORTH BY NORTHEASTCOM LLC

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

3. The street address of its principal office is:

801 S. Figueroa Street, 40th Floor, Los Angeles, CA 90017-5758

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

300 South Phillips Ave Suite 300 Sioux Falls SD 57104-62

5. The name and street address of its (initial agent for service of process in South Dakota is: National Registered Agents, Inc.

300 South Phillips Avenue, Suite 300

Sioux Falls, SD 57104-6322

6. The date of organization is: December 26, 2001, and the period of duration is: perpetual

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

Bryan Dooling

801 S. Figueroa Street, 40th Floor

Los Angeles, CA 90017-5758

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

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

Date: 1/31/02

[Handwritten Signature]
(Signature and Title)

FILING INSTRUCTIONS:

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

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

FIRST ANNUAL REPORT
OF A
LIMITED LIABILITY COMPANY

1. The name of the Limited Liability Company is: NORTH BY NORTHEASTCOM LLC

2. The state or country under whose law it is organized is: Delaware

3. The address of its registered office and the name of its registered agent for service of process in South Dakota is:
National Registered Agents, Inc.
300 South Phillips Avenue, Suite 300
Sioux Falls, SD 57102

4. The address of its principal office is:
601 S. Figueroa Street, 40th Floor, Los Angeles, CA 90017-5758

5. The names and business addresses of any managers:
Bryan Dooling 601 S. Figueroa Street, 40th Floor, Los Angeles, CA 90017-5758

6. The dollar amount of the total agreed contributions to the Limited Liability Company is \$ 24,000.00

Date: 1/31/02

P. Bryan Dooling
(Signature and Title)

* FILING FEE:

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

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

SOUTH DAKOTA SECRETARY OF STATE

OFFICIAL RECEIPT

NUMBER 1071997

FORM OF PAYMENT CHECK
CHECK NBR 1454

DATE 03/07/2008
AMOUNT \$ 90.00
BY STEPHEN

UNISEARCH INC.
PO BOX 11940
OLYMPIA WA 98508-1940

THIS RECEIPT IS IN REFERENCE TO:
NORTH BY NORTHEASTCOM LLC
TRANSACTION DESCRIPTION AMOUNT
CERTIFICATE OF AUTHORITY.....\$ 90.00

ATTACHMENT II

Articles of Incorporation

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "NORTH BY NORTHEASTCOM LLC" AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF FORMATION, FILED THE TWENTY-SIXTH DAY OF DECEMBER, A.D. 2001, AT 9 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "EASTCOM LLC" TO "NORTH BY NORTHEASTCOM LLC", FILED THE TWENTY-SECOND DAY OF JANUARY, A.D. 2002, AT 9 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID LIMITED LIABILITY COMPANY.



3473796 8100H

020084470

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1603691

DATE: 02-08-02

Certificate of Formation

of

EastCom LLC

This Certificate of Formation of EastCom LLC, a Delaware limited liability company (the "Company"), dated as of December 26, 2001, is being duly executed and filed by Jeannie Gottlieb to form a limited liability company under the Delaware Limited Liability Company Act (6 Del.C. §18-101, et seq.) (the "Delaware Act").

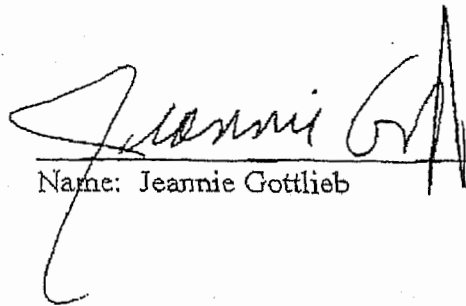
FIRST. The name of the limited liability company formed hereby is EastCom LLC.

SECOND. The address of the registered office of the Company in the State of Delaware is c/o National Registered Agents, Inc., 9 East Loockerman Street, City of Dover, County of Kent 19901.

THIRD. The name and address of the registered agent for service of process for the Company in the State of Delaware is National Registered Agents, Inc., 9 East Loockerman Street, City of Dover, County of Kent 19901.

IN WITNESS WHEREOF, the undersigned, an authorized person as described in the Delaware Act, has executed this Certificate of Formation as of the date first above written.

Authorized Person:


Name: Jeannie Gottlieb

CERTIFICATE OF AMENDMENT TO CERTIFICATE OF FORMATION

OF

EASTCOM LLC

EASTCOM LLC (hereinafter called the "company"), a limited liability company organized and existing under and by virtue of the Limited Liability Company Act of the State of Delaware, does hereby certify:

1. The name of the limited liability company is EASTCOM LLC.
2. The certificate of formation of the company is hereby amended by striking out Article[s] 1, thereof and by substituting in lieu of said Article[s] the following new Article[s]:

1. The name of the limited liability company is
NORTH BY NORTHEASTCOM LLC.

Executed on this 21 day of JANUARY, 2002


Authorized Person

Delaware Domestic Limited Liability Company
Certificate of Amendment 1.06 - 1

ATTACHMENT III

Officers, Directors, Stockholders

North By NortheastCom LLC

CORPORATE OFFICERS/DIRECTORS

The following individuals are officers and directors of North By NortheastCom LLC and can be reached at the company's corporate headquarters at 11200 Murray Scholls Place, Beaverton, Oregon 97007:

Officers:

P. Bryan Dooling, III

Lynne Michaelson

Duane Fromhart

President & Manager

Vice President

Chief Financial Officer

ATTACHMENT IV

Financial Information

United States
Securities and Exchange Commission
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For The Quarterly Period Ended September 30, 2001

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-27024

METRO ONE TELECOMMUNICATIONS, INC.
(Exact name of registrant as specified in its charter)

OREGON
(State or other jurisdiction of
incorporation or organization)

93-0995165
(I.R.S. Employer
Identification No.)

11200 Murray Scholls Place, Beaverton, Oregon 97007
(Address of principal executive offices)

(503) 643-9500
(Registrant's telephone number)

Indicate by check mark whether the registrant has (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Number of shares of common stock outstanding as of November 9, 2001: 24,350,877 shares, no par value per share

METRO ONE TELECOMMUNICATIONS, INC.

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Metro One Telecommunications, Inc.
Condensed Statements of Income (Unaudited)

| (In thousands, except per share data) | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---------------------------------------|----------------------------------|-----------------|---------------------------------|-----------------|
| | 2001 | 2000 | 2001 | 2000 |
| Revenues | \$ 60,868 | \$ 42,953 | \$ 170,246 | \$ 109,253 |
| Costs and expenses: | | | | |
| Direct operating | 35,194 | 26,879 | 96,846 | 69,439 |
| General and administrative | 16,954 | 12,219 | 48,189 | 32,205 |
| | <u>52,148</u> | <u>39,098</u> | <u>145,035</u> | <u>101,644</u> |
| Income from operations | 8,720 | 3,855 | 25,211 | 7,609 |
| Other income (expense), net | 267 | 50 | 1,001 | (8) |
| Interest expense and loan fees | <u>(15)</u> | <u>(931)</u> | <u>(877)</u> | <u>(2,267)</u> |
| Income before income taxes | 8,972 | 2,974 | 25,335 | 5,334 |
| Income tax expense | <u>1,397</u> | <u>210</u> | <u>4,997</u> | <u>293</u> |
| Net income | <u>\$ 7,575</u> | <u>\$ 2,764</u> | <u>\$ 20,338</u> | <u>\$ 5,041</u> |
| Earnings per share | | | | |
| Basic | \$.31 | \$.16 | \$.87 | \$.29 |
| Diluted | \$.30 | \$.15 | \$.83 | \$.28 |

The accompanying notes are an integral part of these condensed financial statements.

Metro One Telecommunications, Inc.
Condensed Balance Sheets (Unaudited)

| (In thousands) | <u>September 30,</u> <u>2001</u> | <u>December 31,</u> <u>2000</u> |
|--|-------------------------------------|------------------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 33,807 | \$ 6,463 |
| Accounts receivable | 40,776 | 36,559 |
| Prepaid costs and other current assets | <u>2,193</u> | <u>1,864</u> |
| Total current assets | 76,776 | 44,886 |
| Furniture, fixtures and equipment, net | 65,369 | 54,749 |
| Other assets | <u>8,767</u> | <u>2,663</u> |
| | <u>\$ 150,912</u> | <u>\$ 102,298</u> |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,675 | \$ 2,633 |
| Accrued liabilities | 4,790 | 6,088 |
| Accrued payroll and related costs | 8,532 | 9,181 |
| Operating line of credit | - | 4,750 |
| Current portion of long-term debt | <u>-</u> | <u>9,511</u> |
| Total current liabilities | 14,997 | 32,163 |
| Long-term debt | <u>-</u> | <u>24,731</u> |
| | <u>14,997</u> | <u>56,894</u> |
| Commitments and contingencies | - | - |
| Shareholders' equity: | | |
| Preferred stock, no par value; 10,000 shares authorized, no shares issued or outstanding | - | - |
| Common stock, no par value; 50,000 shares authorized, 24,246 and 17,747 shares issued and outstanding at September 30, 2001 and December 31, 2000 respectively | 114,163 | 43,991 |
| Retained earnings | <u>21,752</u> | <u>1,413</u> |
| Shareholders' equity | <u>135,915</u> | <u>45,404</u> |
| | <u>\$ 150,912</u> | <u>\$ 102,298</u> |

The accompanying notes are an integral part of these condensed financial statements.

Metro One Telecommunications, Inc.

Condensed Statements of Cash Flows (Unaudited)

| (In thousands) | Nine Months Ended September 30, | |
|---|---------------------------------|-----------------|
| | 2001 | 2000 |
| Cash flows from operating activities: | | |
| Net income | \$ 20,338 | \$ 5,041 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 11,449 | 7,422 |
| Loss on disposal of fixed assets | 143 | 148 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (4,217) | (23,966) |
| Prepaid costs and other current assets | 259 | (1,823) |
| Accounts payable, accrued liabilities and payroll and related costs | (4,864) | 6,987 |
| Net cash provided by (used in) operating activities | <u>23,108</u> | <u>(6,191)</u> |
| Cash flows from investing activities: | | |
| Capital expenditures | (20,301) | (20,269) |
| Cash paid in business combination | (3,639) | - |
| Proceeds from sale of assets | 196 | 8 |
| Maturity of short-term investments | - | 400 |
| Net cash used in investing activities | <u>(23,744)</u> | <u>(19,861)</u> |
| Cash flows from financing activities: | | |
| Proceeds from issuance of debt | - | 13,630 |
| Repayment of debt | (34,241) | (4,549) |
| Net (repayment) borrowings on line of credit | (4,750) | 11,500 |
| Repayment of capital lease obligations | - | (127) |
| Net proceeds from sale of common stock | 64,670 | - |
| Proceeds from exercise of stock options | 2,301 | 2,311 |
| Net cash provided by financing activities | <u>27,980</u> | <u>22,765</u> |
| Net increase (decrease) in cash and cash equivalents | 27,344 | (3,287) |
| Cash and cash equivalents, beginning of period | <u>6,463</u> | <u>9,564</u> |
| Cash and cash equivalents, end of period | <u>\$ 33,807</u> | <u>\$ 6,277</u> |
| <u>Supplementary disclosure of non-cash investing activity</u> | | |
| Issuance of 103,651 shares of common stock in business combination | \$ 3,200 | - |

The accompanying notes are an integral part of these condensed financial statements.

Metro One Telecommunications, Inc.

Notes to Condensed Financial Statements (in 000s, unaudited)

1. Basis of Presentation

The accompanying interim condensed financial statements have been prepared by Metro One Telecommunications, Inc. without audit and in conformity with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, certain financial information and footnotes have been omitted or condensed. In the opinion of management, the condensed financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the results for the interim periods. These condensed financial statements and notes thereto should be read in conjunction with our audited financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2000. The results of operations for the interim period shown in this report are not necessarily indicative of results for any future interim period or the entire fiscal year.

2. Earnings Per Share

Basic earnings per share is based on the weighted average number of common shares outstanding. Diluted earnings per share reflects the dilutive effect of stock options outstanding. Net income for the calculation of both basic and diluted earnings per share is the same for all periods.

A reconciliation of basic weighted average shares outstanding to diluted weighted average shares outstanding is as follows:

| | Three Months Ended | | Nine Months Ended | |
|---|--------------------|---------------|-------------------|---------------|
| | September 30, | | September 30, | |
| | 2001 | 2000 | 2001 | 2000 |
| Weighted average shares outstanding – Basic | 24,208 | 17,471 | 23,324 | 17,372 |
| Dilutive effect of stock options | 1,356 | 504 | 1,226 | 556 |
| Weighted average shares outstanding - Diluted | <u>25,564</u> | <u>17,975</u> | <u>24,550</u> | <u>17,928</u> |

The amount of dilution attributable to the stock options, determined by the treasury stock method, is dependent on the average market price of our common stock for each period.

On May 16, 2001, the Company's Board of Directors effected a three-for-two stock split by declaring a 50% stock dividend, distributing 8.1 million shares on June 29, 2001. All share and per share data presented in the accompanying financial statements and notes thereto have been restated for the stock split.

3. Commitments and Contingencies

From time to time, we are party to various legal actions and administrative proceedings arising in the ordinary course of business. We believe the disposition of these matters will not have a material adverse effect on our financial position, results of operations or cash flows.

4. Supplemental Cash Flow Information

| Cash paid for: | Nine Months Ended September 30, | |
|----------------|---------------------------------|----------|
| | 2001 | 2000 |
| Interest | \$ 975 | \$ 2,198 |
| Income taxes | 4,308 | 159 |

Metro One Telecommunications, Inc.

Notes to Condensed Financial Statements (in 000s, unaudited)

5. Income Taxes

At December 31, 2000, we had approximately \$11.4 million of net operating loss carryforwards expiring during the years 2005 to 2010. Ownership changes as defined by section 382 of the Internal Revenue Code could limit the amount of net operating loss carryforwards used in any one year or in the aggregate.

During the quarter, we reduced our deferred tax valuation allowance to reflect deferred tax assets used to reduce current year income taxes. Our quarterly and annual operating results have in the past and may in the future vary significantly depending on factors such as changes in the telecommunications market, the addition or expiration of customer contracts, increased competition, changes in pricing policies by us or our competitors, lengthy sales cycles, lack of market acceptance or delays in the introduction of new versions of our products or features, the timing of the initiation of wireless services or their acceptance in new market areas by telecommunications customers or their subscribers, the timing and expense of the expansion of our national call center network, general employment environment, general economic conditions, significant world events and other factors. Given the variability in operating results, we will continue to review the valuation allowance on a quarterly basis and make adjustments as appropriate.

For fiscal year 2001, we expect our combined effective federal and state income tax rate to be about 20%. The difference between taxes calculated at the statutory federal and state tax rates and the effective combined rates for the year ended December 31, 2001 is expected to primarily result from changes in the deferred tax asset valuation allowance due to the utilization of net operating loss carryforwards.

6. Significant Transactions

In February 2001, we completed the sale and issuance to Sonera Media Holding B.V. ("Sonera") of Finland, of six million shares of our common stock at a price of US\$11.33 per share, for an aggregate price of \$68 million (net proceeds of \$64.7 million) and an approximate 25.5% ownership position. Under the terms of the agreement, Sonera has gained representation on our Board of Directors and can further acquire up to an aggregate 33% ownership position. We have utilized a portion of the cash received to retire approximately \$35 million of debt. We intend to use the additional cash to further expand our infrastructure and capacity through expansion of existing call centers and new call centers in selected markets and for other corporate purposes.

In February 2001, we completed the purchase of a developer of web-based data extraction and processing technology. The transaction has been recorded using the purchase method of accounting. The purchase price has been allocated to the assets acquired, which consisted primarily of proprietary technology and intangibles and goodwill. Pro forma financial information is not presented, as the impact on the Company's results of operations was not material.

7. Recent Accounting Pronouncements

In July 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" (SFAS 142). This new statement addresses financial accounting and reporting for goodwill and other intangible assets. Under this new standard, goodwill and other intangible assets that are deemed to have an indefinite life will no longer be amortized. However, goodwill and other intangible assets will be tested for impairment on an annual basis by applying a fair value based test. SFAS 142 will be effective for the Company beginning January 1, 2002. Management is currently evaluating the impact of this statement. However, we do not expect the impact on the Company's results of operations to be material.

Metro One Telecommunications, Inc.

Notes to Condensed Financial Statements (in 000s, unaudited)

SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", addresses accounting and reporting for the impairment or disposal of long-lived assets. SFAS No. 144 supercedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of". SFAS No. 144 establishes a single accounting model for long-lived assets to be disposed of by sale and expands on the guidance provided by SFAS No. 121 with respect to cash flow estimations. SFAS No. 144 becomes effective January 1, 2002. Management believes the adoption of SFAS No. 144 will not have a significant impact on the Company's financial position, results of operations or cash flows.

In September 2001, the Emerging Issues Task Force (EITF) issued EITF 01-10, "Accounting for the Impact of the Terrorist Attacks of September 11, 2001". This pronouncement discusses the classification and timing of reporting losses directly associated with the terrorist attacks of September 11, 2001. The Company did not suffer direct loss of employee life or Company property as a result of the attacks. However, these and subsequent related world events appear to have impacted customer calling behaviors and call arrival distribution patterns. The extent of the impact of these events on the Company's results of operations for the third quarter of 2001 or future periods cannot accurately be determined. At this time, management believes that these events will not have a material impact on the Company's financial position, results of operations or cash flows.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

All statements and trend analyses contained in this item and elsewhere in this report on Form 10-Q relative to the future constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to the business and economic risks faced by us and our actual results of operations may differ materially from those contained in the forward looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Results of operations for the periods discussed below should not be considered indicative of the results to be expected in any future period and fluctuations in operating results may also result in fluctuations in the market price of our common stock. Our quarterly and annual operating results have in the past and may in the future vary significantly depending on factors such as changes in the telecommunications market, the addition or expiration of customer contracts, increased competition, changes in pricing policies by us or our competitors, lengthy sales cycles, lack of market acceptance or delays in the introduction of new versions of our products or features, the timing of the initiation of wireless services or their acceptance in new market areas by telecommunications customers, the timing and expense of the expansion of our national call center network, general employment environment, general economic conditions, significant world events and other factors, including but not limited to, factors detailed in our annual report on Form 10-K filed with the Securities and Exchange Commission.

Overview

We are the leading developer and provider of Enhanced Directory Assistance ("EDA") and other enhanced telecom services. We have contracts with wireless and landline carriers ("customers") to provide EDA and other services in numerous U.S. markets. Our recent operations have been characterized by rapid call volume and revenue growth as well as growth in profits. Call volume and revenues increased 50% and 42%, respectively, in the third quarter of 2001 from the third quarter of 2000, and profits grew to \$7,575,000 from \$2,764,000.

Our marketing strategy includes efforts to increase our share of the directory assistance and information services markets by expanding services to existing customers, adding new customers and subsequently expanding our call center network into new geographic markets. We have had ongoing business discussions about new contracts with other telecommunications companies. In order to serve new or existing customers, we anticipate that we will open additional call centers or expand or relocate existing call centers, as needed, during the remainder of 2001 and beyond. We opened one new call center in the first nine months of 2001.

To stimulate an increase in call volume and to attract and expand customer commitments, our strategy has included price discounts based on call volumes. We expect that our average price per call will continue to decrease in the remainder of 2001 as increasing call volumes trigger volume-based pricing discounts. We believe that our pricing strategy better positions us to retain and expand service with existing customers, to extend service to new customers and to achieve greater operating margins over time.

In February 2001, we completed the sale and issuance to Sonera Media Holding B.V. ("Sonera") of Finland, of six million shares of our common stock at a price of US\$11.33 per share, for an aggregate price of \$68 million (net proceeds of \$64.7 million) and an approximate 25.5% ownership position. Under the terms of the agreement, Sonera has gained representation on our Board of Directors and can further acquire up to an aggregate 33% ownership position. We have utilized a portion of the cash received to retire approximately \$35 million of debt. We intend to use the additional cash to further expand our infrastructure and capacity through expansion of existing call centers and new call centers in selected markets and for other corporate purposes.

In February 2001, we completed the purchase of a developer of web-based data extraction and processing technology, which has become our Content Development department. This group builds application-specific databases for a variety of portals, be they wired or wireless, voice or data. Our proprietary data extraction and processing technology enables the creation and ongoing maintenance of high quality databases from distributed and fragmented data on the web and elsewhere. We believe that these capabilities will contribute to the expansion of our services and data offerings to our wireless and other customers.

Results of Operations

The following table sets forth, for the periods indicated, the items of our statements of income as a percentage of revenues.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|----------------------------------|-------------------------------------|--------------|------------------------------------|--------------|
| | 2001 | 2000 | 2001 | 2000 |
| Revenues | 100.0% | 100.0% | 100.0% | 100.0% |
| Direct operating costs | 57.8 | 62.6 | 56.9 | 63.6 |
| General and administrative costs | <u>27.9</u> | <u>28.4</u> | <u>28.3</u> | <u>29.5</u> |
| Income from operations | 14.3 | 9.0 | 14.8 | 6.9 |
| Other income (expense), net | 0.4 | 0.1 | 0.6 | (0.0) |
| Interest and loan fees | <u>(0.0)</u> | <u>(2.2)</u> | <u>(0.5)</u> | <u>(2.0)</u> |
| Income before income taxes | 14.7 | 6.9 | 14.9 | 4.9 |
| Income tax expense | <u>2.3</u> | <u>0.5</u> | <u>2.9</u> | <u>0.3</u> |
| Net income | <u>12.4</u> | <u>6.4</u> | <u>12.0</u> | <u>4.6</u> |

Comparison of Third Quarter 2001 to Third Quarter 2000

Revenues increased 41.7% to \$60.9 million in the third quarter of 2001 from \$43.0 million in the third quarter of 2000. Call volume grew to 125 million calls in the third quarter of 2001 from approximately 83 million calls during the third quarter of 2000. These increases resulted primarily from the addition of new subscribers and new markets from existing customers, as well as increased usage of our services by existing subscribers.

Direct operating costs increased 30.9% to \$35.2 million in the third quarter of 2001 from \$26.9 million in the third quarter of 2000. This increase was primarily due to increased staffing costs associated with increased call volumes. As a percentage of revenues, direct operating costs decreased to 57.8% in the third quarter of 2001 from 62.6% in the third quarter of 2000. This decrease was due primarily to operating efficiencies and lower costs of accessing information content.

General and administrative costs increased 38.8% to \$17.0 million in the third quarter of 2001 from \$12.2 million in the third quarter of 2000. This increase resulted primarily from additional costs necessary to support our larger base of call centers and increased call volumes. As a percentage of revenues, general and administrative costs decreased to 27.9% in the third quarter of 2001 from 28.4% in the third quarter of 2000. This decrease resulted primarily from efficiencies associated with the growth of our business. Depreciation and amortization increased by 64.0% to \$4.1 million in the third quarter of 2001 from \$2.5 million in the third quarter of 2000 due primarily to equipment purchased for new call centers, upgrades of existing call centers and product development activities.

Other income, net for the three months ended September 30, 2001 and 2000 was \$267,000 and \$50,000, respectively and consisted primarily of interest income partially offset by losses on disposal of assets in both periods.

Interest expense and loan fees decreased 98.4% to \$15,000 in the third quarter of 2001 from \$931,000 in the third quarter of 2000. This decrease was primarily attributable to a decrease in average outstanding debt. All debt was paid in full as of March 31, 2001.

Comparison of the First Nine Months of 2001 to the First Nine Months of 2000

Revenues increased 55.8% to \$170.2 million in the first nine months of 2001 from \$109.3 million in the first nine months of 2000. Call volume grew to approximately 343 million calls in the first nine months of 2001 from approximately 210 million calls during the first nine months of 2000. These increases resulted primarily from the addition of new subscribers and new markets from existing customers, as well as increased usage of our services by existing subscribers.

Direct operating costs increased 39.5% to \$96.8 million in the first nine months of 2001 from \$69.4 million in the first nine months of 2000. This increase was primarily due to increased staffing costs associated with increased call volumes. As a percentage of revenues, direct operating costs decreased to 56.9% in the first nine months of 2001 from 63.6% in the first nine months of 2000. This decrease was due primarily to operating efficiencies and lower costs of accessing information content.

General and administrative costs increased 49.6% to \$48.2 million in the first nine months of 2001 from \$32.2 million in the first nine months of 2000. This increase resulted primarily from additional costs necessary to support our larger base of call centers and increased call volumes. As a percentage of revenues, general and administrative costs decreased to 28.3% in the first nine months of 2001 from 29.5% in the first nine months of 2000. This decrease resulted primarily from efficiencies associated with the growth of our business. Depreciation and amortization increased by 60.1% to \$11.0 million in the first nine months of 2001 from \$6.9 million in the first nine months of 2000 due primarily to equipment purchased for new call centers, upgrades of existing call centers and product development activities.

Other income, net for the nine months ended September 30, 2001 was \$1.0 million and consisted primarily of interest income partially offset by losses on disposal of assets. Other expense, net for the nine months ended September 30, 2000 was \$8,000 and consisted primarily of losses on the disposal of fixed assets offset by interest income.

Interest expense and loan fees decreased 61.3% to \$877,000 in the first nine months of 2001 from \$2.3 million in the first nine months of 2000. This decrease was primarily attributable to a decrease in average outstanding debt. All debt was paid in full as of March 31, 2001.

Income tax expense for the nine months ended September 30, 2001 was \$5.0 million, for an effective tax rate of approximately 19.7%. Income tax expense for the nine months ended September 30, 2000 was \$293,000, for an effective tax rate of approximately 5.5%. These rates differ from the combined federal and state statutory rate of approximately 41% primarily due to the use of net operating loss carryforwards.

Liquidity and Capital Resources

Our cash and cash equivalents are recorded at cost, which approximates fair market value. As of September 30, 2001, we had \$33.8 million in cash and cash equivalents compared to \$6.5 million at December 31, 2000. The net increase of \$27.3 million resulted primarily from the investment by Sonera and operating cash inflows partially offset by cash paid for capital expenditures, the repayment of debt and the acquisition of Enthusiasm.

Working capital was \$61.8 million at September 30, 2001, compared to \$12.8 million at December 31, 2000. This increase is due primarily to working capital provided by the investment of Sonera and from the results of operations, offset by the use of working capital for capital expenditures, the repayment of debt and the acquisition of a data extraction and processing company.

Cash Flow from Operations. Net cash provided by operations was \$23.1 million for the nine months ended September 30, 2001 resulting primarily from net income and the effect of non-cash depreciation and amortization partially offset by an increase in accounts receivable and a decrease in accounts payable and accrued liabilities.

Cash Flow from Investing Activities. Cash used in investing activities was \$23.7 million for the nine months ended September 30, 2001 resulting primarily from capital expenditures for the purchase of equipment for new call centers, the upgrade and expansion of existing call centers, upgrades and expansions of corporate networks and infrastructure and cash paid in the acquisition of a data extraction and processing company.

Cash Flow from Financing Activities. Net cash provided by financing activities was \$28.0 million for the nine months ended September 30, 2001 resulting primarily from the proceeds of the investment by Sonera. Additional cash was provided by the exercise of common stock options.

We have a \$10.0 million secured line of credit agreement with a commercial bank. The agreement expires in December 2001. Outstanding borrowings bear interest at the prime rate (6.00% at September 30, 2001) plus up to 0.5% based on the ratio of debt to cash flow, and all receivables are pledged to the bank as collateral. In addition, the line has an unused facility fee of up to 0.75%, also based on the ratio of debt to cash flow. The agreement contains minimum quick ratio, debt to equity and profitability requirements, as well as other restrictive covenants, and prohibits the payment of any dividends and other distributions and redemptions of our stock exceeding 10% of our tangible net worth. As of September 30, 2001, we had no outstanding borrowings under this agreement.

Future Capital Needs and Resources. The primary uses of our capital in the near future are expected to be the development or acquisition of technologies, features and content complementary to our business, expansion of our call center and network capacity to serve existing and potential new customers and for general corporate purposes, including possible acquisitions, other corporate development activities and working capital. We currently anticipate that our capital expenditures will be approximately \$25 to \$30 million in 2001, resulting primarily from projected call center expansions, increased network capacity and corporate development activities.

Recent Accounting Pronouncements. In July 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" (SFAS 142). This new statement addresses financial accounting and reporting for goodwill and other intangible assets. Under this new standard, goodwill and other intangible assets that are deemed to have an indefinite life will no longer be amortized. However, goodwill and other intangible assets will be tested for impairment on an annual basis by applying a fair value based test. SFAS 142 will be effective for the Company beginning January 1, 2002. Management is currently evaluating the impact of this statement. However, we do not expect the impact on the Company's results of operations to be material.

SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", addresses accounting and reporting for the impairment or disposal of long-lived assets. SFAS No. 144 supercedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of". SFAS No. 144 establishes a single accounting model for long-lived assets to be disposed of by sale and expands on the guidance provided by SFAS No. 121 with respect to cash flow estimations. SFAS No. 144 becomes effective January 1, 2002. Management believes the adoption of SFAS No. 144 will not have a significant impact on the Company's financial position, results of operations or cash flows.

In September 2001, the Emerging Issues Task Force (EITF) issued EITF 01-10, "Accounting for the Impact of the Terrorist Attacks of September 11, 2001". This pronouncement discusses the classification and timing of reporting losses directly associated with the terrorist attacks of September 11, 2001. The Company did not suffer direct loss of employee life or Company property as a result of the attacks. However, these and subsequent related world events appear to have impacted customer calling behaviors and call arrival distribution patterns. The extent of the impact of these events on the Company's results of operations for the third quarter of 2001 or future periods cannot accurately be determined. At this time, management believes that these events will not have a material impact on the Company's financial position or results of operations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Substantially all of our cash and cash equivalents are invested in money market instruments, and therefore the fair market value of these instruments is affected by changes in market interest rates. However, substantially all of our investments at September 30, 2001 were invested in overnight money market instruments and were redeemable on a daily basis. Substantially all of the underlying investments in the money market fund had maturities averaging three months or less. As a result, we believe the market risk arising from our holdings of financial instruments is minimal. A hypothetical 1% fluctuation in interest rates would not have a material adverse effect on our financial position, results of operations or cash flows.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

None

(b) Reports filed on Form 8-K

None

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Metro One Telecommunications, Inc.
Registrant

Date: November 14, 2001

/s/ Dale N. Wahl
Dale N. Wahl
Senior Vice President
Chief Financial Officer

ATTACHMENT V

Proposed Tariff

North By NortheastCom LLC
11200 Murray Scholls Place
Beaverton, OR 97007

South Dakota Tariff No. 1
Original Sheet 1

Issued:

Effective:

SOUTH DAKOTA
INTEREXCHANGE TELECOMMUNICATIONS TARIFF
OF
North By NortheastCom LLC

This tariff contains the descriptions, regulations and rates applicable to the provision of interexchange telecommunications by North By NortheastCom LLC 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:

CHECK SHEET

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

| PAGE | REVISION | | PAGE | REVISION | |
|------|----------|---|------|----------|---|
| 1 | Original | * | 26 | Original | * |
| 2 | Original | * | 27 | Original | * |
| 3 | Original | * | 28 | Original | * |
| 4 | Original | * | 29 | Original | * |
| 5 | Original | * | 30 | Original | * |
| 6 | Original | * | | | |
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| 22 | Original | * | | | |
| 23 | Original | * | | | |
| 24 | Original | * | | | |
| 25 | Original | * | | | |

* - indicates those pages included with this filing

Issued:

Effective:

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Issued:

Effective:

APPLICATION OF TARIFF

The regulations, rules and conditions set forth in this Tariff apply to the provision of intrastate public telecommunications services furnished within the State of South Dakota by North By NortheastCom LLC subject to the jurisdiction of the South Dakota Public Utilities Commission.

Issued:

Effective:

SYMBOLS

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

- (C) - To signify a changed listing, rule or condition which may affect rates or charges.
- (D) - To signify discontinued material, including a listing, rate, rule or condition.
- (I) - To signify an increase in rates or charges.
- (M) - To signify material relocated from or to another part of this Tariff with no change in text, rate, rule or condition.
- (N) - To signify new material, including a listing, rate, rule or condition.
- (R) - To signify a reduction in rates or charges.
- (T) - To signify a change in the wording of the text, but no change in rate, rule or condition.
- (X) - To signify a correction or reissued matter.

Issued:

Effective:

TARIFF FORMAT

- A. Page Numbering** - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Page 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 SD PUC. For example, the 4th revised Page 14 cancels the 3rd revised Page 14.
- C. Paragraph Numbering Sequence** - There are seven 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 SD PUC, 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:

SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS

Access - Access to NBNE's services are provided by one or more or a combination of the following methods: presubscription in equal access areas, direct access, 800, 950 and 10XXX dialing sequences.

Access Code - A sequence of numbers that, when dialed, connect the caller to the provider of services associated with that sequence.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Service User so the Company may rate and bill the call. All Authorization Codes shall be the sole property of the Company and no Customer shall have any property or other right or interest in the use of any particular Authorization Code. Automatic Numbering Identification ("ANI") may be used as or in connection with the Authorization Code.

Authorized User - A person or entity that accesses the Company's services. An Authorized User is responsible for compliance with this tariff.

Automatic Numbering Identification (ANI) - A type of signaling provided by a local exchange telephone company that automatically identifies the local exchange line from which a call originates.

Billed Party - The person or entity responsible for payment of the Company's Service(s): For a Direct Dialed Call, the person or entity responsible for payment is the Customer responsible for payment for local telephone service at the telephone used to originate an intrastate call. In the case of a Traveler Card call or Phone Home Card call, the person or entity responsible for payment is the Customer of record of the Traveler Card or Phone Home Card used.

Calling Card Call - A Direct Dialed call for which charges are billed not to the originating telephone number, but to a LEC or interexchange carrier calling card.

Central Office - A Local Exchange Carrier switching system where Local Exchange Carrier customer station loops are terminated for purposes of interconnection to each other and to trunks.

Channel - The term "Channel" denotes a path for electrical transmission between two or more points, the path having a band width designed to carry voice grade transmission.

Issued:

Effective:

SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS, (CONT'D.)

Common Carrier - A company or entity providing telecommunications services to the public.

Customer - The term "Customer" denotes the person, partnership, association, joint stock company, trust, corporation, or governmental entity or any other entity that is responsible for payment of charges and for compliance with this tariff.

Customer - Provided Facilities - The term "Customer - Provided Facilities" denotes all communications facilities provided by the Customer and/or Authorized User other than those provided by the Company.

Direct Dialed Call - An intrastate telephone call that is automatically completed and billed to the telephone number from which the call originated without the automatic or live assistance of an operator.

Equal Access Code - An access code that allows the public to obtain an equal access connection to the carrier associated with that code.

Exchange - The term "Exchange" denotes a unit established by the Local Exchange Carrier for the administration of communications service in a specified area that usually embraces a city, town or village and its environs. It consists of one or more Central Offices together with the associated facilities used in furnishing communications service within that area.

Intrastate Message Telecommunications Service ("MTS") - The term "Intrastate Message Telecommunications Services" denotes the furnishing of direct dialed intrastate switched service to the Customer for the completion of long distance voice and dial-up low speed data transmissions over voice grade channels between points wholly within the State of South Dakota.

Local Exchange Carrier ("LEC") - The term "Local Exchange Carrier" denotes any telephone company that provides local telephone service to Customers within a defined area.

Issued:

Effective:

SECTION 1.0 - TECHNICAL TERMS AND ABBREVIATIONS, (CONT'D.)

Measured Charge - A charge assessed on a per minute or incremental basis in calculating a portion of the charges due for a completed call.

Other Common Carrier - The term "Other Common Carrier" denotes a common carrier, other than the Company, providing domestic and/or international communications service to the public.

Personal Identification Numbers (PINS) - Code numbers used in connection with designated telephone numbers which allow intrastate calls to be categorized for various applications.

Point(s) of Presence - The term "Point(s) of Presence" denotes the site(s) where the Company provides a network interface with facilities provided by Other Common Carriers, Local Exchange Carriers or Customers for access to the Company network configuration.

Premise - The term "Premise" denotes a building or buildings on contiguous property (except railroad rights-of-way, etc.) not separated by a public highway.

SD PUC - South Dakota Public Utilities Commission.

Service - Intrastate telecommunications service provided to a Customer or Authorized User by the Company.

Special Access Service - All exchange access not utilizing telephone company end office switches. This service includes dedicated access that connects end user to end user, end user to carrier, or carrier to carrier and may include analog or digital channels for voice, data or video transmissions.

Subscriber - Any person, firm, partnership, corporation, governmental agency or other entity that orders service from the Company on behalf of itself or on behalf of others. A Subscriber may, in the ordinary course of its operations, makes telephones available to transient users of its premises for placing of intrastate calls. The Subscriber has a pre-existing business arrangement with the Company and may also be a Customer.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the Service, the transmission of data, facsimile, signaling, metering, or any other form of intelligence.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS

2.1 Undertaking of the Company

Service is offered to residential and business Customers of the Company to provide direct dialed calls originating and terminating partially or wholly within the State of South Dakota, using the Company's network configuration. The Company provides switched long distance network services for voice grade and low speed dial-up data transmission services. The Company does not undertake to transmit messages but furnishes the use of its facilities to its Customers for communications. All services are provided subject to the terms and conditions set forth in this tariff. In the event of a conflict between a contract entered into by the Company and this tariff, the terms of this tariff shall prevail.

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.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations

- 2.2.1** 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.
- 2.2.2** NBNE reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3** The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.4** All services and facilities provided under this tariff are directly or indirectly controlled by NBNE and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.4** Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.3 Use

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

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.4 Liabilities of Company

- 2.4.1** NBNE's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, shall be determined in accordance with SDCL 49-13-1 and 49-13-1.1 and any other applicable law.
- 2.4.2** The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3** NBNE shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to Acts of God, fires, flood or other catastrophes; atmospheric conditions or other phenomena of nature, such as radiation; any law, order, regulation, directive, action or request of the United States Government, or any other government, including state and local governments having jurisdiction over NBNE or the services provided hereunder; national emergencies; civil disorder, insurrections, riots, wars, strikes, lockouts, work stoppages, or other labor problems or regulations established or actions taken by any court or government agency having jurisdiction over the Company or the acts of any party not directly under the control of the Company.
- 2.4.4** NBNE is not liable for any act, omission or negligence of any Local Exchange Carrier or other provider whose facilities are used concurrently in furnishing any portion of the services received by Customer, or for the unavailability of or any delays in the furnishing of any services or facilities that are provided by any Local Exchange Carrier. Should the Company employ the service of any Other Common Carrier in furnishing the service provided to Customer, the Company's liability shall be limited according to the provisions stated above.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.4 Liabilities of Company, (Cont'd.)

- 2.4.5** NBNE shall be indemnified and held harmless by the Customer and Authorized User from and against all loss, liability, damage, and expense, including reasonable attorney's fees, due to claims for libel, slander, or infringement of copyright or trademark in connection with any material transmitted by any person using the Company's services and any other claim resulting from any act or omission of the Customer or Authorized User relating to the use of the Company's facilities.
- 2.4.6** The Company shall not be liable for any act or omission of any other entity furnishing to the Customer facilities or equipment used with the service furnished hereunder; nor shall the Company be liable for any damages or losses due in whole or in part to the failure of Customer-provided service, equipment or facilities.
- 2.4.7** The Company shall not be liable for the accuracy of any information provided to it by outside sources relating to directory assistance or other enhanced service offerings. The Company will make every effort to verify that all information that it provides on a per call basis will be true and accurate. The Company, however, has no control over the information that it receives from its various suppliers and makes no guarantee as such.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.5 Deposits

The Company does not require deposits from customers.

2.6 Advance Payments

The Company does not require advance payments from customers.

2.7 Taxes

All federal excise taxes, and state and local sales, use, and similar taxes, are billed as separate line items and are not included in the quoted rates, unless otherwise provided in Section 4 of this tariff.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.8 Payment and Credit Regulations

2.8.1 Billing and Credit Regulations

The charges for service are due when billed and are billed and collected by the Company or its authorized agent, or the connecting company from whose service point the messages were sent paid or at whose service point the messages were received collect.

2.8.2 Payment for Service

The Customer is responsible for payment of all charges for services, including charges for service originated or charges accepted at the Customer's service point.

- (A) Charges for direct dialed calls will be included on the originating party's bill pursuant to billing and collection agreements established by the Company or its intermediary with the applicable telephone company.
- (B) Any applicable federal, state and local use, excise, sales or privileges taxes or similar liabilities chargeable to or against the Company as a result of the provision or the Company's service hereunder to the Customer shall be charged to and payable by the Customer in addition to the rates indicated in this tariff.
- (C) The Customer shall remit payment of all charges to any agency authorized by the Company to receive such payment.
- (D) If the bill is not paid within thirty calendar days following the mailing of the bill, the account will be considered delinquent.
- (E) A delinquent account may subject the Customer's service to temporary disconnection. The Company is responsible for notifying the Customer at least five calendar days before service is disconnected.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.8 Payment and Credit Regulations, (Cont'd.)

2.8.2 Payment for Service, (cont'd.)

- (F) Failure to receive a bill will not exempt a Customer from prompt payment of any sum or sums due the Company.
- (G) In the event the Company must employ the services of attorneys for collection of charges due under this tariff or any contract for special services, Customer shall be liable for all costs of collection including reasonable attorney's fees and court costs as provided by law.
- (H) NBNE will not bill for unanswered calls in areas where Equal Access is available, nor will NBNE knowingly bill for unanswered telephone calls where Equal Access is not available. In the event that an unanswered call is inadvertently billed due to the unavailability of Equal Access, NBNE will cancel all such charges upon request or may credit the account of the Billed Party. Any call for which the billed duration exceeds one minute shall be presumed to have been answered.
- (I) In the event the Customer is overbilled, an adjustment will be made to the Customer's account and the Customer will be deemed to not owe overbilled amount. If the Customer is underbilled, the Customer is allowed to either pay in lump sum or in installments.
- (J) A Customer has 180 days from the date of a bill to dispute a portion of their bill, notwithstanding Section 2.8.2 (A) through (I) above. While the charge is in dispute, the Customer shall only be required to pay the undisputed portion of their bill in full.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.9 Right to Backbill for Improper Use of the Company's Service

Any person or entity that uses, appropriates or secures the use of service from the Company, whether directly or indirectly, in any unlawful manner or through the providing of any misleading or false information to the Company and which uses, appropriation, or securing of services is inconsistent with the stated uses, intents, and purposes of this tariff or any restrictions, conditions, and limitations stated herein, shall be liable for an amount equal to the accrued and unpaid charges that would have been applicable to the use of the Company's service actually made by Customer.

2.10 Billing Entity Conditions

When billing functions on behalf of NBNE are performed by local exchange telephone companies, credit card companies or others, the payment conditions and regulations of such companies apply, including any applicable interest and/or late payment charges. In case of any disputed charges that cannot be resolved by the billing company, the Billed Party may contact NBNE directly. If there is still a disagreement about the disputed amount after investigation and review by NBNE or other service provider, the Billed Party has the option to pursue the matter with the appropriate state commission and/or the Federal Communications Commission.

2.11 Compliance with Regulatory Requirements

The Company reserves the right to discontinue service, limit service, or to impose requirements on Customers as required to meet changing regulatory rules and standards of the SD PUC.

2.12 Interconnection

The Company reserves the right to interconnect its services with those of any Other Common Carrier, Local Exchange Carrier, or alternate access provider of its election, and to utilize such services for the provision of services offered herein.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.13 Denial of Access or Disconnect of Service by the Company

The Company expressly retains the right to deny access or disconnect service without incurring any liability for any of the following reasons.

- 2.13.1** Nonpayment of any sum due for service provided hereunder, where the Customer's charges remain unpaid more than ten (10) days following notice of nonpayment and notice of intention to disconnect from the Company. Notice shall be deemed to be effective upon mailing of written notice, postage prepaid, to the Customer's last known address;
- 2.13.2** Customer's acts or omissions that constitute a violation of, or a failure to comply with, any regulation stated in this tariff governing the furnishing of service, but which violation or failure to comply does not constitute a material breach or does not pose any actual threatened interference to NBNE operations or its furnishing of service. The Company agrees to give Customer ten (10) days notice of such violation or failure to comply prior to disconnection of service; or
- 2.13.3** The implementation of any order of a court of competent jurisdiction, or federal or state regulatory authority of competent jurisdiction, prohibiting the Company from furnishing such service; or
- 2.13.4** Failure to pay a previously owed bill by the same Customer at another location.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.14 Customer's Liability in the Event of Denial of Access to Service by the Company

In the event a Customer's service is disconnected by the Company for any of the reasons stated in Section 2.13, the Customer shall be liable for all unpaid charges due and owing to the Company associated with the service.

2.15 Reinstitution of Service

The Company will reconnect service upon Customer request as soon as the reason for the Customer's termination is removed. If the Customer seeks reinstatement of Service following denial of service by the Company, the Customer shall pay to the Company prior to the time service is reinstated (1) all accrued and unpaid charges, but there will be no charge for the service restoration.

2.16 Credit Allowances for Interruption of Service

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

2.17 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.

2.18 Reserved for Future Use

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.19 Responsibilities of the Subscriber

- 2.19.1** The Subscriber is responsible for placing any necessary orders, for complying with tariff regulations, and for ensuring that Authorized Users comply with tariff regulations. The Subscriber is also responsible for the payment of charges for calls originated at the Subscriber's premises that are not collect, third party, calling card, or credit card calls.
- 2.19.2** The Subscriber is responsible for charges incurred for special construction and/or special facilities that the Subscriber requests and which are ordered by NBNE on the Subscriber's behalf.
- 2.19.3** If required for the provision of NBNE's Services, the Subscriber must provide any equipment space, supporting structure, conduit, and electrical power without charge to NBNE.
- 2.19.4** The Subscriber is responsible for arranging ingress to its premises at times mutually agreeable to it and NBNE when required for NBNE personnel to install, repair, maintain, program, inspect, or remove equipment associated with the provision of NBNE's Services.
- 2.19.5** The Subscriber shall ensure that its terminal equipment and/or system is properly interfaced with NBNE's facilities or services, that the signals emitted into NBNE's network configuration are of the proper mode, bandwidth, power, and signal level for the intended use of the Subscriber and in compliance with the criteria set forth in Part 68 of the Code of Federal Regulations, and that the signals do not damage equipment, injure personnel, or degrade service to other Subscribers.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.19 Responsibilities of the Subscriber, (Cont'd.)

- 2.19.6** If the Subscriber fails to maintain the equipment and/or the system properly, with resulting imminent harm to NBNE's equipment, personnel, or the quality of Service to other Subscribers or Customers, NBNE may, upon written notice, require the use of protective equipment at the Subscriber's expense. If this fails to produce satisfactory quality and safety, NBNE may, upon written notification, terminate the Subscriber's service.
- 2.19.7** The Subscriber must pay NBNE for replacement or repair of damage to the equipment or facilities of NBNE caused by negligence or willful act of the Subscriber, its Authorized Users, or others, or by improper use of equipment provided by the Subscriber, Authorized Users, or others.
- 2.19.8** The Subscriber must pay for the loss through theft or fire of any of NBNE's equipment installed at Subscriber's premises.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.20 Responsibilities of Authorized Users

- 2.20.1 The Authorized User is responsible for compliance with the applicable regulations set forth in this tariff as well as all rules and regulations of the state utility commission and the FCC.
- 2.20.2 The Authorized User is responsible for identifying the station, party, or person with whom communication is desired and/or made at the called number.
- 2.20.3 The Authorized User is responsible for providing NBNE with a valid method of billing for each call. NBNE reserves the right to validate the credit worthiness of users through available credit card, calling card, called number, third party telephone number, and room number verification procedures. Where a requested billing method cannot be validated, the user may be required to provide an acceptable alternate billing method or NBNE may refuse to place the call.

Issued:

Effective:

SECTION 2.0 - RULES AND REGULATIONS, (CONT'D.)

2.21 Customer Inquiries or Complaints

Customer inquiries or complaints regarding service or billings may be made in writing or phone to:

Customer Service Manager
North By NortheastCom LLC
11200 Murray Scholls Place
Beaverton, OR 97007
Phone: 503-643-9500
Fax: 503-643-9600
Toll-Free: 800-933-4034

Customers may contact the South Dakota Public Utilities Commission if he or she is dissatisfied with the Company's response. The Commission can be reached at:

South Dakota Public Utilities Commission
500 East Capitol
Pierre, SD 57501-5070
Phone: (605) 773-3201
Toll Free: (800) 332-1782
TTY Through Relay South Dakota (800) 877-1113

Issued:

Effective:

SECTION 3.0 - DESCRIPTION OF SERVICE AND RATES

3.1 General

The Company proposes to offer National Directory Assistance with call completion, long distance transport, and enhanced directory services for communications originating and terminating within the State of South Dakota under terms of this tariff. The Company will not offer Operator Services.

Issued:

Effective:

SECTION 3.0 - DESCRIPTION OF SERVICE AND RATES, (CONT'D.)

3.2 Calculation of Distance

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

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

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

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

Formula:

$$\sqrt{\frac{(V_1V_2)^2 + (H_1H_2)^2}{10}}$$

Issued:

Effective:

SECTION 3.0 - DESCRIPTION OF SERVICE AND RATES, (CONT'D.)

3.3 Timing of Calls

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

3.3.1 Timing for all calls begins when the called party answers the call (i.e. when two way communications are established.) Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.

3.3.2 Chargeable time for all calls ends when one of the parties disconnects from the call.

3.3.3 Minimum call duration and call timing increments for billing purposes is specified on a per-product basis in this tariff.

3.3.4 Usage charges are computed and rounded up to the nearest penny on a per call basis.

3.3.5 There is no billing applied for incomplete calls.

3.4 Rate Periods

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

Issued:

Effective:

SECTION 3.0 - DESCRIPTION OF SERVICE AND RATES, (CONT'D.)

3.5 Nationwide Directory Assistance

The Company offers Nationwide Directory Assistance with call completion, long distance transport and enhanced directory services. The Directory Assistance call will be billed on a per call basis. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

No call completion charges apply when the Customer requests that the Company complete the call. The per minute long distance rate, listed below, will apply to the completion portion of the call, when applicable. Long distance calls are billed in one (1) minute increments after an initial billing period, for the completed call only, of one (1) minute.

3.5.1 Per Call Rates:

(A) Rate per Directory Assistance call: \$0.99

3.5.2 Per Minute Rates:

(B) Per Minute Long Distance Rate: \$0.06

Issued:

Effective:

SECTION 4.0 - MISCELLANEOUS SERVICES

4.1 Late Payment Charge

A late fee of the greater of 1.5% or \$1.00 per month will be charged on any past due balance.

4.2 Return Check Charge

A return check charge of \$25.00 will be assessed for checks returned for insufficient funds. Any applicable return check charges will be assessed according to the terms and conditions of this tariff and pursuant to South Dakota law and Commission regulations.

Issued:

Effective:

SECTION 5.0 - PROMOTIONS

5.1 Promotions - General

From time to time the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some of all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration, not to exceed 90 days, or by offering premiums or refunds of equivalent value. Such promotions shall be made available to all similarly situated Customers in the target market area. The Company will provide thirty (30) days notification to the Commission of the availability and duration of such offers.

5.2 Demonstration of Calls

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

Issued:

Effective:

SECTION 6.0 - CONTRACT SERVICES

6.1 General

At the option of the Company, service may be offered on a contract basis to meet specialized requirements of the Customer not contemplated in this tariff. The terms of each contract shall be mutually agreed upon between the Customer and Company and may include discounts off of rates contained herein, waiver of recurring or nonrecurring charges, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type of originating or terminating access, mixture of services or other distinguishing features. Service shall be available to all similarly situated Customers for six months after the initial offering to the first contract Customer for any given set of terms.

ATTACHMENT VI

Certificated NBNE States

North By NortheastCom LLC is just beginning to file applications nationwide. At this time the Company is not authorized to provide service anywhere, however, all applications should be filed by the end of the 2nd quarter of 2002.

TECHNOLOGIES MANAGEMENT, INC.
P.O. BOX 200
WINTER PARK, FL 32790-0200
(407) 740-8575

AMSOUTH BANK
THE RELATIONSHIP PEOPLE®
63-466/631

33358

4/17/2002

PAY TO THE ORDER OF South Dakota Public Service Comm.

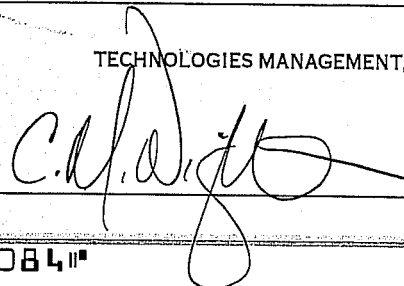
**250.00

Two Hundred Fifty and 00/100*****

DOLLARS

South Dakota Public Service Comm.
State Capitol
Pierre, SD 57501-5070

TECHNOLOGIES MANAGEMENT, INC.



MEMO: Filing fee for Metro One

⑈033358⑈ ⑆063104668⑆ 3720575084⑈

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33358

South Dakota Public Service Comm.

4/17/2002

04/17/2002

Bill #Metro One

250.00

TC07-039

Amsouth New Operating Filing fee for Metro One

250.00