

THE HELEIN LAW GROUP, P.C.

8180 Greensboro Drive
Suite 700
McLean, Virginia 22102

Telephone: (703) 714-1300
Facsimile: (703) 714-1330
E-mail: mail@thlglaw.com
Website: www.THLGlaw.com

TC05-189

RECEIVED

NOV 04 2005

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Writer's Direct Dial Number

(703) 714-1313

Writer's E-mail Address

jsm@thlglaw.com

November 3, 2005

Via Overnight Courier

Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Re: *AmeriVon LLC*
Application for a Certificate of Public Convenience and Necessity
to Provide Resold Interexchange Telecommunications Services


Ladies and Gentlemen:

On behalf of AmeriVon LLC, transmitted herewith is an original plus ten (10) copies of its Application for a Certificate of Public Convenience and Necessity to Provide Resold Interexchange Telecommunications Services in the State of South Dakota. Also enclosed is a check in the amount of \$250.00, payable to the "South Dakota Public Utilities Commission," for the fee associated with this filing.

An additional copy of this filing is also enclosed, to be date-stamped and returned in the postage-prepaid envelope provided.

Should there be any questions regarding this filing, kindly contact the undersigned.

Respectfully submitted,



Jonathan S. Marashlian
Regulatory Counsel

JSM/sr
Enclosures

**Before the
STATE OF SOUTH DAKOTA
PUBLIC UTILITIES COMMISSION**

Application of)	
)	
AmeriVon LLC)	Docket No. _____
)	
For a Certificate of Public Convenience)	
And Necessity to Provide Resold)	
Interexchange Telecommunications)	
Services in South Dakota)	

APPLICATION

AmeriVon LLC (“AmeriVon”), by its attorneys, and pursuant to South Dakota Compiled Law Section 49-31-3 and Administrative Rules of South Dakota Chapter 20:10:24:02 and 20:10:24:05, hereby request that the South Dakota Public Utilities Commission (the “Commission”) grant to AmeriVon a Certificate of Public Convenience and Necessity (“CPCN”) to provide non-dominant, competitive resold intrastate, interexchange telecommunications services in South Dakota.

I. DESCRIPTION OF APPLICANT

AmeriVon is a Nevada limited liability company with its principal office and place of business located at 800 Southwood Boulevard, Suite 212, Incline Village, Nevada 89451. Customers of AmeriVon may reach the company by a toll-free call to 888-473-0162. AmeriVon offers resold long distance and travel card services to residential customers throughout the continental U.S.

II. INFORMATION SPECIFIED BY ADMINISTRATIVE RULES OF SOUTH DAKOTA CHAPTER 20:10:24:02

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

AmeriVon LLC
800 Southwood Boulevard, Suite 212
Incline Village, Nevada
Telephone: (425) 458-5760
Facsimile: (775) 458-5760

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

Applicant will offer services to the public as “AmeriVon LLC”.

(3) If the applicant is a corporation:

Not applicable. Applicant is a limited liability company and provides the following organization information in lieu of corporate information.

(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 to transact business in South Dakota from the Secretary of State.

AmeriVon LLC was organized in the State of Nevada on June 4, 2004. A copy of its Certificate of Authority as a foreign Limited Liability Company issued by the South Dakota Secretary of State is attached hereto as **Attachment A**.

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

National Registered Agents, Inc.
300 South Phillips Avenue, Suite 300
Sioux Falls, South Dakota 57104

(c) The name and address of each corporation, association, partnership, cooperative, or individual holding a 20 percent or greater ownership or management interest in the applicant corporation and the amount and character of the ownership or management interest.

AmeriVon Holdings LLC
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451
Percentage of Ownership: 80%

Robert B. Segal
27 Skymeadow Road
Suffern, New York 10901
Percentage of Ownership: 20%

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

Not applicable.

- (5) A description of the telecommunications services the applicant intends to offer.**

Applicant intends to offer resold long distance and travel card services to residential customers in South Dakota.

- (6) A detailed statement of the means by which the applicant will provide its services.**

Applicant will provide competitive telecommunications services by reselling services purchased from wholesale underlying carriers.

- (7) The geographic areas in which the services will be offered or a map describing the service area.**

Throughout the state of South Dakota in all equal access exchanges.

- (8) Current financial statements including a balance sheet, income statement, and cash flow statement; a copy of the applicant's latest annual report; a copy of the applicant's report to stockholders; and a copy of applicant's tariff with the terms and conditions of service.**

Applicant is a start-up company, funded entirely through the investments of the company's President and CEO, Robert B. Segal, and other private investors. Applicant's initial funding exceeds \$6 million in start-up capital. A copy of Applicant's financial statements, including projected income statement, balance sheet and cash flow statement, is attached hereto as **Attachment B**.

As evidenced by the financial statements, Applicant possesses more than adequate financial resources to provide resold competitive telecommunications services in South Dakota.

(9) The names, addresses, telephone number, fax number, E-mail address, and toll free number of the applicant's representatives to whom all inquiries must be made regarding complaints and regulatory matters and a description of how the applicant handles customer billings and customer service matters.

Robert B. Segal
AmeriVon LLC
27 Skymeadow Road
Suffern, New York 10901
Telephone: (845) 406-3416
Facsimile: (845) 362-1801
Toll-Free: (888) 473-0162
Email: RBSegal@AmeriVon.com

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

Applicant is registered or certified to provide telecommunications services in the following states: New Jersey, Utah, D.C., Virginia, Michigan, and Montana. Applicant is in good standing in all states in which it is registered or certified. Applicant is in the process of securing authority to provide resold interexchange telecommunications services throughout the continental U.S. and Hawaii.

(11) A description of how the applicant intends to market its services, 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.

Applicant plans to directly market its services to residential and small business customers through mass media advertising and the Internet. Applicant will not use telemarketers or multilevel marketing to sell its services.

(12) Cost support for rates shown in the company's tariff for all noncompetitive or emerging competitive services.

Not applicable; all services are competitive.

(13) Federal tax identification number.

Applicant's federal tax identification number is 77-0603852

(14) The number and nature of complaints filed against the applicant with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered.

There are no complaints with any state or federal regulatory commission against Applicant regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered.

(15) A written request for waiver of those rules the applicant believes to be inapplicable.

REQUEST FOR WAIVER OF ARSD (12)

Applicant hereby requests a waiver of ARSD 20:10:24:02(12) because all services Applicant proposes to provide are competitive.

(16) Other information requested by the Commission needed to demonstrate that the applicant has sufficient technical, financial, and managerial capabilities to provide the interexchange services it intends to offer consistent with the requirements of this chapter and other applicable rules and laws.

The Application further describes the managerial, technical and financial qualifications of the Applicant in Section IV of its Application. Applicant will abide by all applicable statutes, orders, rules, and regulations entered and adopted by the Commission.

III. DESIGNATED CONTACTS

The designated contacts for the purposes of this Certification Application are the following:

Robert B. Segal
AmeriVon LLC
27 Skymeadow Road
Suffern, New York 10901
Phone: (845) 406-3416
Fax: (845) 362-1801
Email: RBSegal@AmeriVon.com

Jonathan S. Marashlian
The Helein Law Group, P.C.
8180 Greensboro Drive, Suite 700
McLean, Virginia 22102
Phone: (703) 714-1313
Fax: (703) 714-1330
E-mail: jsm@thlglaw.com

IV. REQUEST FOR CERTIFICATION OF AMERIVON

As demonstrated herein, the Applicant is well-qualified managerially, technically and financially to provide the competitive telecommunications services for which authority is requested in this Application.

A. Managerial Qualifications

Applicant is guided by an experienced and highly able management team that includes individuals who have distinguished themselves in executive positions within the

industry. The senior management team possesses extensive business, sales, operational and regulatory experience. See **Attachment C**.

B. Technical Qualifications

AmeriVon is a pure reseller. Therefore, it will rely upon its underlying carriers for maintenance of the facilities used to provide telecommunications service.

C. Financial Qualifications

Applicant is a start-up company, funded entirely through the investments of the company's President and CEO, Robert B. Segal, and other private investors. Applicant's initial funding exceeds \$6 million in start-up capital. A copy of Applicant's financial statements, including projected income statement, balance sheet and cash flow statement. See **Attachment B**.

As evidenced by the financial statements, Applicant possesses more than adequate financial resources to provide resold competitive telecommunications services in South Dakota.

D. Description of Authority Requested and of Proposed Services

By this Application, AmeriVon seeks authority to provide resold intrastate, interexchange telecommunications services to residential customers in South Dakota. Specifically, AmeriVon seeks authority to provide a variety of competitive telecommunications services, including retail switched interLATA and intraLATA long distance services and retail calling card services (travel cards).

As to geographic scope, AmeriVon requests authority from the Commission to provide these services throughout South Dakota. AmeriVon's proposed South Dakota Tariff No. 1 is being filed herewith. See **Attachment D**.

For service, billing, and repair complaints, customers may contact AmeriVon during normal business hours at 888-473-0162. In addition, customers may contact AmeriVon by writing to:

AmeriVon LLC
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451
Telephone: (425) 458-5760
Facsimile: (775) 832-5355
Toll-Free: (888) 473-0162
Email: info@AmeriVon.com

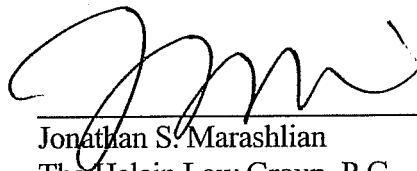
AmeriVon hereby agrees to abide by all applicable statutes, orders, rules, and regulations entered and adopted by the Commission. As AmeriVon will be a non-dominant, competitive provider of telecommunications services in South Dakota, it respectfully requests that it be subject to the same streamlined regulatory treatment applicable to other competitive carriers in South Dakota.

CONCLUSION

As demonstrated herein, AmeriVon is well-qualified to hold a Certificate of Public Convenience and Necessity to operate as a resale provider of long distance telecommunications services in the State of South Dakota.

Respectfully submitted,

AmeriVon LLC



Jonathan S. Marashlian
The Helein Law Group, P.C.
8180 Greensboro Drive, Suite 700
McLean, Virginia 22102

Its Counsel

ATTACHMENT A

Certificate of Authority

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

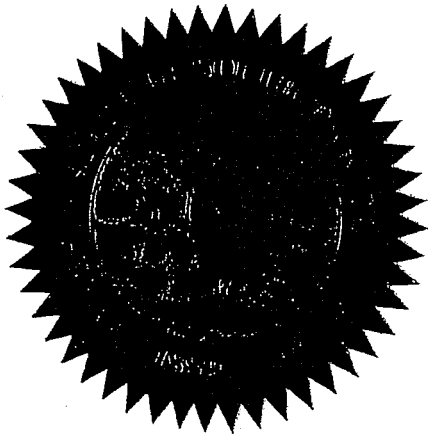
Certificate of Authority Limited Liability Company

ORGANIZATIONAL ID #: FL002616

I, **Chris Nelson**, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of **AMERIVON LLC (NV)** 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 October 24, 2005.



Chris Nelson

Chris Nelson
Secretary of State

ATTACHMENT B

Financials

Income Statement

<i>in thousands</i>	Actual FYE June 30						estimated	Projected FYE December 31					
	1999	2000	2001	2002	2003	2004		2005P	2006P	2007P	2008P	2009P	2010P
Revenues							\$1,206	\$27,242	\$88,632	\$173,598	\$294,483	\$482,628	\$530,891
Cost of Services							<u>952</u>	<u>20,143</u>	<u>65,045</u>	<u>126,388</u>	<u>214,350</u>	<u>351,031</u>	<u>386,134</u>
Gross Profit	0	0	0	0	0	0	254	7,099	23,587	47,210	80,132	131,598	144,757
Selling							211	5,095	11,503	19,464	31,298	49,738	54,557
G&A	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EBITA	0	0	0	0	0	0	42	2,004	12,084	27,746	48,834	81,860	90,200
EBITDA	0	0	0	0	0	0	42	2,004	12,084	27,746	48,834	81,860	90,200
Depreciation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Organizational Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Compete	0	0	0	0	0	0	0	0	0	0	0	0	0
Goodwill	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT (Operating Income)	0	0	0	0	0	0	42	2,004	12,084	27,746	48,834	81,860	90,200
Interest Expense:													
Revolver	0	0	0	0	0	0	0	0	0	0	0	0	0
Term Loan	0	0	0	0	0	0	120	120	82	0	0	0	0
Existing Debt							0	0	0	0	0	0	0
Subordinated Debt	0	0	0	0	0	0	24	24	24	24	24	24	24
Seller Note	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Interest	0	0	0	0	0	0	144	144	106	24	24	24	24
Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income/(Expense)	0	0	0	0	0	0	0	0	0	0	0	0	0
Stockholder Bonus	0	0	0	0	0	0	0	0	0	0	0	0	0
Earnings Before Taxes	0	0	0	0	0	0	(102)	1,860	11,978	27,722	48,810	81,836	90,176
Income Tax Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(41)</u>	<u>744</u>	<u>4,791</u>	<u>11,089</u>	<u>19,524</u>	<u>32,734</u>	<u>36,071</u>
Net Income	0	0	0	0	0	0	(61)	1,116	7,187	16,633	29,286	49,101	54,106
Dividends							(30)	558	3,593	8,317	14,643	24,551	27,053
Retained Earnings							(30)	558	3,593	8,317	14,643	24,551	27,053
<i>Calculation of Adjusted Net Income:</i>													
Earnings Before Taxes	0	0	0	0	0	0	(102)	1,860	11,978	27,722	48,810	81,836	90,176
Add: Goodwill	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Adjusted EBT	0	0	0	0	0	0	(102)	1,860	11,978	27,722	48,810	81,836	90,176
Income Tax Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(41)</u>	<u>744</u>	<u>4,791</u>	<u>11,089</u>	<u>19,524</u>	<u>32,734</u>	<u>36,071</u>
Adjusted Net Income	0	0	0	0	0	0	(61)	1,116	7,187	16,633	29,286	49,101	54,106

Balance Sheet

Scenario: Base Case

In thousands

	Actual FYE June 30						Transaction			Projected FYE December 31					
	1999	2000	2001	2002	2003	2004	Debits	Credits	Opening	2005P	2006P	2007P	2008P	2009P	2010P
ASSETS															
Cash & Equivalents (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$250	\$0	\$250	\$341	\$1,559	\$6,344	\$17,132	\$32,409	\$58,017
Accounts Receivable	0	0	0	0	0	0	0	0	0	0	227	739	1,447	2,454	4,022
Commissions receivable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventories	0	0	0	0	0	0	5,757	0	5,757	5,600	4,678	2,398	684	1,144	1,784
Prepaid Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Current Assets	0	0	0	0	0	0	6,007	0	6,007	5,942	6,464	9,481	19,263	36,007	63,823
Net Fixed Assets	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Property and equipment, net	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Notes receivable	0	0	0	0	0	0	200	0	\$200	171	0	0	0	0	0
Other Assets	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Organizational Expenses	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Non-Compete	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Goodwill	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Total Non-Current Assets	0	0	0	0	0	0	200	0	\$200	171	0	0	0	0	0
TOTAL ASSETS	\$0	\$0	\$0	\$0	\$0	\$0	\$6,207	\$0	\$6,207	\$6,113	\$6,464	\$9,481	\$19,263	\$36,007	\$63,823
LIABILITIES															
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13	\$280	\$903	\$1,755	\$2,977	\$4,875
Accrued Expenses	0	0	0	0	0	0	0	0	\$0	10	201	650	1,264	2,144	3,510
Note Payable	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Taxes Payable	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Receivables financing arrangement	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Other current liabilities	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Commissions Payable	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Bonus Payable	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Total Current Liabilities	0	0	0	0	0	0	0	0	\$0	23	481	1,554	3,019	5,121	8,386
Debt:															
Revolver	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Term Loan	0	0	0	0	0	0	0	2,401	\$2,401	2,314	1,649	0	0	0	0
Existing Debt	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Subordinated Debt	0	0	0	0	0	0	0	400	\$400	400	400	400	400	400	400
Seller Note	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Total Debt	0	0	0	0	0	0	0	2,801	\$2,801	2,714	2,049	400	400	400	400
Deferred Taxes	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Other Liabilities	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
TOTAL LIABILITIES	0	0	0	0	0	0	0	2,801	2,801	2,737	2,530	1,954	3,419	5,521	8,786
SHAREHOLDERS' EQUITY															
SV/Pr Preferred	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Convertible Preferred	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Additional paid-in capital	0	0	0	0	0	0	0	0	\$0	0	0	0	0	0	0
Common Stock	0	0	0	0	0	0	0	3,406	\$3,406	3,406	3,406	3,406	3,406	3,406	3,406
Retained Earnings/(Deficit)	0	0	0	0	0	0	0	0	\$0	(30)	528	4,121	12,438	27,081	51,632
Total Shareholders' Equity	0	0	0	0	0	0	0	3,406	\$3,406	3,375	3,934	7,527	15,844	30,487	55,038
LIABILITIES & NET WORTH	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,207	\$6,207	\$6,113	\$6,464	\$9,481	\$19,263	\$36,007	\$63,823
Parity Check	0	0	0	0	0	0	-6,207	6,207	0	0	0	0	0	0	0

Scenario: Base Case

AmeriVon LLC

in thousands	Actual FYE June 30						Projected FYE December 31						
	1999	2000	2001	2002	2003	2004	2005P	2006P	2007P	2008P	2009P	2010P	2011P
Net Income	\$0	\$0	\$0	\$0	\$0	\$0	(\$61)	\$1,116	\$7,187	\$16,633	\$29,286	\$49,101	\$54,106
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Organizational Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Compete	0	0	0	0	0	0	0	0	0	0	0	0	0
Provision for doubtful accounts	0	0	0	0	0	0	0	0	0	0	0	0	0
Goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0
Stock options granted to non-employees and stock issued for services	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Interest	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	30	(558)	(3,593)	(8,317)	(14,643)	(24,551)	(27,053)
Funds from Operations	0	0	0	0	0	0	(30)	558	3,593	8,317	14,643	24,551	27,053
Accounts Receivable	0	0	0	0	0	0	0	(227)	(512)	(708)	(1,007)	(1,568)	(402)
Inventories	0	0	0	0	0	0	157	922	2,279	1,714	(460)	(640)	(178)
Prepaid Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0	13	267	624	852	1,222	1,898	488
Accrued Expenses	0	0	0	0	0	0	10	192	449	613	880	1,367	351
Taxes Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Commissions Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Change in Working Capital	0	0	0	0	0	0	179	1,154	2,840	2,472	634	1,057	258
Cash Flow From Operations	0	0	0	0	0	0	149	1,712	6,434	10,789	15,277	25,608	27,311
Less: Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0	0
Free Cash Flow	0	0	0	0	0	0	149	1,712	6,434	10,789	15,277	25,608	27,311
(Inc)/Dec in Other Assets	0	0	0	0	0	0	29	171	0	0	0	0	0
Inc/(Dec) in Deferred Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Inc/(Dec) in Other Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Available For Debt Repayment	0	0	0	0	0	0	178	1,883	6,434	10,789	15,277	25,608	27,311
Debt Amortization:													
Term Loan							(86)	(666)	(1,649)	0	0	0	0
Existing Debt							0	0	0	0	0	0	0
Convertible Preferred							0	0	0	0	0	0	0
Subordinated Debt							0	0	0	0	0	0	0
Seller Note							0	0	0	0	0	0	0
Total Amortization	0	0	0	0	0	0	(86)	(666)	(1,649)	0	0	0	0
Cash Flow After Debt Repayment	0	0	0	0	0	0	91	1,217	4,785	10,789	15,277	25,608	27,311
Increase in Revolver							0	0	0	0	0	0	0
Decrease in Revolver							0	0	0	0	0	0	0
Cash to Balance Sheet	0	0	0	0	0	0	91	1,217	4,785	10,789	15,277	25,608	27,311
Beginning Cash							250	341	1,559	6,344	17,132	32,409	58,017
Ending Cash							341	1,559	6,344	17,132	32,409	58,017	85,328

ATTACHMENT C

Management Bios

Tod Turley, Chairman

Mr. Turley was the Senior Vice President, Business Development of AmeriVon from 2001 to 2003. Since 2003, he has served as the CEO. Previously, Mr. Turley was the co-founder and Senior Vice President of Encore Wireless, Inc. (private label wireless service provider). Earlier, he served for 13 years as a corporate attorney and executive with emerging growth companies in the telecommunications industry. He currently serves as a Director on a number of Boards, including Wireless Advocates and The Wright Company (Financial Services Advisory Company).

Robert B. Segal, President and Chief Executive Officer

Mr. Segal joined AmeriVon LLC as President and CEO. Mr. Segal founded Segal & Co. Incorporated, a merchant and investment banking firm to invest in and assist companies with their strategic development, growth and financing. Recently, Segal & Co. provided start-up capital and strategic and financial planning to Oceanic Digital Communications, a mobile wireless telecommunications operator in the Caribbean and Latin America, where Mr. Segal served as Chairman and CEO. Segal & Co. has provided financial advisory services including arranging private equity and debt financing for a variety of companies, including CLECs, wireless communications, teleservices, entertainment and paging companies. Segal & Co. has invested in private equity positions in selected situations. Mr. Segal provided investment banking services at Smith Barney & Co. from 1975 to 1989, rising to a Managing Director and head of Smith Barney's Mid-Atlantic region. In 1989, he committed his full attention to developing Segal & Co. to provide investment banking services to high growth companies in return for fees paid in cash and the opportunity to invest in private equity securities of clients. Since 1989, he has operating Segal & Co. on a stand-alone basis and through a series of joint ventures with C.J. Lawrence, Morgan Grenfell Incorporated, Charterhouse Inc. and Lepercq, de Neuflyze Incorporated. Between 1995 and 1997, Mr. Segal has served as head of the Corporate Finance Group of Lepercq, de Neuflyze, an investment banking firm. From 1992 through 1995 he was the senior investment banker at Charterhouse Inc. From 1989 through 1991, he was Managing Director of C.J. Lawrence, Morgan Grenfell. At Smith Barney, Mr. Segal led investment banking deal terms to buy and sell divisions of large companies as private equity leveraged buy-out transactions on behalf of clients. Mr. Segal's investment banking experience extends over three decades and includes numerous transactions ranging from cross-border mergers and acquisitions and financing, to leveraged buyouts and public and private debt and equity financings, project finance, derivatives, initial public offerings and tax-exempt bonds. His varied industry expertise ranges from telecommunications to building materials, chemicals, environment, leisure, natural resources and technology to food and paper and forest products. Mr. Segal is a graduate of the Harvard Business School and the University of Manitoba.

John E. Tyson, Chief Financial Officer and Secretary

Mr. Tyson joined AmeriVon Holdings LLC, in 2005, as its President. Previously and for 15 years, Tyson was the Chairman & CEO of Compression Labs, Inc. (CLI), a NASDAQ company and a world leader in the development of Video Communications Systems. CLI pioneered the development of compressed digital video, interactive videoconferencing, and digital broadcast television, including the systems used in today's highly successful Hughes DirecTV DTH entertainment network (now worth \$32+ billion). Prior to CLI, Mr. Tyson held executive management positions with AT&T, General Electric, and General Telephone & Electronics. Since CLI, Mr. Tyson has been the President of Xplane Corporation (information design firm using visual maps to make complex processes easier to understand), Corporate Visions (sales consulting) and founder/CEO of etNetworks (IT training via satellite directly to the Desktop PC). He has served as a Board Member of several companies, including The Wright Company, founder of the Sierra Angels (Investment Fund), is an Advisory Board Member of the University of Nevada Engineering School, and is a Trustee for the Sierra Nevada College.

David Keysor, Vice President, Sales and Marketing

Mr. Keysor joined AmeriVon in 2003. Previously Mr. Keysor was a Director of Marketing and Business Development for Siebel Systems, Inc. Earlier, he was director of Marketing for Nextel Communications, Inc. and Vice President of Sales and Marketing for Prime Matrix Wireless Communications, Inc.

ATTACHMENT D

Proposed South Dakota P.S.C. Tariff No. 1

AmeriVon LLC

TELECOMMUNICATIONS TARIFF

NOTES:

1. This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for resold interexchange telecommunication services provided by AmeriVon LLC, with principal offices at 800 Southwood Boulevard, Suite 212, Incline Village, Nevada 89451.
2. This tariff applies for services furnished within the state of South Dakota. This tariff is on file with the South Dakota Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

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 NO.	REVISION	PAGE NO.	REVISION
1	Original*		
2	Original*		
3	Original*		
4	Original*		
5	Original*		
6	Original*		
7	Original*		
8	Original*		
9	Original*		
10	Original*		
11	Original*		
12	Original*		
13	Original*		
14	Original*		
15	Original*		
16	Original*		
17	Original*		

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

TABLE OF CONTENTS

Check Sheet2

Table of Contents3

Symbols.....4

SECTION 1 - Terms and Abbreviations5

SECTION 2 - Rules and Regulations6

SECTION 3 - Description of Service & Rates11

SECTION 4 - Miscellaneous Services15

SECTION 5 - Promotions16

SECTION 6 - Contract Services17

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SYMBOLS

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

- (C) - Change in Rule or Regulation.
- (D) - Delete or discontinue.
- (I) - Change Resulting in an increase to a customer's bill.
- (M) - Moved from another tariff location.
- (N) - New
- (R) - Change resulting in a reduction to a customer's bill.
- (T) - Change in text or regulation.

Issued:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

Effective:

SECTION 1 - TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the Subscriber's or Customer's location to the Carrier's designated point of presence or network switching center.

Authorized User - A person, firm or corporation, or any other entity authorized by the Customer or Subscriber to communicate utilizing the Company's services.

Carrier or Company - AmeriVon LLC, unless otherwise indicated by the context.

Customer - The person, firm or corporation, or other entity which orders, cancels, amends, or uses service and is responsible for the payment of charges and/or compliance with tariff regulations.

Customer Premises Equipment - Terminal equipment, as defined herein, which is located on the Customer's premises.

Dedicated Access - See Special Access Origination/Termination.

SDPUC - Refers to the South Dakota Public Utilities Commission.

Special Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on dedicated circuits. The Access Provider provides these dedicated circuits from the Customer's location to the Company's point of presence. The rates and charges for dedicated circuits are determined by the Access Provider and the Customer is responsible for payment of these charges to the Access Provider.

Subscriber - The person, firm, corporation, or other legal entity, which arranges for services of the Company on behalf of itself or Authorized Users. The Subscriber is responsible for compliance with the terms and conditions of this tariff. A Subscriber may also be a Customer when the Subscriber uses services of the Company.

Switched Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on Feature Group D circuits.

Terminal Equipment - Devices, apparatus, and associated wiring, such as teleprinters, telephones, or data sets.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of the Company**

AmeriVon LLC offers intrastate interexchange service originating at specified points within the state of South Dakota under terms of this tariff. The Company's services and resold facilities are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week.

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

2.2 Limitations

- 2.2.1** Service is offered subject to the availability of the necessary resold facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2** The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Subscriber or 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 resold facilities provided under this tariff are directly or indirectly controlled by the Company and the Subscriber 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.
- 2.2.5** Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

Issued:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

Effective:

SECTION 2 - RULES AND REGULATIONS**2.3 Use**

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

2.4 Liabilities of the Company

2.4.1 The Company'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 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer and Subscriber against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, trade name or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer or Subscriber; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.

2.4.4 The Company shall not be liable for any defacement of or damages to the premises of a Subscriber resulting from the furnishing of service, which is not the direct result of the Company's negligence.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 2 - RULES AND REGULATIONS**2.5 Taxes**

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

2.6 Terminal Equipment

The Company's facilities and service may be used with or terminated in Subscriber-provided terminal equipment or Subscriber-provided communications systems, such as a PBX or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Subscriber, except as otherwise provided. The Subscriber is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.7 Installation and Termination

Service is installed upon mutual agreement between the Subscriber and the Company. The agreement will determine terms and conditions of installation, termination of service, any applicable sales commission structure, and sales commission payment schedule. The service agreement does not alter rates specified in this tariff.

When Customers are members of the transient public, they do not contract directly with the Company for provision of service. Subscribers contract for service on behalf of themselves and/or their transient patrons. Service provided to Customers (patrons of the contracting party) is governed by the terms of this tariff schedule and the lawful terms of the billing agency. No contractual agreements are required of the Customer.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 2 - RULES AND REGULATIONS**2.8 Cancellation by the Company**

Without incurring liability, the Company may immediately discontinue services to a Subscriber or End User or may withhold the provision of ordered or contracted services:

- 2.8.1 For nonpayment of any sum due for more than thirty days after issuance of the bill for the amount due,
- 2.8.2 For violation of any of the provisions of this tariff,
- 2.8.3 For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Company 's services, or
- 2.8.4 By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.

2.8.5 Manner of Disconnection

Service will not be disconnected on Saturday, Sunday or legal holiday, or at any time when the Company's business office is not open to the public.

2.9 Interruption of Service by the Company

Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of subscriber and the Company 's equipment and facilities and may continue such interruption until any items of non-compliance or improper equipment operation so identified are rectified.

The Company may discontinue Service without notice to the subscriber, by blocking traffic to certain countries, cities, or NXX exchanges, or by blocking calls using certain customer authorization codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the customer affected, assign a new authorization code to replace the one that has been deactivated.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 2 - RULES AND REGULATIONS**2.10 Termination of Service by Subscriber**

Unless otherwise specified by contractual commitment, any Subscriber may terminate service with the Company upon thirty days written notice.

2.11 Payment for Service

All charges due by the Customer are payable to any agency duly authorized to receive such payments. The billing agency may be a local exchange telephone company, credit card company or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the SDPUC.

Any objections to billed charges must be reported within 180 days to the Company's billing agent. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

Customer inquiries regarding service or billing may be made in writing or by calling the toll free number listed below:

AmeriVon LLC
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451
(888) 473-0162

Customers who are dissatisfied with the response to their complaint may contact the South Dakota Public Utilities Commission for resolution of the issues at the following address:

South Dakota Public Utilities Commission
Capital Building, 1st Floor
500 East Capitol Ave.
Pierre, South Dakota 57501-5070
(605) 773-3201
(800) 332-1782
TTY through Relay South Dakota (800) 877-1113

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 3 - DESCRIPTION OF SERVICE AND RATES**3.1 General Description of Rates and Charges****3.1.1 Application of Charges**

Long Distance Communications Service includes recurring and nonrecurring charges. Stabilized recurring charges may be offered on a Customer specific basis where service demands or competitive necessity justify such charges. Recurring charges consist of flat-rated monthly and usage-sensitive charges. Service also may include a Minimum Charge. Nonrecurring charges for installation of a service and additions to service, as well as a Termination Charge and Cancellation Charge, are also included.

(a) Non-Recurring Charges: Non-Recurring Charges are billed in advance.

(b) Recurring Charges: Recurring Charges, including usage-sensitive charges, are billed in arrears.

3.1.2 Taxes

The Customer will be billed for, and is responsible for payment of any taxes, surcharges, fees or assessments (excluding taxes on the Company's net income) imposed on or based upon provision, sale or use of the Company's services.

3.1.3 Jurisdiction

When the location of the calling and the called stations is a factor in rate determination, the rate is calculated according to whether the termination of the call is intrastate, interstate or international. This tariff contains rates for intrastate calls only.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 3 - DESCRIPTION OF SERVICE AND RATES (Cont'd)**3.2 Timing of Calls**

- 3.2.1** 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.
- 3.2.2** Chargeable time for all calls ends when either one of the parties disconnects from the call.
- 3.2.3** The minimum call duration and additional billing increments are specified on a per product basis in this section of the tariff.
- 3.2.4** The Company will not bill for incomplete calls.

3.3 Special Access Channels

Special access channels (i.e.: dedicated facilities), if utilized, are provided and billed to the Customer by the local exchange telephone company. Charges for the special access channel are determined by the local access provider and the Customer is responsible for payment of these charges to the local exchange telephone company. The Company will, at the Customer's request, act on behalf of the Customer in the ordering and installation of the special access channel with the access provider. The Company may also request the access provider to bill them for the account in the name of the Customer. If this option is utilized, the Company will pass the charges, including a billing service fee, through to the Customer.

3.4 Quality and Grade of Service Offered

Minimum Call Completion Rate - Customers can expect a call completion rate of not less than 98% during peak use periods. The call completion rate is calculated as the number of calls completed (including calls completed to a busy line or to a line which remains unanswered by the called party) divided by the number of calls attempted.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 3 - DESCRIPTION OF SERVICE AND RATES (Cont'd)**3.5 AmeriVon Basic Plan****3.5.1 Basic**

AmeriVon Basic Plan is a telecommunications service that provides Outbound 1+ intrastate interexchange service. All usage is billed in 60 second increments. A monthly service fee applies.

Per Minute Rate: \$0.05

Monthly Service Fee: \$2.99

3.5.2 Basic Out of Home Card

AmeriVon Basic Out of Home Card is a travel card service that provides Outbound 1+ intrastate interexchange service. All usage is billed in 60 second increments.

Per Minute Rate: \$0.06

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 3 - DESCRIPTION OF SERVICE AND RATES (Cont'd)**3.6 Public Telephone Surcharge**

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

3.6.1 Public Telephone Surcharge

Rate Per Call	\$0.50
---------------	--------

3.7 Directory Assistance

Rate Per Cal	\$0.99
--------------	--------

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 4 - MISCELLANEOUS

4.1 General

Each Customer is charged individually for each call placed through the Company. Charges will vary by service offering, class of call, time of day, day of week, class of call and/or call duration.

4.2 Late Payment Charge

The company will charge a one-time 1.5% late payment fee on all invoices not paid by the due date identified on the Company bill.

4.3 Return Check Charge

The Company will assess a return check charge of up to \$20.00 whenever a check or draft presented for payment of service is not accepted by the institution on which it is written. This charge applies each time a check is returned to the Company by a bank for insufficient funds.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

SECTION 5 - 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. All promotions will be filed with and approved by the Commission prior to offering them to Customers.

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:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

Effective:

SECTION 6 - 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.

Each contract will be filed with the South Dakota Public Utilities Commission.

Issued:

Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451