



September 21, 2009

Via Electronic Filing & Overnight Delivery

Ms. Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, SD 57501-5070

Re: Lattice Incorporated Application for Authority to Provide Interexchange and Alternative Operator Services

Dear Ms. Van Gerpen:

Please find the enclosed Application to provide Interexchange and Alternative Operator Services submitted on behalf of Lattice Incorporated.

A check in the amount of \$250.00 is attached for payment of the filing fee.

Please acknowledge receipt of this filing by returning, date-stamped, the extra copy of this cover letter in the stamped self-addressed envelope which is provided for that purpose. Questions regarding this filing may be directed to me at (407) 740-3004.

Sincerely,

Robin Norton
Lattice Incorporated

RN/lm
Enclosures

cc: Terry Whiteside – Lattice Incorporated
file: Lattice - SD
tms: SDn0900

BEFORE THE SOUTH DAKOTA PUBLIC SERVICE COMMISSION

**APPLICATION OF
LATTICE INCORPORATED**

Pursuant to Rules 20:10:24:02 and 20:10:24:05 of the Commission's Telecommunications Services Rules, Lattice Incorporated ("Lattice") submits the following application for long distance resale and alternative operator services authority.:

1. The name, address and other contact information of the Applicant.

Lattice Incorporated
7150 N. Park Drive, Suite 500
Pennsauken, New Jersey 08109
Telephone: (856) 910-1166
Facsimile: (856) 910-1811
Web URL: www.latticeincorporated.com
Email: info@latticeincorporated.com

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

The Applicant will provide services under the name shown in Question 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 to transact business in South Dakota from the Secretary of State.**

(i) Lattice Incorporated is a corporation organized under the laws of the State of Delaware in May, 1973.

(ii) A copy of the Applicant's certificate of authority to transact business in South Dakota from the Secretary of State is included as **Attachment I** to the application.

(iii) **Affiliated Companies**

Systems Management Engineering Incorporated (SMEI)
2411 Dulles Corner Park, Suite 220
Herndon, Virginia 20171-4645

Ricciardi Technology Incorporated (RTI)
2411 Dulles Corner Park, Suite 220
Herndon, Virginia 20171-4645

3. If the Applicant is a corporation (continued):

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

(i) Lattice Incorporated has no principal office in South Dakota.

(ii) The name and address of Applicant's current registered agent is:

National Registered Agents Inc.
300 South Phillips Avenue
Suite 300
Sioux Falls, SD 57102

(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, and the amount and character of the ownership or management interest.

Lattice Incorporated is a publicly owned corporation with no individual, corporation, association partnership, or cooperative owning more than 10% of the Applicant.

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.

Lattice proposes to offer automated operator-assisted collect and prepaid calling services to inmates and other incarcerated persons in confinement facilities within the State of South Dakota. All network services are provided by Applicant's underlying carrier. Service is provided twenty-four (24) hours per day, 7 days a week.

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.

Lattice proposes to provide automated operator-assisted collect and prepaid calling services to inmates and other incarcerated persons in confinement institutions throughout the State of South Dakota. All services will be offered twenty-four (24) hours per day, seven (7) days a week. Lattice will provide correctional and confinement institutions with sophisticated premises equipment that permits inmates to make outgoing calls without the assistance of a live operator. Lattice's systems provide a number of controls and restrictions that serve to reduce or eliminate fraudulent use of telephone systems. These restrictions also provide the correctional institution with increased control over the use of the telecommunications services by inmates confined within. Lattice's telephone instruments are placed in detention areas such as cell blocks or day rooms. Each instrument is connected to a central control unit which restricts and controls calls placed by inmates. Lattice's system and services allow inmates to remain in contact with family, friends and other associates while still providing facility administrators with the necessary control over inmate communications.

Automated collect or prepaid calls may be placed by inmates within the confinement facility. These calls are routed over the facilities of the local exchange carrier serving the confinement facility and Lattice's underlying carrier. Lattice's system is designed so that calls are completed only to those called parties who specifically accept the charges for a call. Equipment utilized by Lattice requires a positive response from the called party before the connection is established and billing can begin.

In addition to call processing, Lattice's systems offer restrictive call blocking and screening. These features provide the correctional facility with the maximum degree of control over telecommunications services and help to minimize fraud. Call blocking prevents calls to directory assistance, "0-", 800 numbers, pay-per-call services, and emergency numbers (including 911) in order to reduce prank calls and fraudulent use of long distance services. Access to other interexchange carriers is also denied. Call screening serves to eliminate harassing or threatening calls to individuals such as judges, sheriffs, witnesses or jury members. These two features also allow the institution to enforce telephone curfews (without manual intervention) by pre-setting the hours during which the system will process calls from a given telephone instrument.

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

Lattice Incorporated intends to offer its services in correctional facilities located throughout the State of South Dakota.

8. **Current financial statements including a balance sheet, income statement, and cash flow statements; a copy of the Applicant's latest annual report; a copy of the Applicant's report to stockholders.**

A link to the Company's most recent SEC Form 10-K which includes audited financial information is provided as **Attachment II** to this application.

9. **The names, addresses, telephone number, fax number, Email 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.**

(i) For complaints and on-going regulatory issues:

For questions concerning this application:

Robin Norton, Consultant to Lattice Incorporated

Technologies Management Inc.

2600 Maitland Center Parkway Suite 300

Maitland FL, 32751

Telephone: (407) 740-3004

Facsimile: (407) 740-0613

Email Address: rnorton@tminc.com

For regulatory matters:

Terry Whiteside, General Manager

Lattice Incorporated

7150 N. Park Drive, Suite 500

Pennsauken, New Jersey 08109

Telephone: (856) 910-1166 Ext. 2112

Facsimile: (856) 910-1811

Email Address – regulatory matters: twhiteside@latticeincorporated.com

For complaint matters:

Customer Service of America

P.O. Box 1809

Yulee FL, 32041-1809

Toll Free Customer Service: (800) 849-6081

Email Address – complaints helpdesk@myphoneaccount.com

9. (Cont'd.)

- (ii) Lattice does not bill directly for services. For collect calls all records are provided to Lattice's billing agent who forwards them to the called parties' local exchange carriers for billing. Lattice also plans to offer prepaid services.

For billing inquiries, customers are initially directed to Lattice's billing agent whose toll-free number is printed on each customer bill and is also available on the Company's website. The billing agent is authorized to investigate complaints and adjust customer bills within certain parameters set by Lattice. Should an inquiry exceed the authority delegated by Lattice, the customer is referred to Lattice's Customer Service contractor for further assistance. Customer service business hours are 9am-5pm Eastern Time. Calls received after normal business hours are handled via voicemail, and returned the next day.

10. **A list of states in which the Applicant is registered or certificated 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.**

- (i) Lattice Incorporated is a new entrant in the institutional services market, and is currently submitting applications for certification or registration in SD, MN, NE and the FCC.
- (ii) The Applicant has not been denied registration or certification in any state.

- 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.**

The Company intends to respond to Requests for Proposals issued by correctional facilities or their governing authorities. The applicant does not conduct any telemarketing activities or utilize telemarketers in any fashion.

- 12. Federal Tax Identification Number and South Dakota Sales Tax Number.**

The Applicant's Federal Tax Identification number is 22-2011859.

The Applicant's South Dakota Sales Tax Number is 1021-8066-ST

- 13. Information concerning how the Applicant will make available to any person information concerning the Applicant's current rates, terms and conditions for all of its telecommunications services and notification of any materially adverse changes.**

As an operator service provider specializing in the institutional services market, Lattice is subject to and will comply with South Dakota and FCC rules governing rate quotes and branding requirements for each call.

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

As a new entrant, Lattice has never received a complaint of any kind. Lattice does not plan to offer presubscribed services.

15. **A written request for waiver of those rules the Applicant believes to be inapplicable.**

In the interests of protecting the public at large, and to comply with the security and safety requirements of correctional facility personnel, inmate service providers:

- 1) do not post information on the phones accessible to inmates;
- 2) block access to the operator, directory assistance, 911 and to other interexchange carriers.

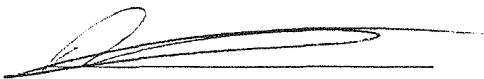
Therefore Lattice requests a waiver of those portions of the Commission's Alternative Operator Service rules that require posting, access to 911 and that prohibit call blocking (20:10:24:05 (3), (5), & (6). Lattice will comply with all FCC institutional service rules concerning branding, rate quotes, and not charging for unanswered calls. The Applicant does not bill directly for its services. Collect calls are billed by the serving local exchange carrier of the customer; the required call detail is provided to the LEC for billing the end user, as described above. All LEC bills will identify Lattice Incorporated as the provider and will include the Company's toll free customer service number.

16. **Other information requested by the commission needed to demonstrate that the Applicant has sufficient technical 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.**

Lattice Incorporated possesses the technical and managerial ability to provide service within the state. As a reseller, the Applicant relies on the technical reputation and support of its underlying carriers, Qwest. Additionally, Lattice Incorporated's in-house management team is well-qualified to oversee the operations of a telecommunications carrier. Resumes of key personnel are included in Attachment III to the application. In addition, the bond in the amount of \$25,000 as required for the provision of prepaid services is included as Attachment IV

Submitted by:

By:

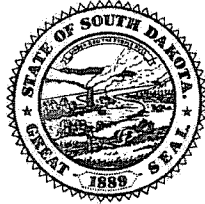

Paul Burgess, CEO
Lattice Incorporated

**Application of
Lattice Incorporated**

Attachment I

Certificate of Authority to Transact Business
in South Dakota from Secretary of State

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

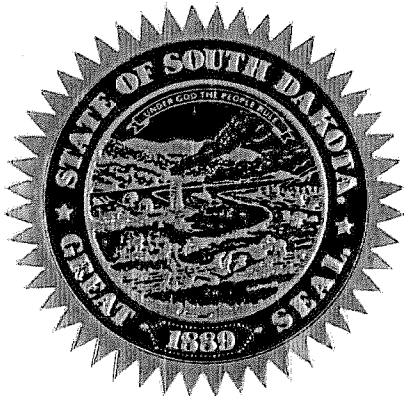
Certificate of Authority

ORGANIZATIONAL ID #: FB033741

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

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this August 20, 2009.



Chris Nelson
Chris Nelson
Secretary of State

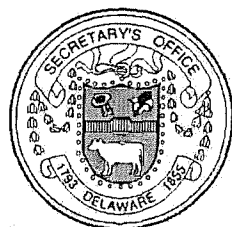
Cert of Authority Merge

Delaware

PAGE 1

The First State


I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "LATTICE INCORPORATED" IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TENTH DAY OF AUGUST, A.D. 2009.



0791744 8300

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You may verify this certificate online
at corp.delaware.gov/authver.shtml


Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 7467243

DATE: 08-10-09

**Application of
Lattice Incorporated**

Attachment II

Financial Information

Following is the Edgar link to Applicant's SEC Form 10-K:

http://www.sec.gov/Archives/edgar/data/350644/000114420409020153/v146012_10k.htm

**Application of
Lattice Incorporated**

Attachment III

Resumes of Management Personnel

LATTICE INCORPORATED

RESUMES OF MANAGEMENT PERSONNEL

Paul Burgess

CEO and Director of Lattice Incorporated

From March 2003 until February 2005, Paul Burgess was COO of Science Dynamics. As of February 2005, he was appointed president and CEO. On February 2005, Burgess was appointed a director. Previously, from January 2000 to December 2002, Paul was president and CFO of Plan B Communications. Prior to Plan B Communications, he spent three years with MetroNet Communications, where he was responsible for the development of MetroNet's coast to coast intra- and inter-city networks. Burgess was also influential in developing the operations of MetroNet during the company's early growth stage. Prior to joining MetroNet, he was with ISM, a company subsequently acquired by IBM Global Services, where he was responsible for developing and deploying the company's distributed

Joe Noto

CFO

Joe Noto brings to Lattice more than 15 years of upper level management experience at businesses ranging from early-stage venture capital backed technology companies to middle market operating divisions of Fortune 500 companies. Prior to joining Science, he was CFO for Spectrotel, Inc., a telecommunications service provider. Noto is a CPA and received his BA in Accounting from Rutgers University. He is a member of both the New Jersey Society of CPA's and American Institute of CPAs.

LATTICE INCORPORATED

RESUMES OF MANAGEMENT PERSONNEL

Terry Whiteside

General Manager

Mr. Whiteside joined Lattice Incorporated in May of 2007 bringing more than 18 years of executive and engineering expertise in telecommunications industry. Prior to joining Lattice Mr. Whiteside spent seven years as Vice President of Operations at Spectrotel Communications where he was responsible for all aspects of the company's business operations including; sales, marketing, engineering, customer service and strategic planning. Prior to Spectrotel Communications, Mr. Whiteside spent three years with AT&T Canada (formerly MetroNet Communications) as Director of Data Services, where he was responsible for the development of the company's coast to coast data and IP networks. Prior to joining AT&T, he was with SaskTel where he held series of positions in a wide variety of disciplines and was responsible for establishing the strategic direction for Sasktel's data and IP network evolution.

Mr. Whiteside has a Bachelor of Applied Science Degree in Electronic Information Systems Engineering.

Thomas R. Spadaro

Vice President of Engineering

Thomas Spadaro leads the design and development of telephony solutions that facilitate the transition from a circuit-switched network to a digital, packet-based communications environment. Since joining SciDyn in 1983, Tom has managed the development and design of all major product offerings for the Company including the Integrator Series of IP gateways, the Call Control System for correctional facilities and the VFX-250S, Video over Frame Relay Access Device. Thomas previously served as SciDyn's Director of Engineering.

**Application of
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Attachment IV

Bond

The Applicant is currently in the process of obtaining the ILOC which will be submitted upon receipt