

**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

Company ID: 00116520  
Long Distance Billing  
28 West 5th St.  
Ste. 480  
St. Paul, MN 55102

BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION  
Nashville, Tennessee                      October 13, 1995

IN RE: CASE NUMBER: 95-03354


Application for Authority for Operator Services and/or Resell Interexchange  
(Long Distance) Telecommunications Service and/or Telecommunications Operator  
Services in Tennessee Pursuant to Rule 1220-4-2-.57.

---ORDER---

This matter is before the Tennessee Public Service Commission upon the application of the above-mentioned company for certification as a long distance/interexchange reseller or telecommunication operator service provider in Tennessee. The Commission considered this application at its regularly scheduled Commission Conference held on October 11, 1995 and concluded that the applicant has met all the requirements for certification and should be authorized to provide the resell of interexchange telecommunications service and/or an operator service on an intrastate basis.

**IT IS THEREFORE ORDERED:**

1. That the above-mentioned company is issued a Certificate of Convenience and Necessity as an interexchange telecommunications reseller and/or an operator service provider for state-wide service in Tennessee as specified in its application on file with the Commission.
2. That said company shall comply with all applicable Commission rules and regulations.
3. That this order shall be retained as proof of certification with this Commission, and may be used to obtain appropriately tariffed access service and billing arrangements from Commission authorized telecommunications service providers.
4. That any party aggrieved with the Commission's decision in this matter may file a Petition for Reconsideration with the Commission within ten (10) days from and after the date of this Order.
5. That any Party aggrieved with the Commission's decision in this matter has the right of judicial review by filing a petition with the Tennessee Court of Appeals, Middle Section within sixty (60) days from and after the date of this Order.

  
Executive Director

  
Chairman

  
Commissioner

  
Commissioner

# TENNESSEE PUBLIC SERVICE COMMISSION

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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

A. Name of Applicant QAI, INC. d/b/a Long Distance Billing  
Address 28 West 5th ST, Suite 480, ST. PAUL  
State MN. Zip Code 55102 Phone No. (612)222-1501

B. Owner, Partners, or Corporate Officer

NAME	ADDRESS	CITY	STATE	ZIP CODE
Elam Baer	195 E. 5th ST. #2601	ST. PAUL	MN	55102
Victoria Grunseth	15674 S. 37th ST.	AFTON	MN.	55001

C. Name and telephone number of Tennessee contact person authorized to respond to Commission inquiries Monday through Friday.

Greg Bullard (601)38-1501 (612)222-1102  
Name Tennessee Phone No. Fax No.

D. List a toll-free telephone number that consumers can call to report service problems and/or request refunds or adjustments. 1-800-460-0556 or  
1-800-318-1501

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

☒ Resell Interexchange long distance services

☐ Operator Services

☐ Other (describe below) \_\_\_\_\_

F. 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.

G. List the state(s) you are authorized to operate in at this time. Michigan, Virginia,  
New Jersey, Colorado, Texas, Arizona, Montana, OK, Oklahoma, and Utah

(To be filled out by PSC)

Company ID Number 95-3054

Date Approved 1/6/520

Evaluator \_\_\_\_\_

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.

H. List any states that    have been denied authority to provide    service.

NONE

I. Areas in Tennessee to be served.

entire State of Tennessee

J. What type of customers will the company serve?

- a. Business X (Primary)
- b. Residential X (Marginal)
- 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       

M. Describe the type of services and price that the applicant will be offering in Tennessee on the Informational Tariff Form found in Appendix II<sup>1</sup>.

N. What is the applicant's 10XXX or 800 access code? NONE other than underlying carrier's numbers.

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

P. What facility-based network will the applicant be reselling? Allnet and Sprint

Q. Will the applicant be utilizing the local telephone company's billing system or billing customers direct?<sup>2</sup> Local Telephone Company's billing system through United States Billing, Inc. (U.S.B.I.)

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.

Telemarketing through employee agents and through independent telemarketers. Their names and addresses are as follows:  
Enmark, Inc., 2233 University Ave. West, Suite 440, St. Paul, MN. 55114  
Protel Advantage, Inc.,

S. Describe the procedures the applicant will use to switch a consumer's preferred interexchange service. following the Sale and Verification by an independent, third party verification company, the billing telephone number and associated account information is electronically transferred to the underlying carrier which, in turn, will transfer the appropriate information to the LEC.

<sup>1</sup> 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.

<sup>2</sup> A copy of a bill is required if the applicant is going to bill the customer direct.

T. 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 ☒ 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 ☒ No ☐

## Part II: Organization Structure

### A. Type of Organization

☐ Individual ☒ 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.
- (2) Attach a copy of Certification of Authority issued by Tennessee Secretary of State showing corporation's authority to engage in business in Tennessee.

## 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.

## 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.


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<sup>3</sup>It is the responsibility of the reseller or operator service provider to assure that the appropriate display card is affixed to the aggregates telephones.

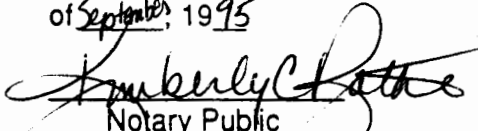
Part V: Rule Compliance Agreement

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

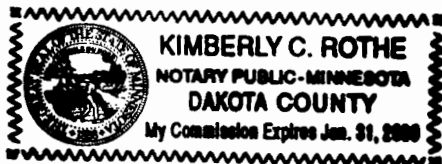
- Has received, read, and understands the Tennessee Public Service Commission's (TPSC) Interexchange Reseller Rules and Regulations, (Appendix III)
- Understands the penalties for non-compliance, and all associated fees to provide such service.
- Will comply with the TPSC Interexchange Reseller Rules 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.

QAI, Inc, d/b/a Long Distance Billing  
Company Name Date 8/31/95  
  
Company Official President  
Title

Subscribed and sworn  
before me this 6<sup>th</sup> day  
of September, 1995

  
Notary Public

seal



ARTICLES OF INCORPORATION

OF

QAI. Inc.

We, the undersigned incorporators, for the purpose of forming a corporation under and pursuant to the provisions of Minnesota Statutes Chapter 302A, as amended, do hereby adopt the following Articles of Incorporation. ✓

ARTICLE I

1.01. Name. The name of this corporation is QAI. Inc. m -

ARTICLE II

2.01. Number of Shares. The aggregate number of shares which this corporation shall have authority to issue is 25,000. ✓

2.02. Classes of Shares. The stock of this corporation shall be a single class of common stock, par value \$0.01 per share. The board of directors may, from time to time, establish by resolution additional or different classes or series of shares and may fix the rights and preferences of said shares in any class or series.

2.03. No holder of any stock of the corporation shall be entitled, as a matter of right, to purchase, subscribe or otherwise acquire any new or additional shares of stock of the corporation of any class, or any options or warrants to purchase, subscribe for or otherwise acquire any such new or additional shares, or any shares, bonds, note, debentures or other securities convertible into or carrying options or warrants to purchase, subscribe for or otherwise acquire any such new or additional shares.

ARTICLE III

3.01. The name and address of each of the incorporators of this corporation is:

Name	Address
Elam Baer	325 Cedar Street, Suite 300 St. Paul, MN 55101
Victoria A. Grunseth	325 Cedar Street, Suite 300 St. Paul, MN 55101

#### ARTICLE IV

4.01. Registered Office. The registered office of the corporation shall be 325 Cedar Street, Suite 300, St. Paul, Minnesota 55101. ✓

4.02. Registered Agent. The name of the initial registered agent at such address is Elam Baer.

4.03. Either the registered office or the registered agent may be changed in the manner provided by law.

#### ARTICLE V

5.01. The purpose for which this corporation is formed is a general business purpose to so enable this corporation to carry on any business or activity which may be lawful and permitted by the laws of the State of Minnesota.

#### ARTICLE VI

6.01. The initial board of directors of the corporation shall consist of two directors. The name and address of each of the persons who shall serve as director until the first annual meeting of shareholders or until his or her successors are elected and shall qualify is as follows:

Name	Address
Elam Baer	325 Cedar Street, Suite 300 St. Paul, MN 55101
Victoria A. Grunseth	325 Cedar Street, Suite 300 St. Paul, MN 55101

6.02. The number of directors of the corporation shall be fixed and may be altered from time to time as may be provided in the Bylaws. In case of any increase in the number of directors, the additional directors may be elected by the directors or by the shareholders at an annual or special meeting as shall be provided in the Bylaws.

6.03. The board shall take action by the affirmative vote of a majority of the directors present at a duly held meeting.

6.04. An action required or permitted to be taken by the board of directors of this corporation may be taken by written action signed by that number of directors that would be required to take the same action at a meeting of the board at which all directors are present, except as to those matters requiring shareholder approval, in which case the written action must be signed by all members of the board of directors then in office.

## ARTICLE VII

7.01. No contract or other transaction between the corporation and any other corporation, whether or not a majority of the shares of the capital stock of such other corporation is owned by the corporation, and no act of the corporation, shall in any way be affected or invalidated by the fact that any of the directors of the corporation are pecuniarily or other wise interested in ar are directors or officers of, such other corporations. Any director individually, or any firm of which such director may be a member, may be a party to or may be pecuniarily or otherwise interested in, any contract or transaction of the corporation provided that the fact that he or such firm is so interested shall be disclosed or shall have been known to the majority of the board of directors.

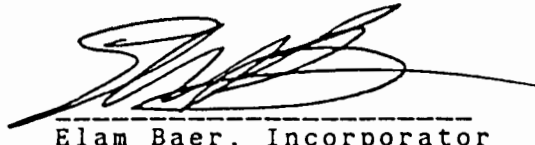
## ARTICLE VIII

8.01. The shareholders of the corporation, at a meeting duly called for such purpose, shall fix and determine the consideration to be received for shares of the corporation.

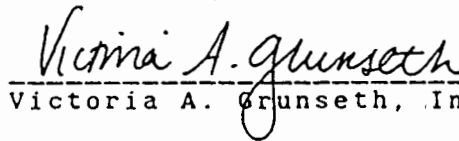
## ARTICLE IX

9.01. The Bylaws of this corporation shall not be amended, modified or altered except by the vote of the shareholders of the corporation at a meeting of the shareholders duly called, at which a quorum is present.

IN WITNESS WHEREOF, the above-named incorporators have signed these Articles of Incorporation on this 20<sup>th</sup> day of July, 1992.



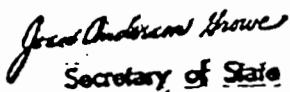
Elam Baer, Incorporator



Victoria A. Grunseth, Incorporator

STATE OF MINNESOTA  
DEPARTMENT OF STATE  
FILED

JUL 20 1992

  
Secretary of State

m

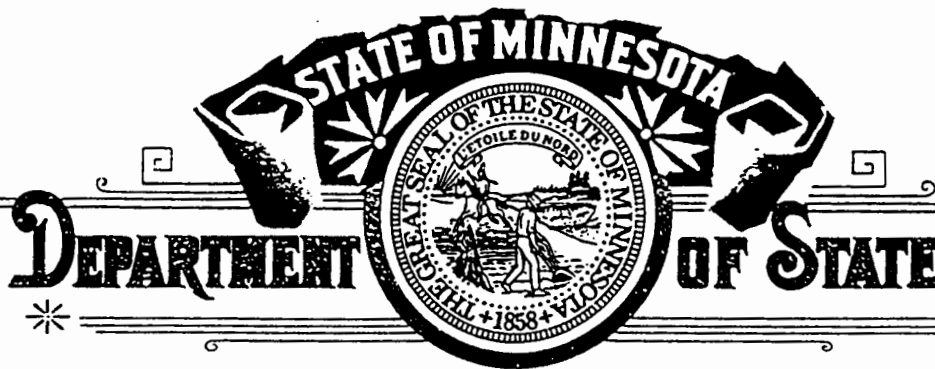


757042

JUL. 20 '92

3

BUS SER 135.00  
EXP 10.00  
TOTL 145.00  
CHCK 140.00  
CHCK 5.00  
MINN SECRETARY  
OF STATE



824592 10:07 #01 to acknowledge that the items described below have been accepted by the Secretary of State of Minnesota on the date noted. Those documents will be microfilmed and the original will be returned to the donor within ten days. The microfilm will be available for public inspection at the office of the Secretary of State.

Description of Item <i>Articles</i>	Date Accepted <i>7/20/92</i>	RJ No. NOT VALID UNTIL RJ NUMBER IS AFFIXED <i>757042</i>
Company Name <i>QAI, Inc.</i>		

State of Minnesota  
Office of the Secretary of State  
Corporation Division  
180 State Office Building  
St. Paul, MN 55155 (612) 296-2803

by: *[Signature]*  
Evidence of Filing SC-00184-01

# Secretary of State

## Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

ISSUANCE DATE: 03/29/1995  
REQUEST NUMBER: 95088110

CHARTER/QUALIFICATION DATE: 03/29/1995  
STATUS: ACTIVE  
CORPORATE EXPIRATION DATE: PERPETUAL  
CONTROL NUMBER: 0292641  
JURISDICTION: MINNESOTA

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

REQUESTED BY:  
CAPITAL FILING SERVICES, INC  
214 OLD HICKORY BLVD  
NO 199  
NASHVILLE, TN 37221

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

"QAI, INC."

WAS INCORPORATED OR QUALIFIED TO DO BUSINESS IN THE STATE OF TENNESSEE ON THE  
ABOVE DATE, AND THAT THE ATTACHED DOCUMENT(S) WAS/WERE FILED IN OFFICE ON THE  
DATE(S) AS BELOW INDICATED:

REFERENCE NUMBER	DATE FILED	FILING TYPE	FILING ACTION
2986-1212	03/29/1995	ASSUMED-ADD	NAM DUR STK PRN OFC AGT INC MAL FYC
2986-1214	03/29/1995	QUAL-PROFIT	

FOR: REQUEST FOR COPIES

ON DATE: 03/29/95

### FEES

FROM:  
CAPITAL FILING SERVICE, INC.  
214 OLD HICKORY BLVD  
NO. 199  
NASHVILLE, TN 37221-0000

RECEIVED: \$10.00 \$10.00  
TOTAL PAYMENT RECEIVED: \$20.00

RECEIPT NUMBER: 00001782285  
ACCOUNT NUMBER: 00101230



*Riley C Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

FILED

QAI, Inc.

15 MAR 29 11:42

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of Section 48-25-103 of the Tennessee Business Corporation Act, the undersigned corporation 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 corporation is QAI, Inc.

If different, the name under which the certificate of authority is to be obtained is QAI, Inc.

[NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign corporation for profit if its name does not comply with the requirements of Section 48-14-101 of the Tennessee Business Corporation Act. If obtaining a certificate of authority under an assumed corporate name, an application must be filed pursuant to Section 48-14-101(d)]

2. The state or country under whose law it is incorporated is Minnesota

3. The date of its incorporation is January 1, 1992 (must be month, day, and year), and the period of duration, if other than perpetual, is \_\_\_\_\_

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

28 West 5th Street, Suite 480, St. Paul, Minnesota 55102  
 Street City State/Country Zip Code

5. The complete street address (including the county and the zip code) of its registered office in this state is c/o C T Corporation System, 530 Gay Street, Knoxville, Tennessee, County of Knox 37902  
 Street City/State County Zip Code

The name of its registered agent at that office is

C T Corporation System

6. The names and complete business addresses (including zip code) of its current officers are: (Attach separate sheet if necessary.)

Elam Baer, 195 E. 5th St., #2601, St. Paul, Minnesota 55102, President, CEO  
Victoria Grunseith, 15674 S. 37th St., Afton, Minnesota 55001, CFO, Secretary

7. The names and complete business addresses (including zip code) of its current board of directors are: (Attach separate sheet if necessary.)

Elam Baer, 195 E. 5th St., #2601, St. Paul, Minnesota 55102  
Victoria Grunseith, 15674 S. 37th St., Afton, Minnesota 55001  
Jeff Coreen, 3401 4th Ave., N., Sioux Falls, South Dakota 57104

8. The corporation is a corporation for profit.

9. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is

N/A, 19\_\_\_\_ (date), \_\_\_\_\_ (time).

[NOTE: A delayed effective date shall not be later than the 90th day after the date this document is filed by the Secretary of State.]

[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 corporate records in the state or country under whose law it is incorporated. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.]

3-28-95  
 Signature Date

Chief Executive Officer/President  
 Signer's Capacity

SS-4431 (Rev. 8/89)

QAI, Inc.  
 Name of Corporation  
[Signature]  
 Signature

Elam Baer  
 Name (typed or printed)

Filing Fee: \$300.00

**Secretary of State**

**Corporations Section**

**James K. Polk Building, Suite 1800**

**Nashville, Tennessee 37243-0306**

DATE: 03/29/95  
REQUEST NUMBER: 2986-1212  
TELEPHONE CONTACT: (615) 741-0537  
FILE DATE/TIME: 03/29/95 1142  
EFFECTIVE DATE/TIME:  
CONTROL NUMBER: 0292641

TO:  
CT CORPORATION SYSTEM  
405 SECOND AVE SO.

MINNEAPOLIS, MN 55401

RE:  
LONG DISTANCE BILLING  
ASSUMED NAME REGISTRATION

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED ASSUMED NAME  
REGISTRATION FOR A FIVE YEAR PERIOD BEGINNING WITH AN EFFECTIVE DATE AS  
INDICATED ABOVE.

THE CORPORATION MAY RENEW THE RIGHT TO USE THIS NAME WITHIN TWO  
(2) MONTHS PRECEDING THE EXPIRATION OF SUCH RIGHT, FOR A PERIOD OF FIVE (5)  
YEARS, BY FILING AN APPLICATION WITH THE SECRETARY OF STATE.

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

-----  
FOR: ASSUMED NAME REGISTRATION

ON DATE: 03/29/95

FROM:  
C T CORPORATION SYSTEM (MINNEAPO/405 2ND  
405 2ND AVE SOUTH  
MINNEAPOLIS, MN 55401-0000

RECEIVED:	FEES	
	\$10.00	\$10.00
TOTAL PAYMENT RECEIVED:		\$20.00

RECEIPT NUMBER: 00001782274  
ACCOUNT NUMBER: 00000014



*Riley C. Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

12-13-88 11:12-1.12

**FILED**  
RECEIVED  
95 MAR 29 AM 11:42  
JILLY DARTNELL  
CLERK OF THE STATE

**APPLICATION FOR REGISTRATION OF ASSUMED CORPORATE NAME**

Pursuant to the provisions of Section 48-14-101(d) of the Tennessee Business Corporation Act or Section 48-54-101(d) of the Tennessee Nonprofit Corporation Act, the undersigned corporation hereby submits this application:

1. The true name of the corporation is QAI, Inc.

2. The state or country of incorporation is Minnesota

3. The corporation intends to transact business in Tennessee under an assumed corporate name.

4. The assumed corporate name the corporation proposes to use is

Long Distance Billing

[NOTE: The assumed corporate name must meet the requirements of Section 48-14-101 of the Tennessee Business Corporation Act or Section 48-54-101 of the Tennessee Nonprofit Corporation Act.]

3-28-95  
Signature Date

President/CEO  
Signer's Capacity

QAI, Inc.

Name of Corporation

  
Signature

Elam Baer

Name (typed or printed)

State of Minnesota

RECEIVED  
STATE OF MINNESOTA  
MAR 29 11:42

**SECRETARY OF STATE**

Certificate of Good Standing

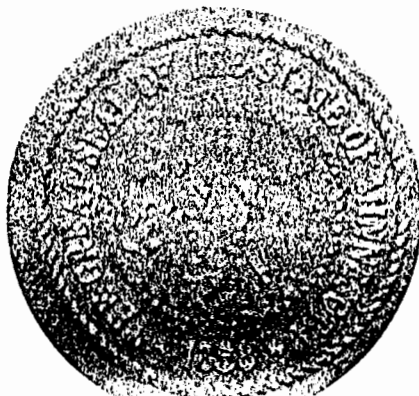
I, Joan Anderson Growe, Secretary of State of Minnesota, do certify that: The corporation listed below is a corporation formed under the laws of Minnesota; that the corporation was formed by the filing of Articles of Incorporation with the Office of the Secretary of State on the date listed below; that the corporation is governed by the chapter of Minnesota Statutes listed below; and that this corporation is authorized to do business as a corporation at the time this certificate is issued.

Name: QAI, Inc.

Date Formed: 07/20/1992

Chapter Governed By: 302A

This certificate has been issued on 03/22/95.



*Joan Anderson Growe*  
Secretary of State.