

**BEFORE THE  
SOUTH DAKOTA PUBLIC SERVICE COMMISSION**

Pursuant to Rule **20:10:24:02** of the Commission's Telecommunications Services Rules, MAGICJACK SMB, INC. ("Applicant") submits the following registration information:

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

MAGICJACK SMB, INC.  
222 Lakeview Avenue, Suite 1600  
West Palm Beach, FL 33401  
Toll Free/Regulatory 888-656-3055  
Telephone: 561-290-8585  
Facsimile: 561-514-9441  
Toll Free: 888-657-6282  
Website: <https://www.magicjackforbusiness.com/>

- (2) **A description of the legal and organizational structure of the applicant's company;**

MAGICJACK SMB, INC. is a Florida corporation incorporated on January 12, 2016.

- (3) **The name under which applicant will provide interexchange services if different than in subdivision (1) of this section;**

The Applicant will provide services under the name shown in Question 1.

- (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 certificate of authority to transact business in South Dakota from the Secretary of State is included as **Attachment I** to the application.

- (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;**

MAGICJACK SMB, INC. has no principal office in South Dakota.

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

Corporation Service Company  
503 S Pierre St  
Pierre, SD 57501-4522

(6) **A list and specific description of the types of services the applicant seeks to offer;**

MAGICJACK SMB intends to provide interconnected VoIP service to small business customers. The Company's offerings will provide customers with the communications equivalent of traditional wireline local and intrastate long distance services for connections to and from the public switched telephone network, including essential functionalities such as access to emergency 911 service, operator services and directory assistance. Customers will be able to make and receive calls in essentially the same manner as traditional wireline service customers and will enjoy access to features similar to those available with traditional wireline services, including but not limited to call waiting, call forwarding, 3way calling, caller ID and voice mail. MAGICJACK SMB will utilize the services of its underlying CLEC carrier, YMax Communications Corp., for interconnection to the public switched network and numbering resources. The Applicant intends to provide most customers with unlimited flat rate domestic calling, although it may offer certain services on a per minute basis. MAGICJACK SMB does not intend to serve residential customers.

(7) **A detailed statement of how the applicant will provide it services;**

MAGICJACK SMB will not deploy its own facilities. It will utilize the services of its underlying CLEC carrier, YMax Communications Corp., for interconnection to the public switched network and numbering resources.

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

The Applicant requests authority to provide service throughout the state of South Dakota, excluding those areas served by a rural telephone company.

MAGICJACK SMB's service areas will mirror those established by the underlying ILECs and MAGICJACK SMB concurs in the service maps of those carriers, as currently filed with the Commission and as subsequently redefined. For these reasons, MAGICJACK SMB requests that it be exempted from the requirement to provide a service area map in its filing.

(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;**

MAGICJACK SMB has the financing and capital necessary to provide the interconnected VoIP services as proposed in this Application. Attached hereto as **Attachment II**, is a copy of the Applicant's balance sheet. MAGICJACK SMB is requesting that its financials be treated as Confidential.

- (10) **The names, addresses, telephone numbers, facsimile number, E-mail addresses, and toll free number of the Applicant's representatives to whom all inquiries must be made regarding customer complaints and regulatory matters and a description of how the applicant handles customer service matters;**

**Contact for Customer Complaints**

Debora Giffin, Customer Service Manager  
MAGICJACK SMB, INC.  
560 Village Blvd. suite 120  
West Palm Beach, Fl 33409

Telephone: 888-657-6282  
Facsimile: 561-514-9441  
Email: deb.giffin@magicjack.com

**Contact Regulatory Matters**

Mark Pavol, Regulatory Manager  
Telephone: 908-806-4479  
Facsimile: 561-514-9441  
Email: Mark.pavol@magicjack.com

The Applicant will handle all customer service matters promptly and in compliance with state and federal requirements.

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

MAGICJACK SMB will bill customers directly. Customer payments will be made directly to the Company and the Company will have no payment centers in South Dakota.

- (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;**

MAGICJACK SMB utilizes a direct sales approach to its marketing efforts. The Company does not utilize any form of multilevel marketing in the sale of its services. The Company uses written or electronic LOA to prevent the unauthorized switching of customers.

- (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;**

MAGICJACK SMB will post product offerings on its website, and all customers will enter into written or electronic contracts for products and services.

- (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;**

MAGICJACK SMB will notify customers directly or via bill insert, thirty days in advance of the change, as warranted by the nature 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;**

See **Attachment V**. MAGICJACK SMB is in good standing with all regulatory agencies where it operates and has not ever been denied registration or certification

- (16) **A description of how the applicant intends to market its services, its target market, whether the applicant engages in multilevel marketing, and copies of any company brochures used to assist in sale of the services;**

The primary marketing channel for MAGICJACK SMB is via agents, direct mail and internet advertising. The Company does not utilize any form of multilevel marketing in the sale of its services.

- (17) **Federal tax identification number and South Dakota sales tax number; and**

MAGICJACK SMB, INC. Federal Tax Identification Number is 81-1101638.

- (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;**

MAGICJACK SMB has never had a complaint filed against it for the unauthorized switching of a customer's telecommunications service or for charging customers for services that have not been ordered.

- (19) **A written request for waiver of those rules believed to be inapplicable;**

MAGICJACK SMB is not requesting a waiver of any rules.

- (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.**

Not applicable.

WHEREFORE, on the basis of the information provided in the Application and Attachments MAGICJACK SMB, INC. respectfully requests that the Commission grant this application.

MAGICJACK SMB, INC. will comply with all requirements applicable to the provision of Interconnected Voice Over Internet service.

A handwritten signature in black ink, appearing to read 'Jose Gordo', written over a horizontal line.

Jose Gordo, Chief Financial Officer  
MAGICJACK SMB, INC.  
222 Lakeview Avenue, Suite 1600  
West Palm Beach, FL 33401

Dated: 4/11/17