

Company ID: 00128156  
State Communications, Inc.  
200 North Main Street, Suite 303  
Greenville, SC 29601

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
Nashville, TN September 1, 1998

IN RE: CASE NUMBER: 98-00330

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 August 4, 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

MARCY A. GREENE  
ATTORNEY-AT-LAW

SWIDLER  
&  
BERLIN  
CHARTERED

DIRECT DIAL  
(202)424-7856  
MAGREENE@SWIDLAW.COM

July 9, 1998

*Via Overnight Delivery*

K. David Waddell, Executive Director  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37219

Attn: Scott Trout

RECEIVED

JUL 10 1998

TN REGULATORY AUTHORITY  
TELECOMMUNICATIONS DIVISION

***Re: Application of State Communications, Inc. – Docket No. 98-00330***

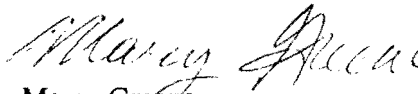
Dear Mr. Waddell:

Enclosed for filing on behalf of State Communications, Inc. ("SCI"), and pursuant to a telephone conversation with Scott Trout of the TRA's Staff, are an original and one (1) copy of SCI's revised page 57 to its informational tariff. As requested by Mr. Trout, SCI has removed reference to directory assistance services.

In addition, by this letter SCI responds to Mr. Trout's inquiry as to complaints received in states where SCI is currently providing service. SCI has received three (3) complaints from the Kentucky Public Service Commission. In each instance, the complainant involved alleged slams (unauthorized conversion of service to that provided by SCI). In all three cases, SCI responded immediately to the complaints. Each case involved a member of the complainant's household applying for SCI's service (via written letter of agency (LOA)), without communicating same to the other member of the household. In two instances, the individual signing the LOA was the customer of record and the complaint was registered by another household member. All three complaints are closed. SCI has received no complaints from the South Carolina Public Service Commission.

Please date stamp the enclosed extra copy of this filing and return it in the self-addressed, postage prepaid envelope provided. Should you have any questions, please do not hesitate to contact me at 202/424-7856.

Respectfully submitted,

  
Marcy Greene

Counsel for State Communications, Inc.

Enclosure

cc: Hamilton E. Russell, III

236684.1

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Section 3 - SERVICE OFFERINGS (Cont'd)

3.7

[RESERVED FOR FUTURE USE]

3.8 Operator Assisted Local Calls

Operator Assisted Charges: All types of local exchange service have local calling areas within which local calls can be made on a flat rate basis, on a local coin call rate basis, on a Message rate basis, or on a measured service basis.

Local Dial Call: The call must be dialed and completed without the assistance of a Company operator and must be billed to the originating telephone when a charge is applicable.

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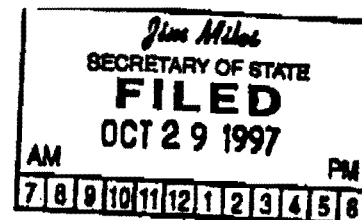
Issued:

Effective:

Issued By:

Shaler Houser  
Chief Executive Officer  
State Communications, Inc.  
200 North Main Street, Suite 303  
Greenville, SC 29601

STATE OF SOUTH CAROLINA  
SECRETARY OF STATE  
  
ARTICLES OF INCORPORATION  
FOR  
STATE COMMUNICATIONS, INC.



1. The name of the proposed corporation is State Communications, Inc.
2. The initial registered office of the corporation is 200 N. Main Street, Suite 301, Greenville, SC (Greenville County) 29605 and the initial registered agent at such address is Charles L. Houser.
3. The corporation is authorized to issue a single class of common shares, par value \$.001 per share and the total number of shares authorized is 20,000,000.

The Articles of Incorporation are hereby amended to authorize for issuance, 5,000,000 shares of preferred stock. The relative rights, preferences and limitations of such preferred stock shall be determined by the Company's Board of Directors in its sole discretion. The Company's Board of Directors shall have the sole authority to issue shares of such preferred stock to whomsoever and for whatever purposes it, in its sole discretion, deems appropriate. The Board is expressly authorized to divide such preferred shares into separate series, with each series separately designated so as to distinguish the shares thereof from the shares of all other series. Each share of each series of serial preferred stock shall have the same relative rights as and be identical in all respects with all the other shares of the same series. Among other things, the Board may designate the following variations among any of the various series of preferred stock without further action of the shareholders of the Company: (a) the distinctive serial designation and the number of shares constituting such series; (b) the dividend rate or the amount of dividends to be paid on the shares of such series, whether dividends shall be cumulative and, if so, from which date(s) the payment date(s) for dividends, and the participating or other special rights, if any, with respect to dividends; (c) the voting powers, full or limited, if any, of shares of such series; (d) whether the shares of such series shall be redeemable and, if so, the price(s) at which, and the terms and conditions on which, such shares may be redeemed; (e) the amount(s) payable upon the shares of such series in the event of voluntary or involuntary liquidation, dissolution, or winding up of the association; (f) whether the shares of such series shall be entitled to the benefit of a sinking or retirement fund to be applied to the purchase or redemption of such shares, and if so entitled, the amount of such fund and the manner of its application, including the price(s) at which such shares may be redeemed or purchased through the application of such fund; (g) whether the shares of such series shall be convertible into, or exchangeable for, shares of any other class or classes of stock of the association and, if so, the conversion price(s) or the rate(s) of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange; (h) the price or other consideration for which the shares of such series shall be issued; and (i) whether the shares of such series which are redeemed or converted shall have the status of authorized but unissued shares of serial preferred stock and whether such shares may be reissued as shares of the same or any other series of serial preferred stock.

4. The existence of the corporation shall begin when these articles are filed with the Secretary of State.
5. The optional provisions which the corporation elects to include in the articles of incorporation are as follows: (See §33-2-102 and the applicable comments thereto; and 35-2-105 and 35-2-221 of the 1976 South Carolina Code).
  - (a) Shareholders of the Company shall not have statutory preemptive rights to purchase shares of the Company.
  - (b) Shareholders shall not be entitled to cumulate votes for directors.

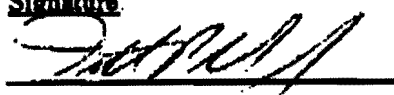
CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE.

OCT 29 1997

*Jim Miles*  
SECRETARY OF STATE OF SOUTH CAROLINA

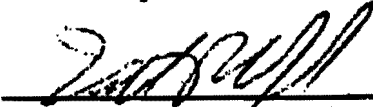
- (c) A director of the corporation shall not be personally liable to the corporation or any of its shareholders for monetary damages for breach of fiduciary duty as a director, provided that this provision shall not be deemed to eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its shareholders; (ii) for acts or omissions not in good faith or which involve gross negligence, intentional misconduct, or a knowing violation of law; (iii) imposed under Section 33-8-330 of the Act (improper distribution to shareholder); or (iv) for any transaction from which the director derived an improper personal benefit.

6. The name and address of each incorporator is as follows:

<u>Name</u>	<u>Address</u>	<u>Signature</u>
William P. Crawford, Jr.	44 East Campardown Way Greenville, SC 29601	

7. I, William P. Crawford, Jr., an attorney licensed to practice in the State of South Carolina, certify that the above named corporation, has complied with the requirements of Section 33-2-102 of the 1976 Code of Laws of South Carolina, as amended.

October 27, 1997

  
\_\_\_\_\_  
William P. Crawford, Jr., Esquire  
Wyche, Burgess, Freeman & Parham, P.A.  
44 East Campardown Way  
Greenville, SC 29601  
(864) 242-8265

# Secretary of State

## Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

ISSUANCE DATE: 04/06/1998

REQUEST NUMBER: 98096113

CHARTER/QUALIFICATION DATE: 01/20/1998

STATUS: ACTIVE

CORPORATE EXPIRATION DATE: PERPETUAL

CONTROL NUMBER: 0344348

JURISDICTION: SOUTH CAROLINA

TO:  
THE SEARCH IS ON  
P.O. BOX 120598

NASHVILLE, TN 37212

REQUESTED BY:  
THE SEARCH IS ON  
P.O. BOX 120598

NASHVILLE, TN 37212

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

"STATE COMMUNICATIONS, 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
3438-1815	01/20/1998	QUAL-PROFIT	NAM DUR STK PRN OFC AGT INC MAL FYC

FOR: REQUEST FOR COPIES

ON DATE: 04/06/98

### FEES

FROM:  
TSIO (BOX 120598)  
P. O. BOX 120598

RECEIVED: \$240.00 \$230.00  
TOTAL PAYMENT RECEIVED: \$470.00

NASHVILLE, TN 37212-0000

RECEIPT NUMBER: 00002284805  
ACCOUNT NUMBER: 00000499



*Riley C Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

7-418 (3-1-77)  
APPLICATION FOR CERTIFICATE OF AUTHORITY FOR

State Communications, Inc.

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 State Communications, 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 48-14-104 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 48-14-104(d).)

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

3. The date of its incorporation is 10/29/97 (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 \_\_\_\_\_  
200 North Main Street, Ste. 303, Greenville, SC. 29601

Street	City	State/Country	Zip Code
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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
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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.)

<u>Russell Powell - Pres.</u>	<u>200 North Main Street, Ste. 303, Greenville, SC. 29601</u>
<u>Charles Houser - VP.</u>	<u>200 North Main Street, Ste. 303, Greenville, SC. 29601</u>
<u>Shaler Houser - Sect'y</u>	<u>200 North Main Street, Ste. 303, Greenville, SC. 29601</u>

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

<u>Charles Houser</u>	<u>200 North Main Street, Ste. 303, Greenville, SC. 29601</u>
<u>Shaler Houser</u>	<u>200 North Main Street, Ste. 303, Greenville, SC. 29601</u>

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

\_\_\_\_\_ 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 one (1) month prior to the date the application is filed in this state.)

1.7.97  
Signature Date

SECRETARY  
Signer's Capacity

State Communications, Inc.  
Name of Corporation

Shaler Houser  
Signature

# *The State of South Carolina*

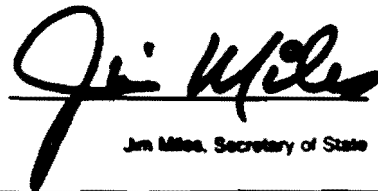
## *Office of Secretary of State Jim Miles* **Certificate of Existence**

I, Jim Miles, Secretary of State of South Carolina Hereby certify that:

**STATE COMMUNICATIONS, INC.,**

a corporation duly organized under the laws of the State of South Carolina on October 29th, 1987, and having a perpetual duration unless otherwise indicated below, has as of the date hereof filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the Corporation that it is subject to being dissolved by administrative action pursuant to Section 33-14-210 of the South Carolina Code, and that the corporation has not filed articles of dissolution as of the date hereof.

Given under my Hand and the Great Seal of  
the State at Columbia this 13th day of  
January, 1998.



Jim Miles, Secretary of State

I hereby certify that the annual report with the Tax Commission, if it is required to be filed, has been filed and that the Corporation has paid all taxes due to the State of South Carolina, and that the annual reports, a certificate of compliance must be obtained from the Tax Commission.