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Judith A. Riley, J.D.

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T.R.A. DOCKET ROOM

PROFESSIONALS, INC.

5909 Northwest Expressway, Suite 403
Oklahoma City, OK 73132

July 3, 2007

Second Day DHL Delivery

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

| | |
|-------------|--------|
| PAID T.R.A. | |
| Chk # | 1569 |
| Amount | 25.00 |
| Rcvd By | TS |
| Date | 7/5/07 |

07-00164

RE: Application of DialTone & More, Inc. for a Certificate to provide Competing Local Telecommunications Services in the State of Tennessee.

DialTone & More, Inc. hereby submits the enclosed Application, seeking authority to offer Local Exchange Services to the public in the state of Tennessee.

An original and thirteen (13) copies of the application are provided. Please date stamp the extra transmittal letter enclosed for this purpose and return it in the postage paid envelope provided. Also enclosed is a check in the amount of \$25.00 for the required filing fee.

Should there be any questions or additional information required, please do not hesitate to contact me at (405) 755-8177 Ex.24.

Sincerely,



Chris Collier
Regulatory Consultant

Enclosures

BEFORE THE TENNESSEE REGULATORY AUTHORITY

**IN THE MATTER OF THE APPLICATION
OF DIALTONE & MORE, INC. FOR A
CERTIFICATE TO PROVIDE COMPETING
LOCAL TELECOMMUNICATION SERVICES**

**APPLICATION FOR CERTIFICATE TO PROVIDE
COMPETING LOCAL TELECOMMUNICATIONS SERVICES**

Pursuant to applicable Tennessee Statutes and the Rules and Regulations of the Tennessee Regulatory Authority and Section 253 of the Federal Telecommunications Act of 1996 ("Act"), Dialtone & More, Inc. ("Company" or "DTM") respectfully requests that the Tennessee Regulatory Authority ("TRA") grant to DTM authority to provide competing local telecommunications services, including exchange access telecommunications services, within the State of Tennessee. DTM is willing and able to comply with all applicable rules and regulations in Tennessee pertaining to the provision of competing local telecommunications services. TCA 65-4-201

In support of its Application, DTM submits the following:

1. The full name and address of the Applicant is:

Dialtone & More, Inc.
6784 West Broad Street
Douglasville, GA 30134
Telephone: (888) 494-9440

Questions regarding this application should be directed to:

Chris Collier, Regulatory Consultant – Telecom Professionals, Inc.
5909 Northwest Expressway, Suite 403
Oklahoma City, OK 73132
Telephone: (405) 755-8177 Ex.24
Facsimile: (405) 755-8377

Contact name and address at the Company is:

Kim Smith, Vice President - Dialtone & More, Inc.
6784 West Broad Street
Douglasville, GA 30134
Telephone: (888) 494-9440
Facsimile: (678) 715-6459

2. Organizational Chart of Corporate Structure:

See **EXHIBIT A**

3. Corporate Information:

Dialtone & More, Inc. was incorporated in the state of Georgia on September 9, 1997. A copy of DTM's Certificate of Existence is provided in **EXHIBIT B**. A copy of DTM's Authority to transact business in the State of Tennessee is provided in **EXHIBIT C**. The names and addresses of the principal corporate officers are in **EXHIBIT D**. There are no officers in Tennessee. The biographies of the principal officers and any other key technical staff are in **EXHIBIT E**.

4. Dialtone & More, Inc. possesses the managerial, technical, and financial ability to provide local telecommunications service in the State of Tennessee as demonstrated below:

A. Financial Qualifications:

In support of its financial qualifications, Dialtone & More, Inc. submits its Balance Sheet and Income Statement from January 1, 2005 through April 30, 2007 as **EXHIBIT F**.

The Company has a number of financing vehicles in place to ensure adequate liquidity in meeting its anticipated funding needs.

B. Managerial Ability:

As shown in **Exhibit E** to this Application, DTM has the managerial expertise to successfully operate a telecommunications enterprise in Tennessee. As described in the attached biographical information, DTM'S management team has extensive management and business experience in telecommunications.

C. Technical Qualifications:

DTM services will satisfy the minimum standards established by the TRA. The Company will file and maintain tariffs in the manner prescribed by the TRA and will meet minimum basic local standards, including quality of service and billing standards required of all LEC'S regulated by the TRA. Applicant will not require customers to purchase CPE which cannot be used with the Incumbent Local Exchange Carriers' systems.

5. Proposed Service Area:

DTM is already authorized to provide telecommunications services in Georgia and South Carolina. DTM has pending applications for authority in Alabama, Florida, Kentucky, Louisiana, Mississippi, and North Carolina.

The applicant proposes to offer its services throughout the State of Tennessee. These areas are currently being served by BellSouth and Sprint/United, which are designated open to competition. DTM intends to offer this broad range of telecommunications services through the use of its own facilities, resold facilities, and through a combination of these provisioning methods. DTM anticipates collocating and other related electronic equipment in the central offices of the ILECS.

6. Types of Local Exchange Service to be provided:

DTM expects to offer a broad variety of local exchange services, primarily to residential customers in Tennessee. DTM'S initial line of local services will be comparable to that currently offered by the incumbent LECS. Initially DTM plans to offer basic access line service, PBX and DID Services, Optional Calling Features. Directory Assistance, Directory Services, and Operator Services, 911, as well as all services required under Chapter 1220-4-8-.04 (3) (6) and (2) will be provided through Interconnection and Wholesale Agreements by DTM's underlying carriers.

7. Repair and Maintenance:

DTM understands the importance of effective customer service for local service customers. DTM has made arrangements for its customers to call the company at its toll-free customer service number (888) 494-9440. In addition, customers may contact the company in writing at the headquarters address, as well as via email at customercare@dtmphone.com and repairs@dtmphone.com. The toll free number will be printed on the customer's monthly billing statements. The Tennessee contact person knowledgeable about providers operations is Kim Smith.

Grant of the Application will further the goals of the Tennessee Legislature and further the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee customers increased efficiencies and cost savings. Authorizing DTM to provide local exchange telecommunications services will enhance materially the telecommunications infrastructure in the State of Tennessee and will facilitate economic development.

In particular, the public will benefit both directly, through the use of the competitive services to be offered by DTM and indirectly, because DTM's presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Grant of this Application will further enhance the service options available to Tennessee citizens for the reasons set forth above.

8. Small and Minority-Owned Telecommunications Business Participation Plan: (65-5-212):

Please see **EXHIBIT G**.

9. IntraLATA Toll Dialing Parity Plan: Please see **EXHIBIT H**.

10. Applicant has served notice of this application to the eighteen (18) incumbent local exchange telephone companies in Tennessee with a statement regarding the company's intention of operating geographically. Please see **EXHIBIT I**.

11. Numbering Issues: Please see **EXHIBIT J**.

12. Tennessee Specific Operational Issues: Please see **EXHIBIT K**, issued by First Citizen's National Bank.

13. Miscellaneous:

- A. Irrevocable Letter of Credit: **EXHIBIT L**
- B. Sworn Pre-filed testimony: **EXHIBIT M**
- C. As of now DTM has not been subject to complaints in any of the states, in which we are doing business.

CONCLUSION:

DTM respectfully requests that the TRA enter an order granting it a certificate of convenience and necessity to operate as a competing telecommunications service provider and authority to provide a full range of local exchange on a facilities-based and resale basis throughout the State of Tennessee in the service areas of Bell South, GTE and Sprint and any other ILEC that does not enjoy a rural exemption under Section 251(f) of the Telecommunications Act of 1996. For the reasons stated above, DTM's provision of these services would promote the public interest by providing high-quality service at competitive prices and by creating greater economic incentives for the development and improvement for all competing providers.

Respectfully submitted this day third of July, 2007



Chris Collier
Consultant for Dialtone & More, Inc.

LIST OF EXHIBITS

| | |
|------------------|---|
| EXHIBIT A | Organizational Chart of Corporate Structure |
| EXHIBIT B | Georgia Certificate of Existence |
| EXHIBIT C | Tennessee Certificate of Good Standing |
| EXHIBIT D | Principal Corporate Officers Contact Information |
| EXHIBIT E | Biographies of the Principal Officers |
| EXHIBIT F | Balance Sheet and Income Statement 01/01/05 to 04/30/07 |
| EXHIBIT G | Small and Minority-Owned Telecommunications Business Participation Plan |
| EXHIBIT H | IntraLATA Toll Dialing Parity Plan |
| EXHIBIT I | Certificate of Service, Notice, and list of 18 ILEC's |
| EXHIBIT J | Numbering Issues |
| EXHIBIT K | Tennessee Specific Operational Issues |
| EXHIBIT L | Irrevocable Letter of Credit |
| EXHIBIT M | Sworn Prefiled Testimony of Kim Smith |

EXHIBIT A

Organizational Chart of Corporate Structure

Directors

| | |
|--------------|------------------|
| Philip Johns | (President) |
| David Smith | (Vice-President) |
| Kim Smith | (Vice-President) |

Owners

100% issued shares

| | |
|--------------|-----|
| Philip Johns | 50% |
| David Smith | 25% |
| Kim Smith | 25% |

EXHIBIT B

Georgia Certificate of Existence

STATE OF GEORGIA

Secretary of State

Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

CERTIFICATE OF EXISTENCE

I, Karen C Handel, Secretary of State and the Corporations Commissioner of the state of Georgia, hereby certify under the seal of my office that

DIALTONE & MORE, INC.

Domestic Profit Corporation

was formed or was authorized to transact business on 09/16/1997 in Georgia. Said entity is in compliance with the applicable filing and annual registration provisions of Title 14 of the Official Code of Georgia Annotated and has not filed articles of dissolution, certificate of cancellation or any other similar document with the office of the Secretary of State.

This certificate relates only to the legal existence of the above-named entity as of the date issued. It does not certify whether or not a notice of intent to dissolve, an application for withdrawal, a statement of commencement of winding up or any other similar document has been filed or is pending with the Secretary of State.

This certificate is issued pursuant to Title 14 of the Official Code of Georgia Annotated and is prima-facie evidence that said entity is in existence or is authorized to transact business in this state.



WITNESS my hand and official seal of the City of Atlanta and the State of Georgia on 8th day of May, 2007

Karen C Handel
Secretary of State

EXHIBIT C

Tennessee Certificate of Good Standing

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

ISSUANCE DATE: 06/08/2007
REQUEST NUMBER: 07159543
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 07/05/2005
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0497343
JURISDICTION: GEORGIA

TO:
TELECOM PROFESSIONALS %CHRIS COLLIER
5909 NORTHWEST EXPWY
STE 403
OKLAHOMA CITY, OK 73132

REQUESTED BY:
TELECOM PROFESSIONALS %CHRIS COLLIER
5909 NORTHWEST EXPWY
STE 403
OKLAHOMA CITY, OK 73132

CERTIFICATE OF AUTHORIZATION

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT

"DIALTONE & MORE, INC.",

A CORPORATION FORMED IN THE JURISDICTION SET FORTH ABOVE, IS AUTHORIZED TO
TRANSACTION BUSINESS IN THIS STATE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE
AUTHORIZATION OF THE CORPORATION HAVE BEEN PAID;
THAT THE MOST RECENT CORPORATION ANNUAL REPORT REQUIRED HAS BEEN FILED
WITH THIS OFFICE; AND
THAT AN APPLICATION FOR CERTIFICATE OF WITHDRAWAL HAS NOT BEEN FILED.

FOR: REQUEST FOR CERTIFICATE

ON DATE: 06/08/07

FROM:
DIALTONE & MORE, INC.
5909 N.W.EXPRESSWAY
SUITE 403
OKLAHOMA CITY, OK 73132-0000

| | | |
|-------------------------|---------|---------|
| RECEIVED: | FEES | |
| | \$20.00 | \$0.00 |
| TOTAL PAYMENT RECEIVED: | | \$20.00 |

RECEIPT NUMBER: 00004213966
ACCOUNT NUMBER: 00560733



SS-4458

Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

EXHIBIT D

Principal Corporate Officers Contact Information

Phillip Johns, President - Dialtone & More, Inc.
6784 West Broad Street
Douglasville, GA 30134
Telephone: (888) 494-9440
Facsimile: (678) 715-6459

David Smith, Vice President - Dialtone & More, Inc.
6784 West Broad Street
Douglasville, GA 30134
Telephone: (888) 494-9440
Facsimile: (678) 715-6459

Kim Smith, Vice President - Dialtone & More, Inc.
6784 West Broad Street
Douglasville, GA 30134
Telephone: (888) 494-9440
Facsimile: (678) 715-6459

EXHIBIT E

Biographies of the Principal Officers

Phillip E. Johns

Admitted to Georgia Bar 1977

Education

Received J.D. degree from University of Georgia, 1977; GPA 3.68; Class Standing: 4th

Activities and Honors: Magna Cum Laude; Order of the Coif; Phi Beta Kappa; Phi Kappa Phi; Managing Editor of Georgia Law Review; Woodruff Scholarship; Phi Alpha Delta Law Fraternity-Athletic Chairman, Treasurer and Justice; Outstanding Active Award and Scholastic Achievement Award.

Received B.A. degree in Mathematics from University of Tennessee at Chattanooga, 1974, GPA 4.0, Class Standing 1st

Activities and Honors: Summa Cum Laude with highest honors in Mathematics; Alpha (Senior Honor Society); Pi Beta Phi Alumnae Award for graduating senior with highest average; Dallye May Award for senior athlete with highest average; Winston L. Massey Mathematics Award; D. H. Overmeyer Scholarship; Who's Who in American Universities and Colleges; Blue Key; Circle K; Sigma Chi; Varsity Football-3 letters.

Experience

| | |
|--------------|---|
| 1996-Present | Johns & Johns, LLC; Partner Appointed General Counsel to Georgia Association of Mortgage Brokers in 1997 |
| 1982 - 1996 | General Real Estate Department; Partner McCalla, Raymer, Patrick, Cobb, Nichols & Clark |
| 1981 - 1982 | General Real Estate Department; Associate Stuzin & Cramner |
| 1977 – 1981 | General Real Estate Department; Associate Hansell, Post, Brandon & Dorsey |
| 1975 – 1977 | Law Clerk Fortson, Bentley, & Griffin |

Representation of Purchasers/Developers

Preparation of condominium declarations & planned unit development covenants including compliance with FNMA,

FHLMC, FHA and VA guidelines,

Obtained an on-the-site exemption for developers from the Interstate Land Sales Full Disclosure Act,

Acquisition of apartment complexes using owner financing including wrap-around financing

Conversion of apartments to condominiums
Acquisition of acreage tracts for subdivisions

Acquisition of Timberland and Tinker Leases

Representation of Seller

Representation of sellers in liquidating large acreage tracts and existing subdivisions and sale of apartments

Present and Former Memberships

American Bar Association; Georgia Bar Association; Mortgage Bankers Association of Georgia; Georgia Association of Mortgage Brokers; Trustee for the School of Mortgage Lending of the Georgia Association of Mortgage Brokers; Education Committee of the Georgia Association of Mortgage Brokers; Mortgage Bankers Association of Georgia Loan Servicing Clinic Committee; Greater Atlanta Home Builders Association

Speaking Engagements

Mortgage Bankers Association of Georgia Servicing Clinic, 1980 and 1981
State Bar of Georgia-Residential Real Estate, 1981
State Bar of Georgia-New Residential Loan Programs, 1982
State Bar of Georgia-Computerization of the Law Office, 1985
Moderator of Condominium, PUD and Subdivision Panel for the School of Mortgage Lending of the Georgia Association of Mortgage Brokers, 1990 and 1991
Moderator of Panel on the Olympic Games for 1990 Loan Servicing Clinic Invited as expert to testify on Georgia foreclosure procedures before the Governor's Commission studying reform of Florida's foreclosure procedures (September 23, 1991)

Publications

Edited Georgia section of Residential Mortgage Lending: State Regulations Manual (1990), Andrea Lee Negroni and Laurence E. Platt.
Program Materials, Real Property Law Institute, Residential Real Estate, 1981.
Program Materials, Georgia Institute of Continuing Legal Education, New Residential Loan Programs, 1982
Program Materials, Georgia Institute of Continuing Legal Education, Computerization of the Law Office, 1985

Experience Overview

Representation of permanent construction lenders on the following:

Closing of residential loans and loan assumptions
Truth-in-lending & RESPA, federal and state regulatory compliance
Drafting and review of new forms for residential loan programs including residential wraparounds, balloon programs, variable rate programs, negotiable rate programs, and various special and executive loan programs
Negotiating and review of participation agreements
Transfer of servicing rights
Acquisition and development loans for subdivisions
Commercial construction and permanent loans secured by apartments, warehouses, strip shopping centers with leases, and medical office buildings
Multi-State Transactions
Wrote numerous computer programs for residential practice
Responsible for "doing business" opinion letters

Foreclosure and Bankruptcy Experience:

Residential, construction and commercial foreclosures
Wrote computer programs for foreclosure and bankruptcy department
Correction of title defects associated with foreclosures
Handled Chapter 11 bankruptcy proceedings on office building and construction loans

Loss Mitigation Experience

Asset swap and settlement between the Federal Deposit Insurance Corporation and Hamilton Mortgage Corporation
Asset swap and settlement between Manufacturers Hangover Trust and Hamilton Mortgage
Workouts on commercial, construction and residential loans
FNMA loss mitigation programs

Legislation

Researched and drafted Georgia's floating interest usury bill
Researched and drafted proposed amendments to due on sale clause bill
Researched and revised numerous bills affecting the mortgage industry and generally assisted the lobbyist for the Mortgage Bankers Association of Georgia

David W. Smith

David Smith is Vice President of Dialtone & More, Inc. and the Secretary of AmericaSouth Communications, Inc. and is currently the President of Ren-Tel Communications, Inc. Mr. Smith oversees all provisioning, marketing, strategic planning and repair. Mr. Smith- was the Chief Executive Officer and Owner of EZ Rent to Own in Carrollton, Georgia. Mr. Smith sold his company in 2001. In his capacity as Owner of EZ, Mr. Smith manages operations and oversees sales, marketing, collections, service, billing and finances.

Mr. Smith began his career in the rent to own business as the Network Rental Operations Manager for six stores in Chicago, Illinois and five stores in St. Louis, Missouri. In this capacity, Mr. Smith was responsible for over \$7 million annually, inventory control, budgeting, site selection and new store openings both within and without his territory.

Kimberly M. Smith

Kim Smith is Vice President of DialTone & More, Inc. (DTM), a Georgia-based pre-pay CLEC currently serving Georgia and South Carolina. She and fellow investors acquired DTM in December, 2004 with the goal of making it a major player in the pre-pay segment. The company is currently expanding its operations to all 9 states in the BellSouth footprint in the southeast.

Kim is a veteran and seasoned entrepreneur in the industry. In 1997 she was a co-founder and became President of Rentel, Inc., a pre-pay CLEC headquartered in St. Louis, MO. They served customers in the state of Missouri and built a reputation for integrity in dealing both with its customers and agents.

In addition to her current responsibilities with DTM, Kim is a co-founder and Vice President of AmericaSouth Communications, Inc. a nationwide ISP. AmericaSouth is one of the few ISPs in the country that offer pre-pay internet service.

At DTM, Kim is ultimately responsible for all facets of the company's operations including Regulatory reporting/compliance, Operations, Vendor Relations and Sales/Marketing. DTM is a small but rapidly growing firm, and Kim remains very close to both strategy development as well as everyday operational issues.

A characteristic of any operation that Kim has been involved with is the strong integrity she brings to an industry that sometimes suffers from a negative image. Her track record of regulatory compliance and ethical operations at Rentel is evident and easily verified with the regulators in the Midwest.

EXHIBIT F

Balance Sheet and Income Statement 01/01/05 to 04/30/07

DialTone & More, Inc.
Income Statement
For the Twelve Months Ending December 31, 2005

| | Year to Date | |
|--------------------------------|--------------|-------|
| Revenues | | |
| Phone Service - BellSouth - GA | \$ 36,764.64 | 7.53 |
| Phone Service BellSouth - SC | 950.98 | 0.19 |
| Phone Service - AllTel - GA | 276,173.03 | 56.54 |
| Phone Service - AllTel - SC | 12,934.27 | 2.65 |
| LifeLine - GA | 34,256.84 | 7.01 |
| LifeLine - SC | 26.49 | 0.01 |
| Call Waiting - BS | 1,516.85 | 0.31 |
| Call Waiting - AllTel | 10,269.80 | 2.10 |
| Call Waiting - AllTel - SC | 293.49 | 0.06 |
| Call Forwarding - BS | 25.00 | 0.01 |
| Call Forwarding - AllTel - SC | 37.79 | 0.01 |
| Call Return - BS | 125.17 | 0.03 |
| Call Return - AllTel | 346.91 | 0.07 |
| Package of Three - BS | 521.20 | 0.11 |
| Package of Three - AllTel | 986.06 | 0.20 |
| Package of Three - AllTel - SC | 91.00 | 0.02 |
| Non-Published Number - BS | 287.00 | 0.06 |
| Non-Published Number - AllTel | 1,150.44 | 0.24 |
| Call ID - BS | 3,402.34 | 0.70 |
| Call ID - AllTel | 10,191.93 | 2.09 |
| Call ID - AllTel - SC | 489.86 | 0.10 |
| New Activation Fee - BS | 78.55 | 0.02 |
| New Activaton Fee - AllTel SC | 4,636.65 | 0.95 |
| Change Telephone - AllTel | 45.00 | 0.01 |
| Change Order - AllTel - GA | 750.00 | 0.15 |
| Restorals - AllTel | 9,120.00 | 1.87 |
| Inside Wire Repair | 596.63 | 0.12 |
| Late Fee - GA | 20.00 | 0.00 |
| BellSouth EDI Payments | 529.00 | 0.11 |
| ACH Income | 1,084.00 | 0.22 |
| Return Item Charges NSF | 100.00 | 0.02 |
| Interest Income | 1,010.93 | 0.21 |
| atHome Premium (38) GA | 5,445.11 | 1.11 |
| atHome Plus (39) GA | 2,999.32 | 0.61 |
| atHome (40) GA | 7,666.60 | 1.57 |
| atHome LifeLine (41) GA | 18,214.65 | 3.73 |
| Voice Mail (90) GA | 120.93 | 0.02 |
| Voice Mail (90) SC | 20.07 | 0.00 |
| Call Forwarding (91) GA | 13.78 | 0.00 |
| 3-Way Calling (92) GA | 47.92 | 0.01 |
| Non-Pulbished (95) GA | 114.78 | 0.02 |
| Call Waiting (96) GA | 1,159.66 | 0.24 |
| Call Waiting (96) SC | 5.99 | 0.00 |
| Caller ID (97) GA | 2,144.14 | 0.44 |
| Caller ID / CW (98) GA | 207.04 | 0.04 |
| Maintenance Dial Up (127) GA | 1.99 | 0.00 |
| Advantage Dial-Up (117) | 9.95 | 0.00 |
| Advantage Dial Up (117) GA | 165.51 | 0.03 |
| Advantage Plus Dial Up (118)GA | 74.75 | 0.02 |
| Advantage Pro Dial Up (119) GA | 75.16 | 0.02 |
| Application Fee (103) GA | 1,960.00 | 0.40 |
| Application Fee (103) SC | 140.00 | 0.03 |
| Application Fee Dial Up (116) | 120.00 | 0.02 |
| Activation Fee Full (106) GA | 7,114.81 | 1.46 |
| Activation Fee Full (106) SC | 26.55 | 0.01 |
| Activation LifeLine (104) GA | 7,877.00 | 1.61 |
| Restoral Fee (110) GA | 3,330.00 | 0.68 |
| Move Order (109) GA | 2,752.50 | 0.56 |
| Move Order (109) SC | 112.50 | 0.02 |

For Management Purposes Only

DialTone & More, Inc.
Income Statement
For the Twelve Months Ending December 31, 2005

| | Year to Date | |
|--------------------------------|--------------|--------|
| Non Prod Trip (108) GA | 635.00 | 0.13 |
| Change Feature (112) GA | 932.99 | 0.19 |
| Change Name (113) GA | 15.00 | 0.00 |
| WRAP (111) GA | 47.96 | 0.01 |
| LD 100 Mins (99) GA | 487.90 | 0.10 |
| FCC Authorized Line Fee | 14,837.91 | 3.04 |
| Number Portability Fee | 798.84 | 0.16 |
| Total Revenues | 488,488.16 | 100.00 |
| Cost of Sales | | |
| BellSouth | 94,926.00 | 19.43 |
| BS 706Q84-2752-752 | 5,654.93 | 1.16 |
| BS - 770Q84-2752-752 | 1,880.32 | 0.38 |
| AllTel | 275,510.70 | 56.40 |
| Toll Free | 300.00 | 0.06 |
| Long-Distance | 3,914.87 | 0.80 |
| Voice Mail | 571.54 | 0.12 |
| Dial-Up Internet | 2,784.82 | 0.57 |
| Total Cost of Sales | 385,543.18 | 78.93 |
| Gross Profit | 102,944.98 | 21.07 |
| Expenses | | |
| Application Printing | 300.00 | 0.06 |
| ACH Charges | 923.68 | 0.19 |
| Bank Charges | 886.05 | 0.18 |
| Advertising | 8,700.55 | 1.78 |
| Casual Labor | 1,658.00 | 0.34 |
| Employee Lease | 92,412.94 | 18.92 |
| Dues & Subscriptions | 30.00 | 0.01 |
| Database | 9,561.50 | 1.96 |
| Call Center | 57,067.27 | 11.68 |
| Consulting Services | 17,172.80 | 3.52 |
| Entertainment /Meals | 791.18 | 0.16 |
| GA Dept of Rev | 10.00 | 0.00 |
| Taxes & Licenses | 2,613.31 | 0.53 |
| Interest & Penalties | 3,781.93 | 0.77 |
| Internet | 6,478.56 | 1.33 |
| Merchanct Services - Credit Ca | 345.07 | 0.07 |
| Legal & Accounting | 19,977.76 | 4.09 |
| Licenses & Permits /Fees | 97.00 | 0.02 |
| Office Expense | 6,715.66 | 1.37 |
| Postage | 1,931.40 | 0.40 |
| Postage & Printing | 10,645.44 | 2.18 |
| Loan Closing Cost | 2,743.66 | 0.56 |
| Refund Customer | 1,333.41 | 0.27 |
| Rent | 6,765.80 | 1.39 |
| Returns - NSF | 14,043.67 | 2.87 |
| Repairs - Office Equipment | 2,773.00 | 0.57 |
| Tariff Applications & Modifica | 2,985.75 | 0.61 |
| Statutory Representation | 6,266.94 | 1.28 |
| Telephones | 2,847.16 | 0.58 |
| Cellular Phones | 483.45 | 0.10 |
| Long-Distance - Office | 602.03 | 0.12 |
| Utilities | 52.41 | 0.01 |
| Agent Commission | 42,328.32 | 8.67 |
| Sales Force Commission | 90.00 | 0.02 |

For Management Purposes Only

DialTone & More, Inc.
Income Statement
For the Twelve Months Ending December 31, 2005

| | Year to Date | |
|--------------------------------|-----------------|---------|
| Sales Force Travel/Lodge | 8,035.42 | 1.64 |
| Promotional Materials Printing | 14,579.89 | 2.98 |
| Research Development | 1,800.00 | 0.37 |
| Misc. Employment Ads | 1,065.10 | 0.22 |
| Depreciation - Furn. & Fixture | 59.94 | 0.01 |
| Depreciation - Comp & Equip | 1,213.81 | 0.25 |
| Depreciation Other | 148.32 | 0.03 |
| Verification Expense | 1,000.00 | 0.20 |
| | <hr/> | |
| Total Expenses | 353,318.18 | 72.33 |
| | <hr/> | |
| Net Income | \$ (250,373.20) | (51.25) |
| | <hr/> <hr/> | |

DialTone & More, Inc.
Balance Sheet
December 31, 2005

ASSETS

| | | |
|--------------------------------|----|--------------------------|
| Current Assets | | |
| Checking - WGNB | \$ | (3,384.12) |
| Checking - BB&T | | 3,009.89 |
| Escrow - HomeTown | | 51,095.86 |
| Accounts Receivalbe - Agents | | 6,936.94 |
| | | <hr/> |
| Total Current Assets | | 57,658.57 |
| Property and Equipment | | |
| Furniture & Fixtures | | 1,007.03 |
| Accum. Depr. - Furn & Fixtures | | (59.94) |
| Computers & Equipment | | 34,353.54 |
| Accum. Depr. - Comp 7 Equip | | (1,213.81) |
| | | <hr/> |
| Total Property and Equipment | | 34,086.82 |
| Other Assets | | |
| Web Development | | 8,899.00 |
| Accum Depreciation Other | | (148.32) |
| | | <hr/> |
| Total Other Assets | | 8,750.68 |
| | | <hr/> |
| Total Assets | \$ | <u><u>100,496.07</u></u> |

LIABILITIES AND CAPITAL

| | | |
|-----------------------------|----|--------------------------|
| Current Liabilities | | |
| Accounts Payable | \$ | 3,343.61 |
| Loan - Smith | | 47.60 |
| Hometown Bank LOC | | 189,000.00 |
| First Commerce - Loan | | 26,820.00 |
| | | <hr/> |
| Total Current Liabilities | | 219,211.21 |
| Long-Term Liabilities | | |
| | | <hr/> |
| Total Long-Term Liabilities | | 0.00 |
| | | <hr/> |
| Total Liabilities | | 219,211.21 |
| Capital | | |
| Paid in Capitol | | 129,634.53 |
| Additional Paid In Capitol | | 4,000.00 |
| Retained Earnings | | (1,976.47) |
| Net Income | | (250,373.20) |
| | | <hr/> |
| Total Capital | | (118,715.14) |
| | | <hr/> |
| Total Liabilities & Capital | \$ | <u><u>100,496.07</u></u> |

DialTone & More, Inc.
Income Statement
For the Twelve Months Ending December 31, 2006

| | Year to Date | |
|------------------------------|---------------------|--------|
| Revenues | | |
| Package of Three - BS | \$ 239.00 | 0.02 |
| New Activation Fee - BS | 70,684.61 | 6.86 |
| Change Telephone | 675.00 | 0.07 |
| Late Fee | 35,900.00 | 3.49 |
| BellSouth EDI Payments | 3,006.75 | 0.29 |
| ACH Income | 675.76 | 0.07 |
| Return Item Charges NSF | 480.00 | 0.05 |
| Cabs Revenue | 5,703.08 | 0.55 |
| Interest Income | 528.47 | 0.05 |
| Home Phone Service | 799,146.20 | 77.59 |
| Voice Mail (91) | 2,891.00 | 0.28 |
| Call Forwarding (91) | 401.54 | 0.04 |
| 3-Way Calling (92) | 1,055.42 | 0.10 |
| Call Return (94) | 376.55 | 0.04 |
| Non-Published (95) | 1,068.42 | 0.10 |
| Call Waiting (96) | 12,712.04 | 1.23 |
| Caller ID (97) | 5,552.19 | 0.54 |
| Caller ID / CW (98) | 16,006.83 | 1.55 |
| Maintenance Dial Up (127) | 481.89 | 0.05 |
| Advantage Dial-Up (117) | 3,268.24 | 0.32 |
| Advantage Plus Dial Up (118) | 1,612.13 | 0.16 |
| Advantage Pro Dial Up (119) | 550.19 | 0.05 |
| Application Fee (103) | 1,497.00 | 0.15 |
| Restoral Fee (110) | 20,730.00 | 2.01 |
| Move Order (109) | 6,870.00 | 0.67 |
| Non Prod Trip (108) | 2,430.00 | 0.24 |
| Change Feature (112) | 5,425.00 | 0.53 |
| Change Name (113) | 180.00 | 0.02 |
| WRAP (111) | 1,394.50 | 0.14 |
| LD 100 Mins (99) | 6,707.47 | 0.65 |
| FCC Authorized Line Fee | 14,184.69 | 1.38 |
| Number Portability Fee | 7,549.63 | 0.73 |
| Total Revenues | <u>1,029,983.60</u> | 100.00 |
| Cost of Sales | | |
| BellSouth | 895.40 | 0.09 |
| BS 706Q82-2878-878 GA OUT | 231,861.53 | 22.51 |
| BS 770Q82-2878-878 GA | 85,273.82 | 8.28 |
| BS 706Q84-2752-752 | 113,689.55 | 11.04 |
| BS - 770Q84-2752-752 | 26,942.08 | 2.62 |
| AllTel | 84,227.21 | 8.18 |
| Long-Distance | 40,937.95 | 3.97 |
| Voice Mail | 1,632.80 | 0.16 |
| Rural Cabs | 21.39 | 0.00 |
| Total Cost of Sales | <u>585,481.73</u> | 56.84 |
| Gross Profit | <u>444,501.87</u> | 43.16 |
| Expenses | | |
| Toll Free | 1,907.71 | 0.19 |
| Dial-Up Internet | 7,498.99 | 0.73 |
| ACH Charges | 443.77 | 0.04 |
| Bank Charges | 1,722.24 | 0.17 |
| Advertising | 15,702.80 | 1.52 |
| Casual Labor | 3,768.92 | 0.37 |
| Employee Lease | 249,119.35 | 24.19 |

For Management Purposes Only

DialTone & More, Inc.
Income Statement
For the Twelve Months Ending December 31, 2006

| | Year to Date | |
|--------------------------------|--------------|-------|
| Database | 20,211.90 | 1.96 |
| Entertainment /Meals | 708.17 | 0.07 |
| Cabs Billing | 3,642.55 | 0.35 |
| Interest & Penalties | 18,129.84 | 1.76 |
| Insurance | 813.50 | 0.08 |
| Internet | 9,224.80 | 0.90 |
| Merchanct Services - Credit Ca | 4,475.34 | 0.43 |
| Labor | 18.00 | 0.00 |
| Legal & Accounting | 3,827.31 | 0.37 |
| Licenses & Permits /Fees | 2,178.88 | 0.21 |
| Office Expense | 14,824.55 | 1.44 |
| Postage | 3,559.22 | 0.35 |
| Postage & Printing | 15,462.22 | 1.50 |
| Refund Customer | 1,052.70 | 0.10 |
| Returns - NSF | 27,594.19 | 2.68 |
| Repairs - Office Equipment | 2,730.00 | 0.27 |
| Telephones | 1,621.77 | 0.16 |
| Cellular Phones | 2,959.22 | 0.29 |
| Long-Distance - Office | 2,647.45 | 0.26 |
| Utilities | 2,337.03 | 0.23 |
| Sales Force Commission | 500.00 | 0.05 |
| Sales Force Travel/Lodge | 3,116.75 | 0.30 |
| Material Development | 1,000.00 | 0.10 |
| Website Development | 2,300.00 | 0.22 |
| Promotional Materials Printing | 3,099.02 | 0.30 |
| WRAP CCS Expense | 980.00 | 0.10 |
| Loyalty Program | 200.00 | 0.02 |
| Depreciation - Furn. & Fixture | 143.86 | 0.01 |
| Depreciation - Comp & Equip | 6,870.71 | 0.67 |
| Depreciation Other | 1,779.80 | 0.17 |
| Verification Expense | 2,866.75 | 0.28 |
| Wash Account | 25.00 | 0.00 |
| | <hr/> | |
| Total Expenses | 441,064.31 | 42.82 |
| | <hr/> | |
| Net Income | \$ 3,437.56 | 0.33 |
| | <hr/> <hr/> | |

DialTone & More, Inc.
Balance Sheet
December 31, 2006

ASSETS

| | | |
|--------------------------------|----|--------------------------|
| Current Assets | | |
| Checking - WGNB | \$ | 14,428.32 |
| Checking - BB&T | | 2,909.89 |
| Escrow - HomeTown | | 51,624.33 |
| First Bank - Escrow | | 87,238.26 |
| Hometown Bank - LOC | | 80,000.00 |
| Accounts Receivable - Agents | | 12,613.31 |
| | | <hr/> |
| Total Current Assets | | 248,814.11 |
| Property and Equipment | | |
| Furniture & Fixtures | | 1,007.03 |
| Accum. Depr. - Furn & Fixtures | | (203.80) |
| Computers & Equipment | | 34,353.54 |
| Accum. Depr. - Comp 7 Equip | | (8,084.52) |
| | | <hr/> |
| Total Property and Equipment | | 27,072.25 |
| Other Assets | | |
| Web Development | | 10,471.96 |
| Accum Depreciation Other | | (1,928.12) |
| | | <hr/> |
| Total Other Assets | | 8,543.84 |
| | | <hr/> |
| Total Assets | \$ | <u><u>284,430.20</u></u> |

LIABILITIES AND CAPITAL

| | | |
|-----------------------------|----|--------------------------|
| Current Liabilities | | |
| Accounts Payable | \$ | 8,118.97 |
| Loan - Smith | | 361.20 |
| Loan - BLC | | 19,346.99 |
| Hometown Bank LOC | | 189,000.00 |
| First Commerce - Loan | | 19,482.97 |
| Sales Tax Payable - GA | | (39.45) |
| | | <hr/> |
| Total Current Liabilities | | 236,270.68 |
| Long-Term Liabilities | | |
| | | <hr/> |
| Total Long-Term Liabilities | | 0.00 |
| | | <hr/> |
| Total Liabilities | | 236,270.68 |
| Capital | | |
| Paid in Capital | | 181,634.53 |
| Additional Paid In Capital | | 35,437.10 |
| Retained Earnings | | (172,349.67) |
| Net Income | | 3,437.56 |
| | | <hr/> |
| Total Capital | | 48,159.52 |
| | | <hr/> |
| Total Liabilities & Capital | \$ | <u><u>284,430.20</u></u> |

DialTone & More, Inc.
Income Statement
For the Four Months Ending April 30, 2007

| | Year to Date | |
|-------------------------------|---------------|--------|
| Revenues | | |
| Direct Customer Payments | \$ 107,415.96 | 29.91 |
| Customer Agent Payments | 160,513.85 | 44.70 |
| Credit Card Payments | 90,883.86 | 25.31 |
| BellSouth EDI Payments | 295.02 | 0.08 |
| | <hr/> | |
| Total Revenues | 359,108.69 | 100.00 |
| | <hr/> | |
| Cost of Sales | | |
| BellSouth | 1,233.59 | 0.34 |
| BS 706Q82-2878-878 GA OUT | 138,082.85 | 38.45 |
| BS 770Q82-2878-878 GA | 30,035.65 | 8.36 |
| BS 706Q84-2752-752 | 34,619.93 | 9.64 |
| BS - 770Q84-2752-752 | 6,255.08 | 1.74 |
| AllTel | 10,017.19 | 2.79 |
| Long-Distance | 9,129.48 | 2.54 |
| Voice Mail | 4,066.78 | 1.13 |
| | <hr/> | |
| Total Cost of Sales | 233,440.55 | 65.01 |
| | <hr/> | |
| Gross Profit | 125,668.14 | 34.99 |
| | <hr/> | |
| Expenses | | |
| Toll Free | 1,266.35 | 0.35 |
| ACH Charges | 769.99 | 0.21 |
| Bank Charges | 529.00 | 0.15 |
| Casual Labor | 2,199.50 | 0.61 |
| Employee Lease | 47,426.47 | 13.21 |
| Database | 11,326.00 | 3.15 |
| Federal Excise Deposits - 720 | 95.12 | 0.03 |
| Taxes & Licenses | 237.00 | 0.07 |
| Interest & Penalties | 7,225.05 | 2.01 |
| Internet | 433.20 | 0.12 |
| Legal & Accounting | 300.00 | 0.08 |
| Licenses & Permits /Fees | 215.00 | 0.06 |
| Office Expense | 32.09 | 0.01 |
| Postage | 433.12 | 0.12 |
| Refund Customer | 289.07 | 0.08 |
| Returns - NSF | 15,741.52 | 4.38 |
| Repairs - Office Equipment | 485.00 | 0.14 |
| Telephones | 1,854.59 | 0.52 |
| Cellular Phones | 304.81 | 0.08 |
| Long-Distance - Office | 2,294.86 | 0.64 |
| Agent Commission | 282.62 | 0.08 |
| WRAP CCS Expense | 935.00 | 0.26 |
| Verification Expense | 3,565.42 | 0.99 |
| | <hr/> | |
| Total Expenses | 98,240.78 | 27.36 |
| | <hr/> | |
| Net Income | \$ 27,427.36 | 7.64 |
| | <hr/> | |

DialTone & More, Inc.
Balance Sheet
March 31, 2007

ASSETS

| | | |
|--------------------------------|----|--------------------------|
| Current Assets | | |
| Checking - WGNB | \$ | 17,026.47 |
| Checking - BB&T | | 2,909.89 |
| Escrow - HomeTown | | 51,624.33 |
| First Bank - Escrow | | 28,130.22 |
| First Citizens National | | 66,347.81 |
| Hometown Bank - LOC | | 80,000.00 |
| Accounts Receivable - Agents | | 12,613.31 |
| | | <hr/> |
| Total Current Assets | | 258,652.03 |
| Property and Equipment | | |
| Furniture & Fixtures | | 1,007.03 |
| Accum. Depr. - Furn & Fixtures | | (203.80) |
| Computers & Equipment | | 34,353.54 |
| Accum. Depr. - Comp 7 Equip | | (8,084.52) |
| | | <hr/> |
| Total Property and Equipment | | 27,072.25 |
| Other Assets | | |
| Web Development | | 10,471.96 |
| Accum Depreciation Other | | (1,928.12) |
| | | <hr/> |
| Total Other Assets | | 8,543.84 |
| | | <hr/> |
| Total Assets | \$ | <u><u>294,268.12</u></u> |

LIABILITIES AND CAPITAL

| | | |
|-----------------------------|----|--------------------------|
| Current Liabilities | | |
| Accounts Payable | \$ | 7,618.97 |
| Loan - Smith | | 361.20 |
| Loan - BLC | | 19,346.99 |
| Hometown Bank LOC | | 189,000.00 |
| First Commerce - Loan | | 17,493.77 |
| Sales Tax Payable - GA | | (39.45) |
| | | <hr/> |
| Total Current Liabilities | | 233,781.48 |
| Long-Term Liabilities | | |
| | | <hr/> |
| Total Long-Term Liabilities | | 0.00 |
| | | <hr/> |
| Total Liabilities | | 233,781.48 |
| Capital | | |
| Paid in Capital | | 181,634.53 |
| Additional Paid In Capital | | 35,437.10 |
| Retained Earnings | | (168,912.11) |
| Net Income | | 12,327.12 |
| | | <hr/> |
| Total Capital | | 60,486.64 |
| | | <hr/> |
| Total Liabilities & Capital | \$ | <u><u>294,268.12</u></u> |

EXHIBIT G

Small and Minority-Owned Telecommunications Business Participation Plan

SMALL AND MINORITY-OWNED TELECOMMUNICATIONS
BUSINESS PARTICIPATION PLAN

Pursuant to T.C.A. §65-5-212, as amended, Dialtone & More, Inc. ("DTM") submits this small and minority-owned Telecommunications business participation plan (the "Plan") along with its Application for a Certificate of Public Convenience and Necessity to provide competing intrastate and local exchange services in Tennessee.

I PURPOSE

The purpose of §65-5-212 is to provide opportunities for small and minority-owned businesses to provide goods and services to Telecommunications service providers. DTM is committed to the goals of §65-5-212 and to taking steps to support the participation of small and minority-owned Telecommunications businesses in the Telecommunications industry. DTM will endeavor to provide opportunities for small and minority-owned Telecommunications businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, DTM will make efforts to identify and inform minority-owned and small businesses that are qualified and capable of providing goods and services to DTM of such opportunities. DTM'S representatives have already contacted the Department of Economic and Community Development, the administrator of the small and minority-owned Telecommunications assistance program, to obtain a list of qualified vendors. Moreover, DTM will seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

II DEFINITIONS

As defined in §65-5-212.

Minority-Owned Business. Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000).

Small Business. Small Business shall mean a business with annual gross receipts of less than four million dollars (\$4,000,000).

III ADMINISTRATION

DTM's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting DTM's full efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

Kim Smith, Vice President - Dialtone & More, Inc.
6784 West Broad Street
Douglasville, GA 30134
Telephone: (888) 494-9440
Facsimile: (678) 715-6459

The Administrator's responsibilities will include:

- (1) Maintaining an updated Plan in full compliance with §65-5-212 and the rules and orders of the Tennessee Regulatory Authority.
- (2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan

- (3) Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates.
- (4) Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in §65-5-212.
- (5) Searching for and developing opportunities to use small and minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.
- (6) Providing records and reports and cooperating in any authorized surveys as required by the Tennessee Regulatory Authority.
- (7) Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.
- (8) Providing information and educational activities to persons within DTM and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce

The Tennessee Department of Economic and Community Development

The United States Department of Commerce

Small Business Administration

Office of Minority Business

The National Minority Supplier Development Counsel The National Association of Women Business Owners The National Association of Minority Contractors

Historically Black Colleges, Universities, and Minority Institutions

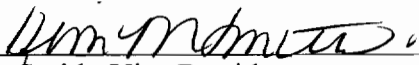
The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

IV. RECORDS AND COMPLIANCE REPORTS

DTM will maintain records of qualified small and minority-owned business and efforts to use the goods and services of such businesses. In addition, DTM will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan.

DTM will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, DTM will cooperate fully with any surveys and studies required by the Tennessee Regulatory Authority.

Respectfully submitted this 25 day of June, 2007



Kim Smith, Vice President
Dialtone & More, Inc.

EXHIBIT H

IntraLATA Toll Dialing Parity Plan

IntraLATA Toll Dialing Parity Plan

I. Purpose

The intent of the Plan is to provide a proposal that, upon implementation, would provide customers the ability to select the telecommunications carrier of their choice for routing their IntraLATA toll calls.

II. Carrier Selection Procedures

DialTone & More, Inc. ("DTM") will implement the full 2-PIC (Primary Interexchange Carrier) carrier selection methodology. With the full 2-PIC methodology, customers will be able to presubscribe to one telecommunications carrier for InterLATA toll calls and presubscribe to the same or a different participating telecommunications carrier, including their existing local exchange company, for all IntraLATA toll calls. Orders for changes will be accepted and processed beginning on the implementation date.

DTM employees who communicate with the public, accept customer orders, and serve in customer service capacities will be trained to explain the process to customers for making PIC changes for IntraLATA toll calls. Business Office personnel will be prepared to make changes in customer records based upon requests from customers or carriers and direct customers to their chosen IntraLATA carriers. Processes will be in place to provide new customers with an opportunity to choose their IntraLATA toll carrier from a list of available carriers.

New Customers

Customers who contact DTM requesting new telephone exchange service will be provided a list of telecommunications carrier available to provide interLATA toll service. Upon implementation of IntraLATA toll presubscription, the customer will be provided a second list of carriers, including DTM, that provide IntraLATA toll service in their exchange. The list of IntraLATA toll carriers will be presented in a competitively neutral manner. Customers who do not make a positive choice for an IntraLATA toll carrier will be identified within DTM's system as a "no-PIC" and will not be automatically defaulted to a carrier. Customers identified as "no-PIC" within DTM's systems will be required to dial 101XXXX to place IntraLATA toll calls until they make an affirmative choice for an IntraLATA toll carrier.

IntraLATA Toll Dialing Parity Plan

III. Customer Education/Notification

Customers will receive information explaining their opportunity to select an IntraLATA carrier a minimum of 30 days in advance of the offering of IntraLATA toll dialing Parity via a bill message. In addition, during the 30 days following implementation of IntraLATA Dialing Parity, customers will receive a bill insert also explaining their opportunity to select an IntraLATA carrier. DTM anticipates that promotional strategies by carriers will contribute to customer awareness of IntraLATA toll dialing parity. Customer telephone directories will be updated as new editions are published to reflect the opportunity for customers to choose an IntraLATA toll carrier.

IV. Carrier Notification

Current interexchange carriers will be notified of DTM's IntraLATA toll dialing Parity implementation via letter approximately 90 days in advance of the proposed implementation date. Carriers should provide a list of exchanges in which they plan to offer IntraLATA toll service at least 60 days in advance of DTM's implementation date. DTM needs notification in advance to include the carrier on the list of participating carriers in each DTM exchange. Certified carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying DTM.

DTM will provide subscriber listing information to carriers in "readily accessible" tape or electronic formats in a timely manner as requested through the processes that currently exist for the interLATA market. The process includes subscriber listing updates to carriers for new customers who choose that carrier or of existing customers of a carrier who revise their subscriber listing information. In addition, carriers can obtain complete subscriber listings in several formats. The provision of this information is in compliance with FCC Order No. 96-333, Paragraph 389.

DTM will comply with Part 51, Sections 305, 307, 325, 327, 329, 331, 333 and 335 of the FCC Order in providing the required information and notice to the public of network changes. DTM plans to file a public notice with the FCC, with possible migration of the notice to the Internet process as described in Section 329. The notice will include network information as outlined in Section 327. The notice will be provided within the timeframes described in Sections 331-333.

IntraLATA Toll Dialing Parity Plan

1. DTM does allow for 2-PIC capability.
2. DTM will inform customers that they have a choice of IntraLATA and InterLATA toll carriers and they must make a selection.
3. DTM will not make an IntraLATA or InterLATA selection for a customer.
4. DTM will give each customer the opportunity to affirmatively select an IntraLATA and InterLATA toll carrier.
5. If a customer does not select a toll service carrier, the customer must dial a carrier access code to make a long distance call.
6. DTM will maintain a list of available toll carriers and keep it updated.
7. DTM will treat all carriers on a non-discriminatory basis.
8. DTM will charge \$5.00 for each PIC change.
9. DTM will comply with the FCC's anti-slamming provisions.
10. DTM does maintain a toll-free telephone number for customers to call.
11. DTM does maintain an industry standard request form to accept requested changes of carrier for IntraLATA and InterLATA service.
12. DTM will make available a PIC-freeze option to requesting customers.
13. DTM has not proposed a cost-recovery mechanism for the recovery of expenses related to the implementation of toll dialing parity.

EXHIBIT I

Certificate of Service, Notice, and list of 18 ILEC's

CERTIFICATE OF SERVICE

I, Chris Collier, hereby certify that I have this day served notice of the foregoing application upon the 18 Incumbent Local Exchange Service Providers currently operating in the State of Tennessee by mailing such notice via first class mail, postage prepaid.

Dated at 5909 Northwest Expressway, Suite 403, Oklahoma City, OK 73132, this third day of July, 2007.

A handwritten signature in black ink, appearing to read 'Chris Collier', is written over a horizontal line.

Chris Collier, Regulatory Consultant
Telecom Professionals, Inc.



Judith A. Riley, J.D.

5909 Northwest Expressway, Suite 403
Oklahoma City, OK 73132

July 3, 2007

US Mail, First Class

[Incumbent Local Exchange Service Providers Name and Address]

Re: Daltone & More, Inc. Applications for Authority

Daltone & More, Inc. ("DTM") hereby serves notice upon the eighteen (18) Incumbent Local Exchange Service Providers currently operating in the State of Tennessee of its application for a certificate to provide competing local telecommunications service.

DTM intends to offer its proposed services statewide.

Sincerely,

Chris Collier
Regulatory Consultant

Enclosures

**INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES -BASED)**

- 1) **ARDMORE TELEPHONE COMPANY, INC.**
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449
(205) 423-2131
(205) 423-2208 (Fax)
- 2) **BELLSOUTH**
333 Commerce Street
Nashville, TN 37201-3300
(615) 214-3800
(615) 214-8820 (Fax)
- 3) **CENTURY TELEPHONE OF ADAMSVILLE**
P.O. Box 405
116 N. Oak Street
Adamsville, TN 38310
(901) 632-3311
(901) 632-0232 (Fax)
- 4) **CENTURY TELEPHONE OF CLAIBORNE**
P.O. Box 100
507 Main Street
New Tazewell, TN 37825
(423) 626-4242
(423) 626-5224 (Fax)
- 5) **CENTURY TELEPHONE OF OOLTEWAH-COIJGEDALF, INC.**
P.O. Box 782
5616 Main Street
Ooltewah, TN 37363
(423) 238-4102
(423) 238-5699 (Fax)
- 6) **CITIZENS COMMUNICATIONS COMPANY OF TENNESSEE**
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

**INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES -BASED)**

- 7) **CITIZENS COMMUNICATIONS COMPANY OF THE VOLUNTEER STATE**
P.O. Box 770
300 Bland Street
Bluefield, WV 24701
- 8) **LORETTO TELEPHONE COMPANY, INC.**
P.O. Box 130
Loretto, TN 38469
(931) 853-4351
(931) 853-4329 (Fax)
- 9) **MILLINGTON TELEPHONE COMPANY, INC.**
P.O. Box 429
4880 Navy Road
Millington, TN 38083-0429
(901) 872-3311
(901) 873-0022 (Fax)
- 10) **SPRINT-UNITED**
112 Sixth Street
Bristol, TN 37620
(423) 968-8161
(423) 968-3148 (Fax)
- 11) **TDS TELECOM-CONCORD TELEPHONE EXCHANGE, INC.**
P.O. Box 22610
701 Concord Road
Knoxville, TN 37933-0610
(423) 966-5828
(423) 966-9000 (Fax)
- 12) **TDS TELECOM-HUMPHREYS COUNTY TELEPHONE COMPANY**
P.O. Box 552 203 Long Street
New Johnsonville, TN 37134-0552
(931) 535-2200
(931) 535-3309 (Fax)

**INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES -BASED)**

- 13) **TDS TELECOM-TELLICO TELEPHONE COMPANY, INC.**
P.O. Box 9
102 Spence Street
Tellico Plains, TN 37385-0009
(423) 671-4600
(423) 253-7080 (Fax)
- 14) **TDS TELECOM-TENNESSEE TELEPHONE COMPANY**
P.O. Box 18139
Knoxville, TN 37928-2139
(423) 922-3535
(423) 922-9515 (Fax)
- 15) **TEC-CROCICETT TELEPHONE COMPANY, INC.**
P.O. Box 7
Friendship, TN 38034
(901) 677-8181
- 16) **TEC-PEOPLE'S TELEPHONE COMPANY, INC.**
P.O. Box 310
Erin, TN 37061
(931) 289-4221
(931) 289-4220 (Fax)
- 17) **TEC-WEST TENNESSEE TELEPHONE COMPANY, INC.**
P.O. Box 10
244 E. Main Street Bradford, TN 38316
(901) 742-2211
(901) 742-2212 (Fax)
- 18) **UNITED TELEPHONE COMPANY**
P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034
(931) 364-2289
(931) 364-7202 (Fax)

EXHIBIT J

Numbering Issues

Numbering Issues Statement

DTM will provide local service numbering pursuant to commercial resale agreements with competitive facilities-based local exchange carriers, such as AT&T. DTM will not obtain numbering resources directly from NANPA. Rather, DTM will rely on its underlying wholesale carrier for numbering resources.

Therefore, DTM will not impose any additional burdens on numbering resources as all resources will be made available from carriers which have already committed to conserve numbering resources in the state of Tennessee.

EXHIBIT K

Tennessee Specific Operational Issues

Tennessee Specific Operational Issues

Response to Questions 1-4: DTM will provide local service pursuant to commercial resale agreements with competitive facilities-based local exchange carriers, such as AT&T. Because the services DTM will provide are provided exclusively through resale, at least initially, DTM will comply with and satisfy all requirements described in Questions 1-4 by virtue of its reselling services of competitive carriers which, themselves, comply with and satisfy all these requirements.

Response to Question 5: The following employee is responsible for coordinating with the TRA regarding consumer issues.

Kim Smith, Vice President - Dialtone & More, Inc.
6784 West Broad Street
Douglasville, GA 30134
Telephone: (888) 494-9440
Facsimile: (678) 715-6459

Response to Question 6: DTM will not telemarket its local services in Tennessee.

EXHIBIT L

Irrevocable Letter of Credit



IRREVOCABLE LETTER OF CREDIT

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

REFERENCE: Dialtone & More, Inc.
11121 Highway 70 Suite 202
Arlington TN 38002
Amount: \$20,000
Irrevocable Letter of Credit Number: 1071
Effective Date: 3/5/2007
Expiration Date: 3/5/2008

Sir/Madam:

You have requested of **First Citizens National Bank** (the "Lender") that we establish an irrevocable letter of credit which will remain available on behalf of Dialtone and More, Inc (the "Company") who has applied to the Tennessee Regulatory Authority (the "TRA") for authority to provide telecommunications services in the state of Tennessee. The purpose of this letter of credit is to secure payment of any monetary sanction imposed against the Company, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TRA.

We hereby establish and issue, in favor of the TRA, an irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America. The TRA may draw upon this letter of credit, at any time and from time to time, by delivering a Letter of Credit Notice, substantially in the form set forth below (a "Notice"), which Notice shall specify the amount (the "Draw Amount") to be drawn and the bank account (the "Bank Account") to which the Draw Amount should be delivered and shall be signed by an official designated and duly authorized by the TRA, to Lender at the address listed below, or to such other address as the Lender shall notify the TRA in writing by certified mail. Promptly after the delivery of each Notice, the Lender hereby covenants and agrees to deliver, by wire transfer of immediately available funds, the Draw Amount to the Bank Account. This letter of credit shall be deemed automatically renewed without amendment for successive one-year periods and may be canceled by the Lender by giving thirty (30) days advanced written notice by certified mail of such cancellation to the TRA and the Company, it being understood that the Lender shall not be relieved of liability that may have accrued under this letter of credit

First Citizens National Bank, PO. Box 370, Dyersburg, Tennessee 38025, Phone (731) 285-4410



prior to the date of cancellation. The Lender hereby represents and warrants that it is qualified and authorized to issue this letter of credit and is a bank designated by the Treasurer of the State of Tennessee as an authorized depository bank for the deposit of state funds. Except as otherwise expressly stated, this letter of credit is subject to the Uniform Customs and Practice for Documentary Credit (1993 Revision) International Chamber of Commerce Publication No. 500, or any revisions thereto.

Yours Very Truly,

First Citizens National Bank
Christian Heckler
Southwest Regional President

EXHIBIT M

Sworn Prefiled Testimony of Kim Smith

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**APPLICATION OF DIALTONE & MORE, INC.
FOR A CERTIFICATE TO PROVIDE
COMPETING LOCAL TELEPHONE SERVICES**

PRE-FILED TESTIMONY OF KIM SMITH

I, Kim Smith, do hereby testify as follows in support of the application of Dialtone & More, Inc. (DTM) for a Certificate of Convenience and Necessity as a Competing Telecommunications Services Provider to provide telecommunication services throughout the State of Tennessee.

Q: Please state your full name, business address, and position.

A: My name is Kim Smith. I am the Vice President of Dialtone & More, Inc. The business address is 6784 West Broad Street, Douglasville, GA 30134

Q: Please briefly describe your duties.

A: I am ultimately responsible for all facets of the company's operations including regulatory reporting/compliance, vendor relations, and sales/marketing. I am also very close to both strategy development as well as everyday operational issues.

Q: Please describe your business experience and educational background.

A: I am a veteran and seasoned entrepreneur in the telecommunications industry. In 1997 I was a co-founder and became President of Rentel, Inc., a pre-pay CLEC headquartered in St. Louis, MO. They served customers in the state of Missouri and built a reputation for integrity in dealing both with its customers and agents.

In addition to my current responsibilities with DTM, I am a co-founder and Vice President of AmericaSouth Communications, Inc. a nationwide ISP. AmericaSouth is one of the few ISPs in the country that offer pre-pay internet service.

A characteristic of any operation that I am involved with is the strong integrity I brings to an industry that sometimes suffers from a negative image. My track record of regulatory compliance and ethical operations at Rentel is evident and easily verified with the regulators in the Midwest.

My undergraduate coursework is ongoing at Lindenwood University in St. Charles, MO.

Q: Please describe the current corporate structure of Dialtone & More, Inc.

A: DTM is a privately held corporation owned by Phillip Johns with a 50% interest. David Smith and I both own a 25% interest.

Q: Does Dialtone & More, Inc. possesses the requisite managerial, financial, and technical abilities to provide the services for which it has applied for authority?

A: Yes.

Q: Please describe Dialtone & More, Inc.'s financial qualifications.

A: DTM, since it's acquisition in December of 2004, has shown impressive increases in all aspects of its profitability. In 2006 DTM increased its Total Revenue to over one million dollars, an increase of 210% from 2005. DTM also increased its Gross Profit by 432% to near \$500,000. Between 2005 and 2006 DTM began to show a Net Income profit, overcoming over a quarter million dollar deficit. Our projections for 2007 based on the first quarter financials will be even greater. Detailed income statements and balance sheets have been included as EXHIBIT F of our application.

Q: Please describe Dialtone & More, Inc.'s managerial and technical qualifications.

A: Dialtone & More, Inc.'s key management have extensive experience in all aspects of the Telecommunications industry as represented in attached EXHIBIT E, Biographies of the Principal Officers

Q: What services will Dialtone & More, Inc. offer?

A: DTM expects to offer a broad variety of local exchange services, primarily to residential customers in Tennessee. DTM'S initial line of local services will be comparable to that currently offered by the incumbent LECS. Initially DTM plans to offer basic access line service, PBX and DID Services, Optional Calling Features. Directory Assistance, Directory Services, and Operator Services, 911, as well as all services required under Chapter 1220-4-8-.04 (3) (6) and (2) will be provided through Interconnection and Wholesale Agreements by DTM's underlying carriers.

Q: Will Dialtone & More, Inc. offer service to all consumers within its service area?

A: Yes.

Q: Does Dialtone & More, Inc. plan to offer local exchange telecommunications services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines?

A: No.

Q: Will the granting of a certificate of convenience and necessity to DIALtone & More, Inc. serve the public interest?

A: Granting of the Application will further the goals of the Tennessee Legislature and further the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee customers increased efficiencies and cost savings. Authorizing DTM to provide local exchange telecommunications services will enhance materially the telecommunications infrastructure in the State of Tennessee and will facilitate economic development.

In particular, the public will benefit both directly, through the use of the competitive services to be offered by DTM and indirectly, because DTM's presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Granting of this Application will further enhance the service options available to Tennessee citizens for the reasons set forth above.

Q: Does DIALtone & More, Inc. intend to comply with all TRA rules, statutes, and orders pertaining to the provision of telecommunications services in Tennessee, including those for disconnection and reconnection of service?

A: Yes.

Q: Has any state ever denied DIALtone & More, Inc. or one of its affiliates authorization to provide intrastate service?

A: No.

Q: Has any state ever revoked the certification of DIALtone & More, Inc. or one of its affiliates?

A: No.

Q: Has DIALtone & More, Inc. or one of its affiliates ever been investigated or sanctioned by any regulatory authority for service or billing irregularities?

A: No.

Q: Who is knowledgeable about DIALtone & More, Inc.'s operations and will serve as DIALtone & More, Inc.'s regulatory and customer service contact?

A: I will, Kim Smith, Vice President of DIALtone & More, Inc.

Q: Please explain in detail Dialtone & More, Inc.'s proposed procedures for responding to information requests from the TRA and its staff.

A: All of Dialtone & More, Inc.'s contact information has been provided in the foregoing application. DTM understands the importance of effective communication with the TRA. DTM is available at its toll-free customer service number (877) 494-2386. In addition, the TRA and its staff may contact the company in writing at the headquarters address, as well as via email at customercare@dtmphone.com and repairs@dtmphone.com. The Tennessee contact person knowledgeable about provider operations is Kim Smith.

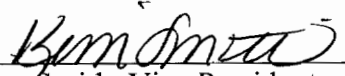
Q: Are all statements in Dialtone & More, Inc.'s true and correct to the best of your knowledge, information and belief?

A: Yes.

Q: Does this conclude your testimony?

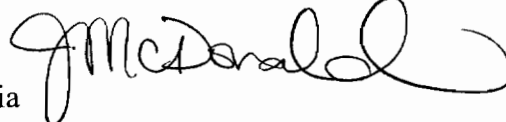
A: Yes.

I swear that the foregoing testimony is true and correct to the best of my knowledge.



Kim Smith, Vice President
Dialtone & More, Inc.

Subscribed and sworn to me this 25 day of June, 2007.

Notary Public 
State of Georgia
County of Douglas
My commission expires Sept 26, 09

