

Company ID: 128771

BAK Communications, LLC
1108 E.17th Street
Santa Ana, CA 92701

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, TN

April 16, 2002

IN RE: CASE NUMBER: 02-00262

Application for Authority to Provide Operator Services and/or Resell
Telecommunications Services in Tennessee Pursuant to Rule 1220-4-2-.57.

---ORDER---

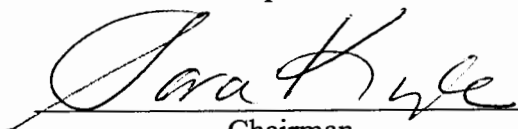
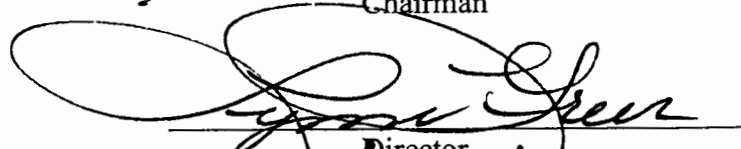
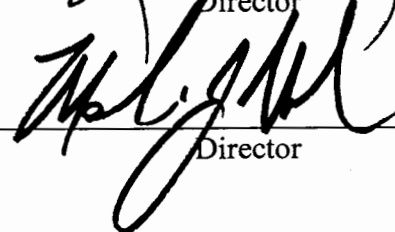
This matter came before the Tennessee Regulatory Authority upon the application of the above-mentioned company for certification as a reseller or telecommunication operator service provider in Tennessee. The TRA considered this application at a Conference held on April 16, 2002 and concluded that the applicant has met all the requirements for certification and should be authorized to provide operator service and/or resell telecommunications services on an intrastate basis.

IT IS THEREFORE ORDERED:

1. That the above-mentioned company is issued a Certificate of Convenience and Necessity as an operator service provider and/or reseller of telecommunications services for state-wide service in Tennessee as specified in its application on file with the Authority.
2. That said company shall comply with all applicable state laws and TRA rules and regulations.
3. That this order shall be retained as proof of certification with this Authority, and may be used to obtain appropriately tariffed service and billing arrangements from Authority authorized telecommunications service providers.

ATTEST:


Executive Secretary


Chairman

Director

Director

**APPLICATION FOR CERTIFICATE
TO PROVIDE OPERATOR SERVICES AND/OR
RESELL
TELECOMMUNICATION SERVICES IN TENNESSEE
SECTION A**

Application is hereby made for a certificate of authority pursuant to TRA Rule 1220-4-2-.57 to provide telecommunications services in the State of Tennessee.

Part I : General Information

A. Name of Applicant **BAK Communications, LLC**
Full exact name of person, corporation, partnership, sole proprietorship, or other entity, for which application is made.

Legal name of applicant, if different from above.

1108 E. 17th Street **Santa Ana** **CA** **92701**
Address City State Zip

Tenn. Secretary of State Certificate of Authority ID **0415295**

Federal Taxpayer ID Number **33-0975728**

Social Security Number for Applicants

Applying as Individuals _____

Any trade name(s), assumed name(s) or fictitious name(s) used by applicant:

If applicant has affiliate(s) engaged in providing telecommunications services, provide the above requested information for each affiliate(s), as well as for the applicant.

Address _____ City _____

State _____ Zip Code _____ Phone No. (____) ____ - _____
(Use additional pages if necessary)

*****IMPORTANT INFORMATION*****

If applicant has affiliate(s) or parent company, or constituency corporations, engaged in providing telecommunications services, or operating under any trade

name, assumed name or fictitious name used by the above, provide the above requested information on all parts of this application as well as for the applicant. Provide this information on a separate attachment, if necessary.

THIS SECTION FOR TRA USE ONLY

Docket Number. _____

Company ID Number _____

Date Approved _____

Evaluator _____

- B. Describe other businesses or business transactions, if any, at the same location as the principal business address: None

- C. Provide the name, business and home address of and a chronological summary of the employment history and business experience over the preceding eight years of:

- (a) The proprietor, if the applicant is an individual;
- (b) Every member, if the applicant is a partnership;
- (c) Each Executive Officer, Director and each Key Stockholder if the applicant is a joint stock association or a corporation. (Note: If the applicant is a publicly traded corporation or a subsidiary of such a corporation it does not need to provide this information)
- (d) Any person in a position to exercise control over or direction of, the business of the applicant, regardless of the form of organization of the applicant.

Information to be included:

NAME TITLE
BUSINESS ADDRESS
HOME ADDRESS
EMPLOYMENT HISTORY

SOCIAL SECURITY NUMBER
PHONE No.
PHONE No.

Provide the above requested information on separate attachments.

- D. Has the applicant or any of its parent companies, subsidiaries, affiliates, owners, partners, LLC members, directors, officers, five percent (5%) more shareholders or beneficiaries (of a trust) been associated with a business whose authority to transact business was denied, revoked or suspended by a state or federal regulatory or law enforcement entity?
_____ Yes ☒ No If yes, please explain fully.

- E. Has the Tennessee Regulatory Authority, or any other agency of the State of Tennessee, any federal agency or any agency of any other state ever initiated a regulatory action or order against the applicant or any of its parent companies, subsidiaries, affiliates, owners, partners, LLC members, directors, officers, five percent (5%) more shareholders or beneficiaries (of a trust)?
_____ Yes ☒ No If yes, please explain fully.

- (1) Has the applicant or any of its parent companies, subsidiaries, affiliates, owners, partners, LLC members, directors, officers, five percent (5%) more shareholders or beneficiaries (of a trust), been enjoined or restrained by order by any court or state or federal regulatory or law enforcement entity from engaging in any conduct or practice related to the telecommunications business? _____ Yes ☒ No If yes, please explain fully

- F. Has the applicant or any of its parent companies, subsidiaries, affiliates, owners, partners, LLC members, directors, officers, five percent (5%) more shareholders or beneficiaries (of a trust) been associated with a business who has ceased providing telecommunications services in any state, describe the circumstances. (Use additional pages if necessary)
No

- G. Has the applicant or any of its parent companies, subsidiaries, affiliates, owners, partners, L.L.C. members, directors, officers, five percent (5%) or more shareholders or beneficiaries (of a trust) been convicted of any crime or crimes, or charged in court with any fraudulent or dishonest acts in any transaction of any kind, or confined in any penal institution? If so, list such persons, give details, state results and final outcome. (Use additional pages if necessary) **NO**

(1) Has the applicant or any of its parent companies, subsidiaries, affiliates, owners, partners, L.L.C. members, directors, officers, five percent (5%) or more shareholders or beneficiaries (of a trust) been indicted, convicted, pled guilty or pled nolo contendere to a felony in Tennessee or elsewhere?

_____ YES ☒ _____ NO If yes, please explain fully.

- H. Name and telephone number of contact person authorized to respond to Authority inquiries regarding company operations Monday through Friday.

Fred Kunik (714) 569-0300 (714) 569-0882
Name Phone No. Fax No.
(877) 407-8538 e-mail Address N/A

- (1) Name and telephone number of contact person authorized to respond to Authority inquiries regarding this filing Monday through Friday.

Lance J.M. Steinhart (770) 232 - 9200 (770) 232 - 9208
Name Phone No. Fax No.
(800) _____ e-mail Address lsteinhart@telecomcounsel.com

- I. List a toll-free telephone number and mailing address that consumers can call or write to report service problems and/or request refunds or adjustments.

(877) 407-8538 (714) 569-0300
PHONE NUMBER ALTERNATE PHONE NUMBER
1108 E. 17th Street Santa Ana CA 92701
ADDRESS CITY ST ZIPCODE

- (J) Provide the name and address of the registered agent for service of process:

TCS Corporate Services, Inc.

1912 Hayes St., Nashville, TN 37203

- (K) Identify all authorized agents in the state, if any by name, address, business and home phone numbers and any other businesses conducted by the agent at the same location: (use additional sheets if necessary) **None**

Part II:

- A. Check the type of telecommunication services you plan to provide in Tennessee.

☒ Resell Interexchange long distance services
____ Operator Services
____ Resell local services

____ Other (describe) _____

B. If providing operator services, list company name, address and contact person for all reseller carriers you serve in Tennessee. **Provide the above information on Appendix I.**

C. List the state(s) where the applicant, its parent company, and all affiliates is authorized to operate in at this time. For each such state, describe applicant's current activities along with a history of operations there. (Use additional pages if necessary.)

None.

For the above states, list the number and types of complaint(s) filed against applicant, and the complaint(s)' current status. Provide this information on a separate attachment, if necessary. **None**

If applicant has affiliate(s) or parent company, or constituency corporations, engaged in providing telecommunications services, or operating under any trade name, assumed name or fictitious name used by the above, provide the above requested information for all as well as for the applicant. Provide this information on a separate attachment, if necessary.

D. List any states that the applicant or any affiliate, parent company, or constituency corporation operating under any trade name, assumed name, or fictitious name, has been denied authority to provide service. (Use additional pages if necessary)
None

E. Areas in Tennessee to be served.
Statewide

F. What type of customers will the applicant serve?

a. Business ☒

b. Residential ☒

c. Aggregators _____
(e.g. Hotels, Payphones)

d. Other (specify) _____

G. Does the applicant allow a property imposed fee (PIF) to be added to the price of intrastate telephone calls over its network? If yes, specify amount. **No**

H. Are your prices for intrastate services plus any PIF equal to or less than the dominant carriers' price for similar services? Yes ☒ No _____

I. Describe the type of services and price that the applicant will be offering in Tennessee on the Informational Tariff Form found in Appendix II¹.

J. What is the applicant's 10XXX or 800 access code, if applicable? **Not Applicable**

¹Applicant is required to fill out an Informational Tariff form. Failure to fill out this form will cause the applicant's request to be rejected.

K Does the applicant now have or plan to have any telecommunication's facilities (e.g. switches, fiber lines) in Tennessee? No

L Whose facility-based network(s) will the applicant be reselling? Global Crossing, Qwest and Sprint

M Will the applicant be utilizing the local telephone company's billing system or billing customers directly²? Direct Billing

N Describe briefly how the applicant plans to market their services in Tennessee?
Through distribution of prepaid calling cards and direct sales.

O If independent telemarketers are to be used, list the name, contact person, address phone number and federal taxpayer ID for each company.

COMPANY NAME	CONTACT	ADDRESS	CITY	ST	ZIP	PHONE
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COMPANY NAME	CONTACT	ADDRESS	CITY	ST	ZIP	PHONE
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COMPANY NAME	CONTACT	ADDRESS	CITY	ST	ZIP	PHONE
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COMPANY NAME	CONTACT	ADDRESS	CITY	ST	ZIP	PHONE
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P Describe the methods and procedures by which the applicant will use to switch a consumer's preferred interexchange service, and to prevent unauthorized switching of a consumer's interexchange service. Use additional pages if necessary. If you have written procedures or company guidelines, attach copies.

Applicant will attempt to get a written letter of agency.

If not, all orders will be third party verified in
accordance with applicable state and federal regulation.

Q. Applicant has the ability and agrees to honor the form of call blocking that the consumer has subscribed to with their local telephone company. Yes X No

²A copy of a bill is required if the applicant is going to bill the customer directly.

- R Applicant gives permission to the local telephone company to provide the Authority a periodic sample of the reseller's intrastate toll calls. The purpose of this analysis is to audit the reseller's rates to assure they are at or below the dominant carrier's tariffed rates. Yes ☒ No ☐

Part III: Organization Structure

A Applicant's organizational structure

☒ Corporation

☐ Publicly Traded Corporation

☐ Subsidiary of a Publicly Traded Corporation

☒ Limited Liability Corporation Attach a copy of the articles of organization and operating agreement along with amendments.

☐ Other Form of Corporation

List type _____ (Example S Corporation)

Attach a copy of the charter, bylaws and/or certificate of incorporation.

☐ Association Attach a copy of the charter, bylaws and/or certificate of incorporation and Letter of Authorization from Tennessee Secretary of State

☐ Joint Stock Association Attach a copy of the charter, bylaws and/or certificate of incorporation and Letter of Authorization from Tennessee Secretary of State.

☐ Trust Attach a copy of the trust agreement and Letter of Authorization from Tennessee Secretary of State.

☐ Individual Attach a copy of the Letter of Authorization from Tennessee Secretary of State

SECTION (a)-(g) is to be completed if applicant is a Corporation Association or Trust

(a) The date and state of formation/incorporation: July 5, 2001 California

(1) Parent Company, if applicable None

(b) Attach a certificate of good standing from the state in which the applicant was incorporated/formed.

(1) Attach a copy of Certification of Authority issued by Tennessee Secretary of State showing corporation's authority to engage in business in Tennessee.

(d) Describe the corporate structure of the applicant, including the identity of any parent or subsidiary of the applicant. Disclose whether any parent or subsidiary is publicly traded on any stock exchange.

Applicant is a stand-alone privately-held company.

(e) Provide the history of material litigation and criminal convictions of every current director, executive officer, or key shareholder of the applicant for the ten-year period prior to the date of this application. **None**

(f) If applicable, attach a copy of the instrument creating the trust and all amendments thereto:

B. ☐ Proprietorship

☐ Partnership

☐ General Attach a copy of the partnership agreement along with any amendments.

☐ Limited Attach a copy of the certificate of limited partnership and the partnership agreement along with any amendments.

☐ Other (Explain on separate sheet)

All of the above will be required to submit a valid business license.

(a) Identify the place and date of the applicant's qualifications to provide telecommunications services in this state.

(b) List the full name, social security number and address of the owners, if a sole proprietorship, or all partners identifying the percentage of ownership:

ATTACH ADDITIONAL PAGES AS NECESSARY

C. Number of employees: 0

Employer Identification Number (E.I.N.) 33-0975728

Part IV: Financial Information

A. Address where business records are kept: _____

1108 E. 17th Street	Santa Ana	CA	92701	(714) 569-0300
CITY	STATE	ZIP CODE	PHONE NUMBER	

B. Attach a copy of the applicant's most recent unconsolidated and consolidated audited financial statements for the immediately preceding three-year period. Provide in detail the applicant's financial condition, including balance sheet and income statement, or a copy of IRS form 1120 or 1065 filed by your business for the previous year. Attach, if available, a copy of your company's 10K and/or stockholder reports.

(1) Fiscal year end: Month December Day 31

(2) Date of most recent audited, unconsolidated financial statement of Applicant:
None

(3) If applicable, name and address of independent certified public accountant:

Not Applicable

(4) Period covered by financial statement attached: 2001

C. Does the applicant currently have an internal auditor and/or internal audit program? No

If so, Name of internal auditor _____.

D. If applicable, provide a history of applicant's material litigation and criminal convictions for the ten-year period prior to the date this application is made. Material litigation is defined as any litigation that, according to generally accepted accounting principles, is deemed significant to a person's financial health and would be required to be referenced in annual audited financial statements, reports to shareholders or similar documents.

Part VI: Rule Compliance Agreement

A. Have you read and understand the Tennessee Regulatory Authority's (TRA) Rules and Regulations for Resellers, 1220-4-2 located at the TRA's website <http://www.state.tn.us/tra> *electronic fileroom* in its entirety?
☒ Yes ☐ No

B. Do you understand the penalties for non-compliance, and all associated fees to provide such service? ☒ Yes ☐ No

Mail the completed application and a check for \$50.00 to: Tennessee Regulatory Authority, P.O. Box 198907, Nashville, TN 37219-8907. Should you have any questions, call (615) 741-7489, ext. 163.

The Reseller or Operator Service Provider applicant, hereby, affirms the following:

Will comply with the TRA Reseller Rules and all other applicable Authority Rules and state laws, including T.C.A. Section 65-5-206 located at the TRA's website <http://www.state.tn.us/tra> *electronic fileroom* under the External Site of Lexis Law Publishing.

Having been duly sworn, and under the penalties of perjury, I hereby certify that the representations in this RESELLER APPLICATION and all attachments and appendices are true and correct to the best of my knowledge and belief. I further understand that omissions or inaccuracies may result in denial of the APPLICATION and grounds for revocation of Certificate of Authority.

For Individual and Partners:

_____ Signature	_____ Signature
_____ PRINTED NAME	_____ PRINTED NAME
_____ Signature	_____ Signature
_____ PRINTED NAME	_____ PRINTED NAME

For Corporations
and Other Organizations

BY: BAK Communications, LLC
(NAME OF CORPORATION)

SIGNATURE
Fred Kunik
PRINTED NAME
Manager
Title

ATTEST: _____

Title

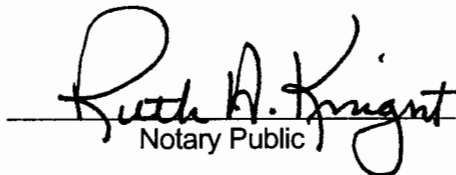
State of California

County of Orange

On this the 24th day of September, 2001 before me, a Notary Public

Fred Kunik

known to me to be the person(s) named in, and who executed the foregoing application, being duly sworn according to law, deposes and says that the statements and representations set forth in the above application are true and correct to the best of his/her knowledge and belief.

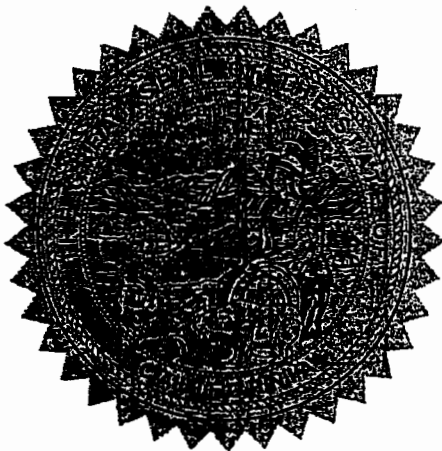

Notary Public



**SECRETARY OF STATE**

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUL 10 2001

Bill Jones

Secretary of State



State of California
Bill Jones
Secretary of State

LIMITED LIABILITY COMPANY
ARTICLES OF ORGANIZATION

A \$70.00 filing fee must accompany this form.
IMPORTANT – Read instructions before completing this form.

200119110094
File#

ENDORSED • FILED
in the office of the Secretary of State
of the State of California

JUL 05 2001

BILL JONES, Secretary of State

This Space For Filing Use Only

1. Name of the limited liability company (and the name with the words "Limited Liability Company," "Ltd. Liability Co.," or the abbreviations "LLC" or "L.L.C.")
BAK Communications, LLC
2. The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the Beverly-Killea limited liability company act.
3. Name the agent for service of process and check the appropriate provision below:
Nichole Mongeon _____ which is
☒ an individual residing in California. Proceed to item 4.
☐ a corporation which has filed a certificate pursuant to section 1505. Proceed to item 5.
4. If an individual, California address of the agent for service of process:
Address: 1108 E. 17th St.
City: Santa Ana State: CA Zip Code: 92701
5. The limited liability company will be managed by: (check one)
☐ one manager ☐ more than one manager ☐ single member limited liability company ☒ all limited liability company members
6. Other matters to be included in this certificate may be set forth on separate attached pages and are made a part of this certificate. Other matters may include the latest date on which the limited liability company is to dissolve.
7. Number of pages attached, if any: 0
8. Type of business of the limited liability company. (For informational purposes only)
Telecommunications
9. DECLARATION: It is hereby declared that I am the person who executed this instrument, which execution is my act and deed.

Darin Margules
Signature of Organizer

Darin Margules
Type or Print Name of Organizer

July 3, 2001
Date



10. RETURN TO:

NAME Darin Margules, Esq.
FIRM Tyre Kamins Katz & Grand
ADDRESS 1880 Century Park East, Suite 300
CITY/STATE Los Angeles, CA
ZIP CODE 90067

State of Tennessee



Department of State
Corporation Section
18th Floor, James K. Polk Building
Nashville, TN 37243-0306

APPLICATION FOR
CERTIFICATE OF AUTHORITY

For Office Use Only

RECEIVED
OCT - 5 AM 9:54

SECRETARY OF STATE

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR:
BAK Communications, LLC

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of § 48-246-301 of the Tennessee Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the Limited Liability Company is: BAK Communications, LLC

If different, the name under which the certificate of authority is to be obtained is:

NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of § 48-207-101 of the Tennessee Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to § 48-207-101(d).

2. The state or country under whose law it is formed is: California

3. The date of its organization is: July 5, 2001 (must be month, day and year)

4. The complete street address (including zip code) of its principal office is:

1108 E. 17th Street, Santa Ana, CA 92701

Street

City/State

Zip Code

5. The complete street address (including the county and the zip code) of its registered office in Tennessee:

1912 Hayes St., Nashville, TN 37203

Street

City/State

County

Zip Code

The name of its registered agent at that office is: TCS Corporate Services, Inc.

6. The number of members at the date of filing 4

7. If the limited liability company commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) _____.

NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.

Sept. 24, 2001
Signature Date

Member
Signer's Capacity

BAK Communications, LLC

Name of Limited Liability Company

[Signature]
Signature

Fred Kunik
Name (typed or printed)

State of Tennessee



Department of State
Corporation Section
18th Floor, James K. Polk Building
Nashville, TN 37243-0306

APPLICATION FOR
CERTIFICATE OF AUTHORITY

For Office Use Only

RECEIVED
01 OCT -5 11 54

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Sept. 24, 2001
Signature Date

Member
Signer's Capacity

BAK Communications, LLC

Name of Limited Liability Company

Fred Kurik
Signature

Name (typed or printed)



SECRETARY OF STATE

CERTIFICATE OF GOOD STANDING CALIFORNIA LIMITED LIABILITY COMPANY

I, BILL JONES, Secretary of State of the State of California, hereby certify:

That on the 5TH day of JULY, 2001, BAK COMMUNICATIONS, LLC, became recognized under the laws of the State of California by filing its Articles of Organization in this office; and

That no record exists in this office of a certificate of cancellation of said limited liability company nor of a court declaring cancellation thereof; and

That according to the records of this office, the said limited liability company is authorized to exercise all its powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition of this limited liability company.

IN WITNESS WHEREOF, I execute
this certificate and affix the Great
Seal of the State of California this
28TH day of SEPTEMBER 2001.



Bill Jones
BILL JONES
Secretary of State