#### APPLICATION FOR AUTHORIZATION

Impact Telecom, Inc. (hereinafter "Applicant") respectfully requests that the South Dakota Public Utilities Commission (hereinafter referred to as "Commission") grant Applicant authority pursuant to SDCL 49-31-3 and in accordance with ARSD 20:10:24:02 to provide intrastate telecommunications services within South Dakota through the resale of similar services offered by other interexchange carriers ("IXCs") in the state. Applicant, for purposes of verification, and in evidence of its fitness to operate and the public need for its services, offers the following information in support of this Application: In support of its Application, Applicant states as follows:

(1) The applicant's name, address, telephone number, facsimile number, web page URL, and E-mail address:

(a) The name, address and telephone number of Applicant:

Impact Telecom, Inc.

9250 E. Costilla Ave., Suite 400

Greenwood Village, CO 80112

Telephone: (303) 779-5700

Fax: (303) 779-0500

Toll Free: (866) 557-8919

Website: http://www.impacttelecom.com

E-mail:bbeaty@impacttelecom.net

(b) Correspondence regarding this Application should be directed to:

Judith A. Riley

Telecom Professionals, Inc.

P.O. Box 720128

Oklahoma City, OK 73172-0128

Telephone: (405) 755-8177

Facsimile: (405) 755-8377

Email: jriley@telecompliance.net

# (2) A description of the legal and organizational structure of the applicant's company:

- (a) Applicant was organized in the State of Nevada on May 27, 2005 as an LLC. On March 12, 2009, Applicant converted from an LLC to an "S" Corporation. A copy of the Applicant's Articles of Organization, a copy of the Applicant's Articles of Conversion, and a copy of the Applicant's Articles of Incorporation are attached as **Exhibit A.**
- (b) The names and addresses of Applicant's shareholders, along with percentage owned, and current Officers:

Officers and Shareholders:	Percentage of Shares
Robert Beaty - President 9250 E. Costilla Ave., Suite 400 Greenwood Village, CO 80112	60%
Jason McKesson, Vice President, Wh 9250 E. Costilla Ave., Suite 400 Greenwood Village, CO 80112	olesale 17.5%
Chuck Griffin – Vice President, Retain 9250 E. Costilla Ave., Suite 400 Greenwood Village, CO 80112	1 12.5%
Jim Hart – Vice President, Operations 9250 E. Costilla Ave., Suite 400 Greenwood Village, CO 80112	s 0%
William Beaty – Director 9250 E. Costilla Ave., Suite 400 Greenwood Village, CO 80112	10%

In support of Applicant's managerial and technical ability to provide the services for which authority is sought herein, Applicant submits Biographies of Key Personnel as **Exhibit B.** 

# (3) The name under which the applicant will provide interexchange services if different than in subdivision (1) of this section:

Applicant shall provide services under the name: Impact Telecom, Inc.

# (4) A copy of the applicant's certificate of authority to transact business in South Dakota from the Secretary of State:

A copy of the Applicant's South Dakota Certificate of Authority for Foreign Corporation is attached as **Exhibit C**.

# (5) The location of the applicant's principal office, if any, in this state and the name and address of its current registered agent, if applicable:

Applicant has no principal office in South Dakota. Applicant's registered agent is CT Corporation System, 319 South Coteau Street, Pierre, SD, 57501.

## (6) A list and specific description of the telecommunications services the applicant intends to offer:

Applicant seeks authority to operate as a reseller of voice interexchange and data telecommunications services to other carriers on a wholesale basis (carrier to carrier) with no direct end-users. Available speeds will range from T-1 through OC48, as well as Ethernet speeds ranging from 10mbps through 10gbps.

### (7) A detailed statement of how the applicant will provide its services:

Applicant does not intend to provide operator services, 900 services, or 700 services. Applicant owns no transmission facilities. Applicant will offer service to its subscribers using the facilities of the communications networks of the Incumbent Carriers and other facilities-based IXCs. Applicant has no plans at this time to construct any telecommunications transmission facilities of its own and seeks no construction authority by means of this Application. Applicant will operate exclusively as a reseller. Applicant will abide by all rules governing telecommunications resellers, which the Commission has promulgated or may promulgate in the future, unless application of such rules is specifically waived by the Commission.

(8) A service area map or narrative description indicating with particularity the geographic area proposed to be served by the applicant:

Applicant shall offer services on all equal-access areas within the State of South Dakota, with the intent to do business on a statewide basis. Accordingly, Applicant does not attach a map describing service boundaries.

(9) For the most recent 12 month period, financial statements of the applicant including a balance sheet, income statement, and cash flow statement. The applicant shall provide audited financial statements, if available:

In support of Applicant's financial ability to provide the proposed services, Applicant attaches their 2011 Financial Statement as **Exhibit D**, submitted as **CONFIDENTIAL**.

- (10) The names, addresses, telephone number, facsimile 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 service matters:
  - (a) All complaints should be directed to:

Customer Service Manager 9250 E. Costilla Ave., Suite 400 Greenwood Village, CO 80112

Toll Free: (866) 557-8919

Fax: (303) 779-0500

Email: service@impacttelecom.net

Regulatory matters should be directed to:

Judith A. Riley
Telecom Professionals, Inc.
P.O. Box 720128
Oklahoma City, OK 73172-0128
Telephone: (405) 755-8177

Fax: (405) 755-8377

Toll Free: (800) 406-4777

Email: jriley@telecompliance.net

(b) Customer complaints are to be addressed in an escalation method as follows:

1st Level Customer Service On Duty Technician 866-557-8920 24/7 Toll Free: 303-963-1408 Fax: noc@impacttelecom.net 2<sup>nd</sup> Level Tim Carmel Director of Operations 720-259-5781 tcarmel@impacttelecom.net Cell: 813-917-2601 3rd Level Jim Hart Vice President, Operations 720-279-7231 720-320-0618 ihart@impacttelecom.net Cell: 4th Level President **Bob Beaty** 720-279-7227 bbeaty@impacttelecom.net

(11) Information concerning how the applicant plans to bill and collect charges from customers:

The Company will schedule monthly billing to customers. Payment is due by the invoice date printed on the bill. A sample of an Impact Telecom, Inc. invoice has been attached as **Exhibit E**.

(12) Information concerning the applicant's policies relating to solicitation of new customers and a description of the efforts the applicant shall use to prevent the unauthorized switching of interexchange customers:

Applicant will use fair and reasonable industry standards to maintain its no slamming policy of customers. Applicant's policy will require a signed letter of authorization from the customer.

(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:

Applicant will make available to any person information concerning the Applicant's current rates, terms, and conditions for all of its telecommunications services by dialing toll-free-number (866) 557-8919 or by email at <a href="mailto:sales@impacttelecom.net">sales@impacttelecom.net</a>. A description of services offered is located at website <a href="http://www.impacttelecom.com">http://www.impacttelecom.com</a>.

(14) Information concerning how the applicant will notify a customer of any materially adverse change to any rate, term, or condition of any telecommunications service being provided to the customer. The notification must be made at least thirty days in advance of the change:

Applicant will notify a customer of any materially adverse change to any rate, term, or condition of telecommunications service to the customer through either a message in the bill, or a bill insert. The notification will be made at least thirty days in advance of the change.

(15) 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 authorized to provide the resale of telecommunications services in the following jurisdictions: California, Colorado, Indiana, Illinois, Kentucky, Massachusetts, Michigan, New Mexico, New Jersey, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Texas, Utah, Virginia, Vermont, Washington, and Wyoming. Additionally, Applicant has never been denied registration or certification in any jurisdiction and is in good standing with the regulatory agency in each jurisdiction.

(16) 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 will market only to other carriers only through direct contact methods, mailing offers, and trade shows. No multi-level marketing plans will be used. Applicant has no promotional materials for South Dakota at this time.

(17) Federal tax identification number and South Dakota sales tax number:

Applicant's federal tax identification number is 14-1931246. Applicant's South Dakota sales tax number is in process.

(18) 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:

Applicant has not received complaints with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider or for the act of charging customers for services that have not been ordered.

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

Applicant requests a waiver of the cash flow statement required in 20:10:24:02(9).

(20) 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:

Applicant has no additional information that it believes may be relevant to the Applicant's qualifications to provide the proposed service.

WHEREFORE, Impact Telecom, Inc. respectfully requests that this Commission grant it authority to transact the business of a reseller of voice interexchange and data telecommunications services on a wholesale basis within the State of South Dakota.

Respectfully Submitted,

Impact Telecom, Inc.

Dated: 01/09/2012

y: Juato C. IC

### VERIFICATION

I, Judith A. Riley, being duly sworn, do hereby certify, depose and state that I am the authorized Representative for Impact Telecom, Inc. in this proceeding; and that I have read the above and foregoing Application and the allegations contained within are true and correct to the best of my knowledge, information and belief; and I further state that I am authorized to verify the foregoing application by the above said applicant.

Signature

Subscribed and sworn to before me, a Notary Public, this \_\_9th\_\_\_day of January 2012.

Signature of Notary Public