

June 9, 1995

#### VIA FEDERAL EXPRESS

Ms. Pat Dodson Tennessee Public Service Commission 460 James Robertson Parkway Nashville, TN 37243-0505

Re: Application of Dial & Save of Tennessee, Inc., for Authority to Provide

Resold Telecommunications Services in the State of Tennessee

Dear Ms. Dodson:

On behalf of Dial & Save of Tennessee, Inc. ("Dial & Save"), please find enclosed Dial & Save's application for authority to provide resold telecommunications services in the State of Tennessee. Dial & Save's application includes tariff sheets detailing all rates applicable to the service it intends to offer.

As we have discussed, Dial & Save is preparing a national marketing campaign (described briefly in the application) that is set to commence in the middle of July. Therefore, we are anxious to receive the Commission's approval of Dial & Save's application as soon as possible so the marketing campaign can begin as planned. To this end, please do not hesitate to contact the undersigned should you have any questions regarding Dial & Save's application.

Please date stamp the attached duplicate of this filing and return it in the enclosed self-addressed stamped envelope.

Respectfully submitted,

Charles H. N. Kallenbach

herles H.N. Kellenhach

Graham W. Hankey

cc: Natalie Marine-Street
T. Nichole Jenkins
Dana Frix
Renee Britt

RECEIVED CONSUMER SERVICES DIV.

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TN PUBLIC GERVICE CORATT

# TENNESSEE PUBLIC SERVICE COMMISSION

460 JAMES ROBERTSON PARKWAY NASHVILLE, TENNESSEE 37243-0505

KEITH BISSELL, CHAIRMAN STEVE HEWLETT, COMMISSIONER SARA KYLE, COMMISSIONER

PAUL ALLEN, EXECUTIVE DIRECTOR

# APPLICATION FOR CERTIFICATE TO PROVIDE OPERATOR SERVICES AND/OR RESELL INTEREXCHANGE TELECOMMUNICATION SERVICES IN TENNESSEE [RULE 1220-4-2-57]

SECTION A

Part 1:	General Information										
Α.	Name of Applicant Dial & Save of Tennessee, Inc. Address 4219 Lafayette Center Drive State 703-631-5600 Zip Code 22021-1209 Phone No. (703) 631-5600										
В.	Owner, Partners, or Corporate Officer										
	NAME ADDRESS CITY STATE ZIP CODE										
	Donald A. Burns, 4219 Lafayette Center Drive, Chantilly, Virginia 22021-1209  President										
C.	Name and telephone number of Tennessee contact person authorized to respond to Commission inquires Monday through Friday.										
	Applicant does not have a Tennessee address at this time. Commission inquiries regarding the ongoing operations of the Company may be directed to T. Nichole Jenkins at (703) 631-5679 (Phone No.) or 703-803-3430 (Fax No.)										
D.	List a toll-free telephone number that consumers can call to report service problems and/or request refunds or adjustments. <u>1-800-787-3333</u>										
E.	Check the type of telecommunications services you plan to provide in Tennessee. X Resell Interexchange long distance services Operator Services Other(describebelow)										
F.	If providing operator services, list company name, address and contact person for all resel carriers you serve in Tennessee. Provide the above information on Appendix I.	ler									
	NOT APPLICABLE.										

Mail the completed application and a check for \$50.00 to: Tennessee Public Service Commission, P.O. Box 3412, Nashville, TN 37219-0412. Should you have any questions, call (615)741-3939.

(To be filled out by Company ID Number | \_\_\_\_\_\_
Date Approved \_\_\_\_\_
Evaluator

G.	List the state(s) you are authorized to operate in at this time.							
	Arkansas, Colorado, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Louisiana, Maryland, Massachusetts, Michigan, Montana, New Jersey, New York, Ohio, Oregon, Pennsylvania, South Dakota, Virginia, Washington, and West Virginia.							
H.	List any states that you have been denied authority to provide service.							
	None.							
I.	Areas in Tennessee to be served.							
	Statewide.							
J.	What type of customers will the company serve?  a. Business X  b. Residential X  c. Aggregators (e.g. Hotels, Payphones)  d. Other (specify)							
K.	Do you allow a property imposed fee (PIF) to be added to the price of intrastate telephone calls over your network? If yes, specify amount.							
	No.							
L.	Are your prices for intrastate services plus any PIF equal to or less than the dominant carriers price for similar services? Yes X No							
М.	Describe the type of services and price that the applicant will be offering in Tennessee on the Informational Tariff Form found in Appendix II. $^{1/}$							
	See attached tariff sheets.							
N.	What is the applicant's 10XXX or 800 access code?							
	<u>10457</u>							
O.	Does the applicant now have or plan to have any telecommunication's facilities (e.g. switches, fiber lines) in Tennessee?							
	Yes.							
P.	What facility-based network will the applicant be reselling?							
	Applicant will provide resale services over facilities leased from Wiltel and LDDS.							

 $<sup>\</sup>frac{\nu}{\epsilon}$  Applicant is required to fill out an Informational Tariff form. Failure to fill out this form will cause the applicant's request to be rejected.

Q. Will the applicant be utilizing the local telephone company's billing system or billing customers direct?<sup>2/</sup>

Dial & Save bills customers primarily through the local exchange carriers.

R. Describe briefly how the applicant plans to market their services in Tennessee? If an independent telemarketer is going to be used, state company name and address.

Dial & Save will market long distance telecommunications services to residential and small to mid-sized business customers. Dial & Save expects that initial marketing vehicles will include direct mail, limited printed advertising, and telemarketing. Dial & Save has no current plans to deploy a sales force within the region, but will assess whether and to what extent to deploy such a force as business develops.

S. Describe the procedures the applicant will use to switch a consumer's preferred interexchange service.

Customers may select Dial & Save as a primary carrier by either returning a PIC request card which includes the LOA, or directly contacting the company via a toll free number. Prospective Dial & Save customers will be largely 10XXX users, therefore a change in primary carriers will be identified by Dial & Save's customer service representatives as an option rather than a necessity. In addition, a customer must verbally request to have a PIC change. When this occurs, all relevant information is collected and the customer is provided with additional information regarding set up. Subsequent to verification, a request for change in carrier is sent to the LEC and the customer is issued a welcome letter which reiterates the customer's order.

Dial & Save's Customer Service Representatives are trained to respond to customer's requests to change carriers by first explaining to the customer that their primary carrier will be changed to Dial & Save. After verifying that this is the customer's wish, identifying information such as the billing telephone number, name, and address of the customer are collected and added to the PIC request. Calls are concluded with an explanation of dialing instructions, the length of time before the change is final, and the procedure for verifying that the switch has taken place.

While Dial & Save does not initially intend to solicit customers via outbound telemarketing or retail sales, should the Company elect to, all actions will be in accordance with the Federal Communications Commission's PIC Verification Order. This includes, but is not limited to, acquisition of the customer's written authorization to submit an order explaining the PIC change.

Т.	Applicant	has th	e ability	/ and	agrees	to	honor	the	form	of	call	blocking	that	the	consumer	has
	subscribed	l to wi	th their	local	telephor	ne	compa	ny.	Yes	X	No_					

U. Applicant gives permission to the local telephone company to provide the Commission 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 X No

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

# Part II: Organization Structure A. Type of Organization \_\_\_\_Individual \_\_X\_\_\_Corporation \_\_\_\_Partnership \_\_\_Other (Explain on separate sheet) B. If partnership and/or Non-resident (1) Attach a copy of Articles of Incorporation and current by-laws. See Exhibit 1. (2) Attach a copy of Certification of Authority issued by Tennessee Secretary of State showing corporation's authority to engage in business in Tennessee. See Exhibit 2.

# Part III: Financial Information

A. Attach a current financial statement showing 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.

See Exhibit 3.

# Part IV: Display Card

Attach a copy of the display card to be placed on the aggregators telephone which shows what operator services are to be provided. The card must contain all required information listed in the attached Rule (1220-4-2-57,B)<sup>3/</sup>, which includes a toll-free number consumers can call for service problems and refunds.

### Not Applicable.

## Part V: Rule Compliance Agreement

- A. The Interexchange Reseller or Operator Service Provider applicant, hereby, affirms the following:
- Has received, read, and understands the Tennessee Public Service Commission's (TPSC) Interexchange Reseller Rules and Regulations, (Appendix III).
- Understands the penalties for non-compliance, and all associated fees to provide such service.
- Will comply with the TPSC Interexchange Reseller Rules and all other applicable Commission Rules and state laws, including T.C.A. Section 65-5-206 (Appendix IV).
- That all information provided in the attached registration document is true to the best of my knowledge.

Dial & Save of Tennessee, Inc.

Company Name

///

Company Official

Title

Subscribed and sworn before me this 5th day of June, 1995

Notary Public

seal

It is the responsibility of the reseller or operator service provider to assure that the appropriate display card is affixed to the aggregates telephones.

# State of Delaware

# Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "DIAL & SAVE OF TENNESSEE, INC.", FILED IN THIS OFFICE ON THE FIRST DAY OF DECEMBER, A.D. 1994, AT 9 O'CLOCK A.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.



Edward J. Freel, Secretary of State

AUTHENTICATION:

2457061 8100

DATE:

7319576

944231567

12-01-94

TELCO

#### CERTIFICATE OF INCORPORATION

OF

# DIAL & SAVE OF TENNESSEE, INC.

\* \* \* \*

- 1. The name of the corporation is

  DIAL & SAVE OF TENNESSEE, INC.
- 2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.
- 3. The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.
- 4. The total number of shares of stock which the corporation shall have authority to issue is five thousand (5,000) and the par value of each of such shares is Ten Cents (\$0.10) amounting in the aggregate to Five Hundred Dollars (\$500.00).

5A. The name and mailing address of each incorporator is as follows:

NAME	MAILING ADDRESS
M. C. Kinnamon	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801
A. S. Wright	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801
A. K. Wright	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801

5B. The name and mailing address of each person, who is to serve as a director until the first annual meeting of the stockholders or until a successor is elected and qualified, is as follows:

## NAME

# MAILING ADDRESS

Henry G. Luken, III	1522 N.W. 23rd Avenue Ft. Lauderdale, FL 33311
Donald A. Burns	1835 Vernon Street, N.W. Washington, D.C. 20009

- 6. The corporation is to have perpetual existence.
- 7. In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to make, alter or repeal the by-laws of the corporation.
- 8. Elections of directors need not be by written ballot unless the by-laws of the corporation shall so provide.

- 9. The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.
- 10. A director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived any improper personal benefit.

WE, THE UNDERSIGNED, being each of the incorporators hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, do make this certificate, hereby declaring and certifying that this is our act and deed and the facts herein stated are true, and accordingly have hereunto set our hands this 1st day of December, 1994.

M. C. Kinnamon

M. S. Wright

A. K. Wright

A. K. Wright

Secretary of State
Corporations Section

James K. Polk Building, Suite 1800
Nashville, Tennessee 37243-0306

DATE: 12/15/94 REQUEST NUMBER: 2925-2292 TELEPHONE CONTACT: (615! 741-0537 FILE DATE/TIME: 12/15/94 1424 EFFECTIVE DATE/TIME: 12/15/94 1630 CONTROL NUMBER: 0287617

TO: CAPITAL FILING SERVICE INC. NO. 199 214 OLD HICKORY BLVD NASHVILLE, TN 37221

RE: DIAL & SAVE OF TENNESSEE, INC. APPLICATION FOR CERTIFICATE CF AUTHORITY - FOR PROFIT

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED CERTIFICATE OF AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED ABOVE.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE ON OR BEFORE THE FIRST DATE OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE CORPORATION'S FISCAL YEAR. PLEASE PROVIDE THIS OFFICE WITH WRITTEN NOTIFICATION OF THE CORPORATION'S FISCAL YEAR. THIS OFFICE WILL MAIL THE REPORT DURING THE LAST MONTE OF SAID FISCAL YEAR TO THE CORPORATION AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE REVOCATION OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS CFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE CCRPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY - FOR PROFIT

FROM:
C T CORPORATION SYSTEM (DC/VEFMONT AVE)
1025 VERMONT AVE NW
SUITE 400
WASHINGTON, DC 20005-0000

ON DATE: 12/15/94

RECEIVED: \$30

FEES \$300.00

\$300.0C

TOTAL PAYMENT RECEIVED:

\$500.00

RECEIPT NUMBER: 0000172442 ACCOUNT NUMBER: 00070922

A STATE OF THE STA

RILEY C. DARNELL SECRETARY OF STATE

# FILED SIDES SEED APPLICATION FOR CERTIFICATE OF AUTHORITY FOR

PROMITE DIAL & SAV	e of Tennesseb, inc.	
To the Secretary of State of the State of Connesses:		
To the Secretary of State of the State of Connessee: Pursuant to the provisions of Section 48-25-103		et the undersioned cor.
poration hereby applies for a certificate of authority		
1. The name of the corporation is DIAL & SAVE	OF TENNESSEE, INC.	
If different, the name under which the certificate of	authority is to be obtained is	
[NOTE: The Secretary of State of the State of Ter	nnessee may not issue a certificate of autho	rrity to a foreign corners-
tion for profit if its name does not comply with the		
poration Act. If obtaining a certificate of authority pursuant to Section 48-14-101(d).]	-	
$2_{\hat{\mathbf{x}}_i}$ The state or country under whose law it is incorp	porated is Delaware	
The date of its incorporation isDecember_1, of duration, if other than perpetual, is	, 1994 (must be month, day,	and year), and the period
4. The complete street address (including zip code)	of its principal office is	•
4219 Lafayette Center Drive, Chahtil	ly, Virginia 22021	
Street City	State/Country	Zip Code
5. The complete street address (including the count c/o C T Corporation System, 530 Gay 37902	y and the zip code) of its registered office Street, Knoxvills, Tennessee,	in this state is County of Knox
Street City/State	County	Zip Code
The name of its registered agent at that office is		
C T Corporation System		
6. The mames and complete business addresses (inclinifacessay.)  Donald A. Burns, 4219 Lafayette Central and Secretary Henry G. Luken, 111, 4219 Larayette Treasurer.		
	er Drive. Chantilly. Virginia	22021
B. The corporation is a corporation for profit.		
9. If the document is not to be effective upon	filing by the Secretary of State, the dela-	yed effective date/time is
	(date),(time).	
[NOTE: A delayed effective date shall not be later to of State.]	han the 90th day after the date this docume	at is filed by the Secretary
[NOTE: This application must be accompanied I nuthenticated by the Secretary of State or other o under whose law it is incorporated. The certificate:	official having custody of corporate record	ds in the state or country
under whose law it is incorporated. The certificate : the application is filed in this state.]	SHEW HOL DESI E GREE OF SHOLE SPEET CAG (V)	·
December 9, 1994	DIAL & SAVE OF TENR	essee, inc.
Signature Date	Name of Corneration	
President	June X TSU	m _
Signer's Capacity	Signature	
SS-4431 (Rev. 8/89)	Name (typed or printed)	
		Filing Fee: \$300.00

# **VERIFICATION**

I, Donald A. Burns, declare under penalty of perjury that I am President of the Applicant in the subject proceeding, that I am authorized to make this verification, that I have read the foregoing information and know the contents thereof; that the same are true of my knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true.

Donald A. Burns

June & Surne

Dated: JUNE 9, 1995