



Chris Nelson, Chairman
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South Dakota
PUBLIC UTILITIES COMMISSION
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December 29, 2025

Leah Mohr
Executive Director
Public Utilities Commission
500 E. Capitol Avenue
Pierre, SD 57501

RE: TC25-058 - In the Matter of Pareteum Corporation's Failure to Timely Pay the Gross Receipts Tax

Dear Ms. Mohr:

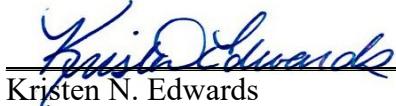
This letter is to provide an update on the status of the collection of gross receipts tax in Docket No. TC25-058. On November 20, 2025, the Commission issued an Order for and Notice of Show Cause Hearing, requiring Pareteum Corporation to show cause as to why it should not be found to owe unpaid gross receipts tax and penalties for 2024. After becoming aware that Pareteum Corporation was in bankruptcy¹, the Commission rescinded the Show Cause Order on November 21, 2025.

After reviewing the filings in Pareteum's Chapter 11 Bankruptcy proceeding², it is apparent that collection is no longer possible. Pareteum and affiliates filed a voluntary Chapter 11 Bankruptcy petition on May 5, 2022. At the time, the Debtors continued to operate the businesses as debtors in possession. On June 30, 2022, the Bankruptcy Court approved a sale of substantially all of the Debtors' assets, and a liquidating plan was approved by the Court of October 7, 2022. The claims deadline was August 22, 2022.

Pareteum has not been in business since liquidation began in late 2022. Portions of the proceedings were stayed by the Court after certain Pareteum executives were arrested on September 28, 2023, and charged with securities fraud, conspiracy to commit securities fraud, false SEC filings, and improperly influencing the conduct of audits.

In October 2024, the Securities and Exchange Commission entered an order determining that Pareteum executives engaged in a scheme which overstated Pareteum's revenue by \$12M for 2018 and \$27M for the first and second quarters of 2019. At this time, the Bankruptcy remains open for the administration of the Trust and reconciliation of remaining claims from 2022. However, there is not an opportunity to assess or collect taxes for 2024. Therefore, no further action is available in this docket.

Sincerely,



Kristen N. Edwards
Commission Counsel

¹ The PUC was not served notice of the bankruptcy, as required for all creditors.

² See, *In re Pareteum Corporation, et al.*, 22-10615 (Bankr. S.D.N.Y. 2022).