

Company ID: 126048
Prime Telecom of Michigan, Inc.
24123 Boerne Stage Road, Suite 450
San Antonio, TX 78255

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, TN November 3, 1998

IN RE: CASE NUMBER: 97-00443

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

---ORDER---

This matter is before the Tennessee Regulatory Authority upon the application of the above-mentioned company for certification as a reseller or telecommunication operator service provider in Tennessee. The TRA considered this application at a Conference held on November 3, 1998 and concluded that the applicant has met all the requirements for certification and should be authorized to provide operator services and/or resell telecommunications services on an intrastate basis.

IT IS THEREFORE ORDERED:

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

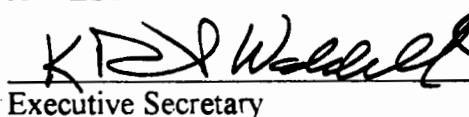


Chairman



Director

ATTEST:


Executive Secretary
Director

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



REC'D TN
REGULATORY AUTH

'97 APR 3 AM 10:48



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

OFFICE OF THE
EXECUTIVE SECRETARY

SECTION A

Part 1: General Information

A. Name of Applicant Prime Telecom of Michigan, Inc.
Address 24123 Boerne Stage Rd., Suite 450, San Antonio
State Texas Zip Code 78255 Phone No. (210) 689 7700

B. Owner, Partners, or Corporate Officer

Pres.
V.P./
Sec./
Treas.

NAME	ADDRESS	CITY	STATE	ZIP CODE
Wynn D. Schiess	24123 Boerne Stage	San Antonio	TX	78255
Lloyd E. Sosa	24123 Boerne Stage	San Antonio	TX	78255

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

Lloyd E. Sosa (800) 969 5250 (210) 689-7717
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. 1-800-969-5250

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.
N/A

G. List the state(s) you are authorized to operate in at this time. None

(To be filled out by PSC)
Company ID Number _____
Date Approved _____
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.

- I. List any states that you have been denied authority to provide service.
None
- J. 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. n/a
- L. Are your prices for intrastate services plus any PIF equal to or less than the dominant carriers price for similar services? Yes _____ No n/a
- M. Describe the type of services and price that the applicant will be offering in Tennessee on the Informational Tariff Form found in Appendix II¹. Tariff attached.
- N. What is the applicant's 10XXX or 800 access code? 10444
- 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? IXC, Inc.
- Q. Will the applicant be utilizing the local telephone company's billing system or billing customers direct²? Local Telephone Company billing.
- 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.
The Company will use in-house sales force and/or sales agents.
- S. Describe the procedures the applicant will use to switch a consumer's preferred interexchange service. The Company will obtain written Letters of Agency.

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

²A 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 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 _____

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. Exhibits A&B
- (2) Attach a copy of Certification of Authority issued by Tennessee Secretary of State showing corporation's authority to engage in business in Tennessee.

Exhibit C

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. Exhibit D

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)³, which includes a toll-free number consumers can call for service problems and refunds.

n/a

³It 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.

Prime Telecom of Michigan , Inc.

Company Name

Date

X [Signature]

Vice President

Company Official

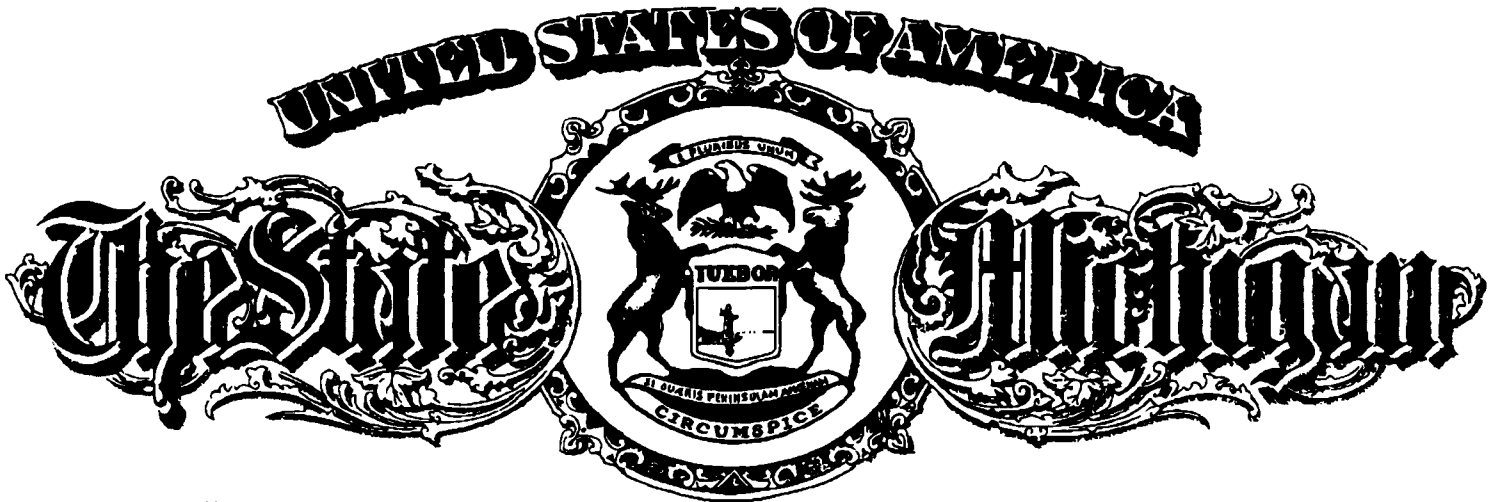
Title

Subscribed and sworn
before me this 27th day
of Jan, 1997

[Signature]

Notary Public

seal



Michigan Department of Commerce

Lansing, Michigan

This is to Certify That

PRIME TELECOM OF MICHIGAN, INC., a profit corporation

was validly incorporated on March 12, 1996, as a Michigan corporation, and said corporation is validly in existence under the laws of this State.

This certificate is issued to attest to the fact that the corporation is in good standing in this office as of this date and is duly authorized to transact business or conduct affairs in Michigan and for no other purpose. It is in the usual form, made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States.

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 12th day of March, 19 96.

Carl L. Lipp Director
Corporation and Securities Bureau

RECEIVED

MAR 12 1996

ARTICLES OF INCORPORATIONMICHIGAN DEPARTMENT OF COMMERCE
CORPORATION & SECURITIES BUREAU

Michigan Department of Commerce
Corporation and Securities Bureau
Corporation Division
State of Michigan

The undersigned person does hereby adopt the following Articles of Incorporation of the purpose of forming a corporation for profit pursuant to the provisions of the Business Corporation Act of the State of Michigan, Act 284, P. A. 1972.

FIRST: The name of the corporation (hereinafter referred to as the "corporation") is Prime Telecom of Michigan, Inc.

SECOND: The purposes of the corporation, which shall be in addition to the authority of the corporation to engage in any activity within the purposes for which corporations may be organized under the Business Corporation Act, are as follows: The sale of long distance and other enhanced telecommunications services.

To have, in furtherance of the corporate purposes, all of the powers conferred upon corporations organized under the Business Corporation Act.

PAR SHARES

THIRD: The aggregate number of shares which the corporation shall have authority to issue is 1,000, all of which are a par value of \$1.00 dollar each and are of the same class and are to be Common shares.

FOURTH: Each share of the corporation shall entitle the holder thereof to a preemptive right, for a period of thirty days, to subscribe for, purchase, or otherwise acquire any shares of the same class of the corporation or any equity and/or voting shares of any class of the corporation which the corporation proposes to issue or any rights or options which the corporation proposes to grant for the purchase of shares of the same class of the corporation or of equity and/or voting shares of any class of the corporation or for the purchase of any shares, bonds, securities, or obligations of the corporation which are convertible into or exchangeable for, or which carry any rights, to subscribe for, purchase, or otherwise acquire shares of the same class of the corporation or equity and/or voting shares of any class of the corporation, whether now or hereafter authorized or created, whether having unissued or treasury status, and whether the proposed issued, reissue, transfer, or grant is for cash, property, or any other lawful consideration; and after the expiration of said thirty days, any and all of such shares, rights, options, bonds, securities, or obligations of the corporation may be issued, reissued, transferred or granted by the Board of Directors, as the case may be, to such persons, firms, corporations, and

associations, and for such lawful consideration, and on such terms, as the Board of Directors in its discretion may determine. As used herein, the terms "equity shares" and "voting shares" shall mean, respectively, shares which confer unlimited dividend rights and shares which confer unlimited voting rights in the election of one or more directors.

FIFTH: The street and mailing address of the initial registered office of the corporation in the State of Michigan is 501 South Capitol Ave., City of Lansing, 48933, County of Ingham.

The name of the initial registered agent of the corporation at the aforesaid address is National Registered Agents, Inc.

SIXTH: The name and address of the incorporator of the corporation are as follows:

Lloyd E. Sosa

24123 Boerne Stage Rd., Suite 450
San Antonio, Texas 78255

SEVENTH: The duration of the corporation shall be perpetual.

EIGHTH: When a compromise or arrangement or a plan of reorganization of the corporation is proposed between the corporation and its creditors or any class of them or between the corporation and its shareholders or any class of them, a court of equity jurisdiction within the state, on application of the corporation or of a creditor or shareholder thereof, or on application of a receiver appointed for the corporation, may order a meeting of the creditors or class of creditors or of the shareholders or class of shareholders to be affected by the proposed compromise or arrangement or reorganization, to be summoned in such manner as the court directs. If a majority in number representing 3/4 in value of the creditors or class of creditors, or of the shareholders or class of shareholders to be affected by the proposed compromise or arrangement or a reorganization, agree to a compromise or arrangement or a reorganization of the corporation as a consequence of the compromise or arrangement, the compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, or on all the shareholders or class of shareholders and also on the corporation.

NINTH: Any action required or permitted by the Business Corporation Act to be taken at an annual or special meeting of shareholders may be taken without a meeting, without prior notice and without a vote, if consents in writing, setting forth the action so taken, are signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all shares entitled to vote on the action were present and voted.

TENTH: The personal liability of the directors of the corporation is eliminated to the fullest extent permitted by the provisions of Section 209(c) of the Business Corporation Act, as the same may be amended and supplemented.

ELEVENTH: The corporation shall, to the fullest extent permitted by Section 261 and Sections 561 to 569, inclusive, of the Business Corporation Act, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said sections from and against any and all of the expenses, liabilities, or other matters referred to or covered by said sections, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity, and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, personal representatives, and administrators of such a person. In the event that these Articles of Incorporation or any amendment thereof shall delegate to a shareholder or shareholders or a person or persons any part or all of the management of the corporation pursuant to the provisions of Section 463 of the Business Corporation Act, any such shareholder or shareholders or any such person or persons shall be entitled to the same right of indemnification as a director of the corporation.

Signed on 3-7, 1996

Signature of Incorporator:

Name of Incorporator: Lloyd E. Sosa

Capacity: Secretary

Secretary of State

Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

DATE: 02/11/97
REQUEST NUMBER: 3282-1228
TELEPHONE CONTACT: (615) 741-0537
FILE DATE/TIME: 02/03/97 1435
EFFECTIVE DATE/TIME: 02/03/97 1435
CONTROL NUMBER: 0325328

TO:
NOWALSKY & BROSTON, LLP
3500 N CAUSEWAY BLVD
SUITE 1442
METAIRIE, LA 70002

RE:
PRIME TELECOM OF MICHIGAN, INC.
APPLICATION FOR CERTIFICATE OF
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 MONTH 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 OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF
AUTHORITY - FOR PROFIT

ON DATE: 02/10/97

FROM:
PRIME TELECOM, INC.
24123 BOERNE STAGE R
SUITE 450
SAN ANTONIO, TX 78255-0000

RECEIVED: FEES \$300.00 \$300.00
TOTAL PAYMENT RECEIVED: \$600.00

RECEIPT NUMBER: 00002068378
ACCOUNT NUMBER: 00253426



Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

3 2 1 3 2 1 3 2 1 3
APPLICATION FOR CERTIFICATE OF AUTHORITY FOR

Prime Telecom of Michigan, Inc.

FILED

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 Prime Telecom of Michigan, 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 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 Michigan

3. The date of its incorporation is March 12, 1996 (must be month, day, and year), and the period of duration, if other than perpetual, is perpetual

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

24123 Boerne Stage Rd., Suite 450, San Antonio, Texas 78255-9407
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

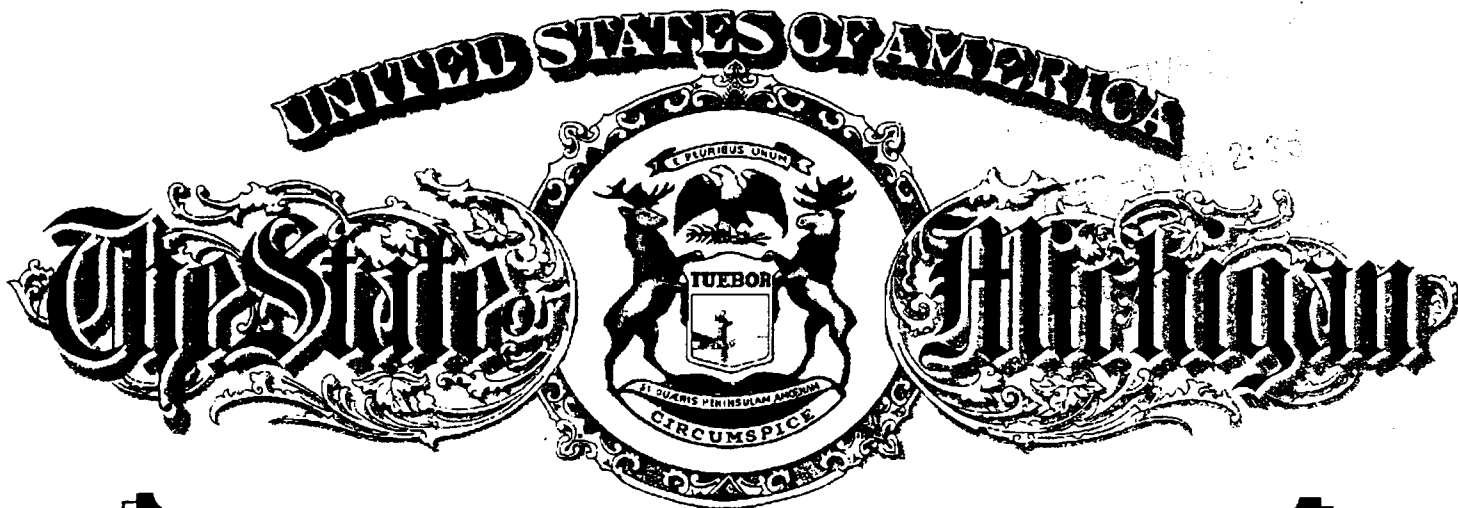
1912 Hayes Street, Nashville, TN 37230
Street City/State County Zip Code

The name of its registered agent at that office is

National Registered Agents, Inc.

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

Wynn D. Schiess, President, 24123 Boerne Stage Rd., #450, San Antonio, TX 78255
Lloyd E. Sosa Sec/Treas/V.P., 24123 Boerne Stage Rd., #450, San Antonio, TX



Michigan Department of Consumer and Industry Services

Lansing, Michigan

This is to Certify That

PRIME TELECOM OF MICHIGAN, INC.

*was incorporated on March 12, 1996, as a Michigan profit corporation,
and said corporation is in existence under the laws of this State.*

*This certificate is issued to attest to the fact that the corporation is in good standing
in this office as of this date and is duly authorized to transact business or conduct
affairs in Michigan and for no other purpose. It is in the usual form, made by me
as the proper officer, and is entitled to have full faith and credit given it in every
court and office within the United States.*

*In testimony whereof, I have hereunto set my
hand and affixed the Seal of the Department,
in the City of Lansing, this 30th day
of January, 1997.*

Carl L. Lysa, Director

Corporation, Securities and Land Development Bureau