

APPLICATION FOR AUTHORITY
TO PROVIDE TELEPHONE
SERVICE
IN THE STATE OF MINNESOTA
(CLEC / AOS / LONG DISTANCE)



For Office Use Only:

P- _____ Docket #

PLEASE PRINT IN BLACK INK OR TYPE
ATTACH NON-REFUNDABLE FEE OF \$570.00 (see page 3 for details)

1. TELEX FREE, LLC 3/15/14
Applicant's Name (business or individual)s Date of Application

Business Address : 225 Cedar Hill Street, Marlborough, MA 01752 Business Phone 508-460-3333

Contact Persons: Joseph Isaacs Contact's Email Address: isaacs@isg-telecom.com Phone Number: 727-738-5553

Contact Person's Address: 4274 Enfield Ct., Palm Harbor, FL 34685 Street, City, State, ZIP

2. Type of Certification requested by applicant:

- A. Facilities-based local exchange company C. Long distance service
 i. Conditional certificate of authority i. Conditional certificate of authority
 ii. Operational certificate of authority ii. Operational certificate of authority
- B. Resale of local exchange service D. Local niche service
 i. Conditional certificate of authority i. Conditional certificate of authority
 ii. Operational certificate of authority ii. Operational certificate of authority

3. Applicant is: individual Date open for business: 107/19/2012
 partnership Date of organization: (*name the State Nevada)
 corporation*

4. Minnesota State Tax ID# _____ (if applicable)

5. Federal ID Number : 46-0650853

6. Are any officers or partners within the organization convicted felons: Yes No
(If yes, please explain) _____

7. Will more than 50% of your revenue be derived from the provision of operator assisted long distance services? Yes No

If yes, please identify the operator service company that will be used to provide the service: _____
(See "AOS Requirements" fact sheet)

8. List FCC licenses obtained: International 214

9. Has any state rejected your request for authority? Yes No
(If yes, please explain) _____
10. Have you ever been issued a “cease and desist” order? Yes No
(If yes, please explain) _____
11. Are you currently providing telephone service in Minnesota? Yes No
(If yes, please explain) _____
12. Verify that a toll free number to reach a customer service representative will be on the bill received by customers.
 Yes, the toll free number will be on the bill.
 No, the toll free number will not be on the bill.
 If no, how will customers know the number to call? _____
13. Provide the toll-free telephone number: 888-670-4890

NOTE: To complete this application, you must provide the information requested on the following pages.

ATTACHMENTS REQUIRED

The following attachments are required of all applicants. Please answer each of the following questions on a separate sheet(s) and attach to the application form.

1. Attach a non-refundable filing fee of \$570, payable to the Minnesota Department of Commerce. The \$570 initial filing fee will be charged to a company that is requesting authority for the first time in Minnesota. The initial filing fee will not be charged for requests for expansions of authority or the transfer of authority. Your application will not be processed until the fee is received.
2. Provide a tariff describing rates, terms and conditions of each service you propose to offer in Minnesota. Tariff template language is included in the application packet and is recommended for the identified sections.
3. For local service providers, submit a map and a narrative description of the service area for which you are seeking authority. To satisfy the map requirement, you may provide a list of the exchanges for which you are seeking authority. If you intend to serve only a portion of any exchange rather than an entire exchange, you must specify the portion of the exchange for which you are seeking authority. As stated below, a 911 plan is required for local service providers. To facilitate the processing of their application, companies should only apply for authority in those areas they intend to serve.
4. For local service providers, describe the status of any negotiations for interconnection agreements that are currently underway.
5. Provide a brief summary of the technology and facilities that you will use to provide the services that you intend to offer. Respond to each of the following:
 - a) How will end users be connected to the services? Will the ILEC's local loop be used or another facility? Will a broadband connection be relied upon? If so, will the connecting signal be (i) integrated into the end user's connection with the internet, (ii) a separate connection on the same facility, or (iii) on a separate facility from the end user's internet access? Please explain.
 - b) Will the company provide intercity transport mainly using (i) the public switched network, (ii) the public Internet backbone, (iii) a private IP network, or (iv) other? Please explain.
 - c) Where are the switches or soft-switches located that the company will use to provide these services?
 - d) Can the services be nomadic (i.e., be used from more than one location)?
 - e) Will the services permit a Minnesota end user to be assigned a telephone number associated with a rate center in which the end user is not physically located?
 - f) Will the services be offered on a retail basis, wholesale basis, or both?
 - g) Are the services intended for (i) residential customers, (ii) small business customers or (iii) large business/large organization customers?
6. Demonstrate your financial ability by attaching your most recent balance sheet and income statement, most recent annual report, and an auditor's report if available. (Proforma financial statements for new businesses)
7. Describe your ability to service and maintain your equipment.
8. Describe how you plan to bill customers.
9. Describe how you plan to handle customer complaints.
10. Describe the classes of customers you intend to serve. Note: If you intend to provide prepaid local exchange service, please include an affirmative statement that your company has reviewed Minnesota Rules part 7810.18007810.2300 and that your proposed service complies with these rules. Specifically, these Rules do not allow a carrier to disconnect service to an end user until that end user has received a disconnect notice. Disconnect notices may not be issued to an end user until after an event listed under Minnesota Rules 7810.1800 (A)-(H) has occurred.
11. Describe your marketing plan: Who do you intend to market to? Do you intend to use a multi-level marketing approach? Do you operate or offer any charity programs?
12. Describe your planned schedule for providing local service including the date you plan to provide service to the entire service area for which you are seeking authority and the dates for providing at least some service through your own network facilities.
13. Provide a copy of your certificate from the Minnesota Secretary of State to do business in Minnesota.
14. For local service providers seeking conditional authority, please provide a copy of a letter of introduction that you have sent to the following 911 experts in Minnesota:

Dana Wahlberg
State of MN 911 Program Manager
Dept of Public Safety
Emergency Communication Networks
445 Minnesota St. Suite 137
St. Paul, MN 55101-5137

Pete Eggiman, ENP
Director of 911 Services
Metropolitan Emergency Services Board
2099 University Avenue West, Suite 201
St. Paul, MN 55104

These letters should identify a contact person within your company for 911 service questions, as well as a general description of the locations you wish to serve. The Public Utilities Commission must approve the actual 911 plan before you can provide local service in Minnesota.

15. For local service providers seeking operational authority, provide a copy of your 911 plan along with any letters from the Department of Public Safety and the Metropolitan 911 Board stating any conditions they are recommending to the Public Utilities Commission for plan approval. Note that a 911 plan is required for all areas authorized for the company. Templates for 911 plans and additional 911 information can be found at <https://dps.mn.gov> (Click on “Divisions,” “Emergency Communication Networks” and “911”).
16. Provide a copy of your articles of incorporation, if a corporation.
17. Supply a list of names, addresses and telephone numbers of all officers or partners, and resumes for the key staff to demonstrate that the company has the managerial ability for the proposed undertaking.
18. Supply a list of names and addresses of stockholders owning ten percent or more of the interest in the business.
19. Identify all affiliates, subsidiaries and parent organizations.
20. A) List all other jurisdictions where you provide telephone service. Include the name of each jurisdiction and the date you received authority. B) List all pending or completed criminal, civil, or administrative action taken against you by a state or federal authority, including any settlements, in connection with your provision of telephone services or telecommunications services.
21. Applicants for local service authority must agree to offer each of the services set forth in Minnesota Rules part 7812.0600.
22. Applicants for local service authority must confirm that they will be collecting surcharges for the Telephone Assistance Plan (TAP) and will file TAP reports with the Commission verifying their remittance of this surcharge. TAP reporting forms are available on the Department’s website at www.commerce.state.mn.us (click on “Industry Info”). In addition to confirming that the TAP reporting form will be filed, please list the name of the person that will be responsible for submitting these reports.
23. Applicants for local service must demonstrate that they have notified the following persons or entities of their application: the Department of Commerce, the Office of Attorney General- Residential Utilities Division, the Department of Administration, the Department of Public Safety, persons certified to provide service within the petitioner’s designated service area, and the city clerk of all municipalities within the petitioner’s designated service area. The notice to the persons certified to provide service and to the city clerks of all municipalities may be waived if the company files a request for a variance and states: 1) compliance with the requirement would impose an excessive burden, 2) granting the variance would not adversely affect the public interest, and 3) granting the variance would not conflict with standards imposed by law.

Please electronically file this application at: <https://www.edockets.state.mn.us/EFiling/home.jsp>

(Note: you must register in advance in order to file electronically)

and mail the \$570 payment to:
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

(please reference the submission number of the efiled application)



85 7th Place East, Suite 500
St. Paul, Minnesota 55101-2198
mn.gov/commerce/
651.539.1500 FAX 651.539.1547
An equal opportunity employer

PROVIDING LOCAL OR LONG DISTANCE TELEPHONE SERVICE IN MINNESOTA

Anyone wishing to provide local or long distance service in the State of Minnesota must obtain a “Certificate of Authority” from the Minnesota Public Utilities Commission (PUC). This informational packet explains what you need to do to obtain the authority to legally do business as a telephone provider in Minnesota.

HOW MINNESOTA REGULATES

Local and long distance providers are regulated by two state agencies. The Minnesota Department of Commerce (DOC) reviews the application, investigates the company and makes a recommendation to the PUC. The PUC evaluates the application, considers recommendations and decides whether to grant or deny authority. Once a new company is in business, the DOC monitors the company’s services and enforces the rules of operation, as defined by PUC Rules and Minnesota Statute 237. For copies of the statute and rules, go to www.leg.state.mn.us or use the weblinks on the next page.

HOW TO APPLY

Obtain an application form from www.commerce.state.mn.us.

Return completed application with the specified attachments to the address listed on this application.

Applications are generally processed within 6 to 12 weeks, but may vary according to the Commission’s schedule and completeness of your applications.

<p>Note: You cannot sell services to customers within the state while you are waiting for authority from the PUC.</p>

Web Links to Telecommunications
Minnesota Rules and Minnesota Statutes

<http://www.revisor.leg.state.mn.us/arule/7810/>

<http://www.revisor.leg.state.mn.us/arule/7811/>

<http://www.revisor.leg.state.mn.us/arule/7812>

<http://www.revisor.leg.state.mn.us/arule/7829>

<http://www.revisor.leg.state.mn.us/stats/237/>

ONCE YOU ARE IN BUSINESS

You will be expected to:

- File an annual report (form provided by DOC) showing your intrastate revenues.
- File any rate or tariff changes with the PUC.
- Offer services statewide in conformance with Minn. Statutes and PUC Rules.
- Pay indirect assessment charges for the cost of regulation.

WHAT YOU SHOULD KNOW BEFORE YOU APPLY

- After receiving payment of your nonrefundable application fee and receiving your certificate of authority, you will be charged the following fees:
 - A quarterly indirect assessment, based on gross intrastate revenues over \$5,000 which covers the general costs of regulation.
 - An up-front deposit or bond may be required in some cases.
- You must have a toll-free number for customers to call with questions, complaints, or to resolve billing errors.
- You must make the following information available to the public.
 - Copies of all tariffs must be on file with DOC, and at any Minnesota business office(s), and must include a description of all available specific classes of services.
 - Information about pending service changes or rate change filings.
- You must file a tariff for the services you plan to sell, even if you are reselling the services of an underlying carrier and charging identical rates.
- If your business was not incorporated in Minnesota, you must obtain a license to do business in Minnesota from the Secretary of State's office. They can be contacted at:

Retirement Systems of Minnesota Building
60 Empire Dr., Suite 100
Saint Paul, MN 55103
Phone: Metro Area 651-296-2803, Greater MN 1-877-551-6767
Email: business.services@state.mn.us
Web: <http://www.sos.state.mn.us>.

- If you intend to provide operator services, a separate list of requirements for providing Alternate Operator Service is attached to the application form.

ALTERNATIVE OPERATOR SERVICE (AOS) REQUIREMENTS

All long distance providers who also plan to provide operator service must obtain an additional certificate of authority from the Minnesota Public Utilities Commission and must adhere to the following rules and requirements:

1. Instruct the operator to audibly and distinctly state the company's identity at the beginning of each call, with a second identification before connecting the call and before a charge is incurred by the end user.
2. Permit end users to terminate a call at no charge before the call is completed.
3. Immediately disclose, at no charge to the end user, the rates or charges for a call, how the charges will be billed or collected, and how complaints about charges or practices will be resolved.
4. Refrain from billing charges for unanswered calls.
5. Refrain from "splashing" a call unless: the end user requests to be transferred to another provider of operator services; the end user is informed prior to incurring any charges that the rate for the call may differ from the usual rate charged for a call from the same location and the end user then consents to be transferred.
6. Assure by contract or tariff that call aggregators comply with Commission requirements, which includes posting on or near the telephone, in plain view of customers, the following information:
 - a) Name, address and toll-free number of the provider of operator services.
 - b) A written disclosure that the rates for all operator-assisted calls are available upon request.
 - c) A statement of the end users' right to use that telephone to access the carrier of their choice. AOS providers shall, upon the request of the end user, provide information regarding access to an alternative carrier.
 - d) A message directing complaints to the Office of Consumer Affairs of the Minnesota Public Utilities Commission as follows:

Complaints regarding rates for calls within Minnesota should be directed to:

Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147
Phone: (651) 296-0406 or (800) 657-3782

7. Ensure that the pre-subscribed call aggregator allows end users to use "950" and "800" access code numbers for their interexchange company (IXC) of choice and the charge of accessing the "950/800" IXC is no greater than the carrier's normal charge for such a service.
8. AOS providers are prohibited from blocking access to other carriers via any form of 10XXX access other than 10XXX-1; and, will withhold compensation to call aggregators (on a location-by-location basis) who fail to comply with this regulation.

9. AOS providers must provide, upon request by an end user, information on how to access an alternative carrier. The information can include “800 or 950” numbers, access codes, or a referral to specific alternative carriers.
10. AOS charges must be billed to the end user within 90 days of the date the service was provided.
11. Local Exchange companies and Independent Local Exchange companies are prohibited from disconnecting an end user’s local service for non-payment of AOS charges.
12. AOS providers are prohibited from imposing any charges over and above what is on file with the Commission. AOS providers are prohibited from billing for, or including as part of their service charges, any surcharge imposed on the AOS provider by the call aggregator.
13. AOS providers must immediately transfer or redirect all emergency calls initiated by dialing “0” + “911” to the Local Exchange company or the appropriate emergency response agency.

August 18, 1999

TO: Energy and Telecommunications Service Lists

FROM: Burl W. Haar, Responsible Authority Designee, Minnesota Public Utilities Commission
Jim Bernstein, Responsible Authority Designee, Minnesota Department of Public Service

RE: Revised Procedures for Handling Trade Secret and Privileged Data

On December 24, 1984, the Responsible Authority Designees of the Minnesota Public Utilities Commission ("Commission") and the Minnesota Department of Public Service ("Department") gave notice of their jointly adopted Internal Procedures for Handling Trade Secret Information. Developed pursuant to the Minnesota Government Data Practices Act, these procedures governed the internal handling of "proprietary" and "trade secret" commercial and financial data filed with the Commission. The Department joined the Commission in adopting the procedures because it maintains the data filed in all Commission matters. Within a year, these procedures were revised, and on October 25, 1985, the Designees gave notice of the Amended Internal Procedures for Handling Trade Secret Information.

In July 1994, the Commission adopted Minnesota Rules 7829.0500 which specified procedures to be followed when filing "privileged proprietary" or "trade secret" data with the Commission. In October 1998, a dispute arose about the public accessibility of certain contracts that had been filed with the Commission as proprietary, trade secret data. The matter was referred for resolution to the Public Information Policy Analysis division of the Minnesota Department of Administration. On December 31, 1998, the Commissioner of Administration issued an opinion advising that any "proprietary" data filed with the Commission and held by the Department is public data under the Data Practices Act and disclosable to anyone who requests it. Data that meets the Act's definition of "trade secret," however, is "nonpublic" data which is protected from disclosure. See Comm'r of Admin. Advisory Op. 98-054, at 2-3 (Dec. 31, 1998). The Commissioner also advised that insofar as Minnesota Rules 7829.0500 states that "proprietary," non-trade secret data may be protected from disclosure by the Commission and Department, the rule must yield to the Data Practices Act, which is controlling law. Is. At 3-4.

Upon review of the Commissioner's advisory opinion and the relevant law, we, as the Responsible Authority Designees of the Commission and Department, have concluded that commercial, financial, and other filed data that is merely "proprietary" in nature is indeed public data under the Data Practices Act and accessible to anyone upon request. See Minn. Stat. § 13.03, subd. 1. Data that meets the definition of trade secret data under the Act, however, is nonpublic and generally protected from public access. See Minn. Stat. § 13.37, subds. 1. (b) and 2. We also conclude that under Minnesota Rule 7829.0500, any "privileged" data filed with the Commission, whether proprietary or not, may also be protected from disclosure. See Minn. R. subpt. 1 (protecting from disclosure "privileged proprietary information, trade secrets, or other privileged information" (emphasis added)). "Privileged" data, which is not subject to discovery, is exempt from the Data Practices Act. See *Kobluk v. University of Minnesota*, 574 N.W.2d 436, 440 & n.5 (Minn. 1998) (data to which the attorney-client privilege attaches is exempt from disclosure under the Data Practices Act). See also Minn. Stat. § 13.03, subd. 6 (in action under Data Practices Act to compel disclosure of not public data, action may proceed upon determination that the data sought is discoverable or releasable pursuant to the relevant rules of evidence and procedure).

In light of this, we have jointly adopted the enclosed Revised Procedures for Handling Trade Secret and Privileged Data, effective September 1, 1999. These procedures govern the form of trade secret and privileged data filed with the Commission and maintained by the Department, access to the data once it is held by these state agencies, and the use of such data in Commission and ALJ proceedings. Under the revised procedures, data identified as “proprietary” will be treated just as any other public data filed with the Commission. Only trade secret and privileged data will be protected from public disclosure.

Any questions regarding the procedures’ application should be directed to Commission Counsel in the Minnesota Attorney General’s Office.

Sincerely,

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission

Jim Bernstein
Deputy Commissioner
Minnesota Department of Public Service

Enclosure

- c: Edward Garvey, Chair – Minnesota Public Utilities Commission
Gregory Scott, Commissioner – Minnesota Public Utilities Commission
LeRoy Koppendray, Commissioner – Minnesota Public Utilities Commission
Marshall Johnson, Commissioner – Minnesota Public Utilities Commission
Joel Jacobs, Commissioner – Minnesota Public Utilities Commission
Steve Minn, Commissioner – Minnesota Department Public Service
Thomas Bailey, Assistant Attorney General – State of Minnesota Office of Attorney General

REVISED PROCEDURES FOR HANDLING
TRADE SECRET AND PRIVILEGED DATA

September 1, 1999

The Responsible Authority Designees of the Minnesota Public Utilities Commission (“Commission”) and the Minnesota Department of Public Service (“Department”) (collectively “the state agencies”) have adopted the following procedures for handling of trade secret and privileged data filed with the Commission.

1. **Definitions.** “Trade secret data” means data filed with the Commission that meets the definition of trade secret in the Minnesota Government Data Practices Act, Minnesota Statutes section 13.37 (1998). “Privileged data” means data filed with the Commission that is protected from disclosure pursuant to the rules of privilege recognized by law. “Protected data” means trade secret or privileged data as defined above.

2. **Procedure for Filing Trade Secret and Privileged Data.** Consistent with Minnesota Rule 7829.0500, subpt. 2(1997), trade secret or privileged data filed with the Commission shall be excised from all copies except for the original and six copies. A document containing trade secret or privileged data does not itself become trade secret or privileged; only the data within the document that meets the definition of trade secret or privileged data is protected data that may be excised. In the event that all or a substantial portion of the data in a document is excised, a statement must be filed describing the nature of the excised material, its authors, its import, and the date on which it was prepared. See Minn. R. 7829.0500, subpt. 3 (1997).

3. **Identification of Trade Secret and Privileged Data.** Minnesota Rule subpt. 4 (1997) requires that filed documents containing protected data must be clearly marked as containing data that is not for public disclosure. This requirement is met where the first page or cover page of the document is clearly captioned in bold print: **NONPUBLIC DOCUMENT-CONTAINS TRADE SECRET [or PRIVILEGED] DATA**. The rule also requires that every page on which protected data appears be similarly captioned, and that the protected data on the page be somehow clearly identified. The requirement of clearly identifying the protected data itself is met where the protected data is placed within brackets and the beginning and end of the data is indicated. For example, trade secret data should be placed within brackets as shown: **[TRADE SECRET DATA BEGINS ... TRADE SECRET DATA ENDS]**. Privileged data should be identified in the same manner.

The first page or cover page of copies of a document from which protected data has been excised must be clearly captioned in bold print: **PUBLIC DOCUMENT-TRADE SECRET [or PRIVILEGED] DATA HAS BEEN EXCISED**. The beginning and end of the excised protected data must be identified within brackets in the same manner as when the protected data has not been excised.

4. **Statement Justifying Identification of Data as Trade Secret or Privileged.** In all cases where a person or entity files data with the Commission that is identified as trade secret or privileged, an accompanying statement justifying the state agencies treating the data as protected data must also be filed. This justification must include an explanation of how the data either meets the definition of a trade secret under Minnesota Statutes section 13.37, or is privileged under a rule of privilege recognized by law.

5. **Access to Trade Secret or Privileged Data.** Trade secret and privileged data is nonpublic and shall be protected from disclosure to the public. Internal access to protected data is limited to employees of the state agencies whose work assignments reasonably require access, and to other agencies, entities, and the data subject as authorized by state statute and federal law. See Minn. R. 1205.0400, subpt. 2 (1997). The state agencies exercise care in copying and storing protected data to prevent improper data disclosure both within and outside of the agencies.

Consultants hired to aid the state agencies in the execution of their duties may also have access to the data, and pursuant to statutory mandate will be contractually bound to handle the data in accordance with the requirements of the Data Practices Act as if the consultant were a government entity. See Act of May 25, 1999, ch.250, art.1, §42, 199 Minn. Laws (to be codified at Minn. Stat. § 13.05, subd. 11). The state agencies will not be held responsible for the actions of such a consultant if the consultant has contractually agreed to manage the data as required by the Act and these procedures.

Access to protected data will also be given to those who have obtained the written consent of the person or entity who filed the protected data with the state agencies. See Minn. Stat. § 1305, subd. 4(d) (1998).

6. **Trade Secret and Privileged Data in Contested Cases or Rulemakings.** In the event that trade secret or privileged data filed with the state agencies becomes relevant to a contested case or rulemaking hearing before the Office of Administrative Hearings, the protected data shall not be disclosed or introduced into evidence without prior notice to the presiding Administrative Law Judge for determination of the proper handling of the data. See Minn. Stat. § 14.60, subds. I and 2 (1998), and Minn. R. 1205.0100, subpt. 5 (1997).

7. **Trade Secret and Privileged Data in Commission Meetings.** All meetings where the Commission transacts public business must be open to the public. See Minn. Stat. § 471.705, subd. I(a) (1998). Except as expressly authorized by the law, meetings may not be closed to discuss “not public” data. *Id.* subd. 1d(a) and (e). Minnesota Statutes section 237.115 (1998) expressly authorizes the Commission to close a meeting to discuss data that is subject to a protective order. Where such an order exists, the Commission will close a meeting consistent with the requirements of the order. Where trade secret or privileged data is not subject to a protective order, the data will be discussed in the open meeting.

The Commission also has authority to issue protective orders. See Minn. Stat. §§14.60, subds. I and 2 (1998); 216A.02, subd. 4 (1998); and 216A.05, subd. 1 (1998). Motions for a protective order should be made only in those cases where protected data is reasonably likely to be discussed in a Commission meeting. Therefore no such motions should be made until the comment period is closed for the matter in which the data was filed. In the event a protection order is sought, the motion should be filed no later than ten days after the due date for final reply comments. The Commission will determine whether to issue a protective order that closes the meeting after weighing the data privacy interest at state against the Commission's duty to conduct public business in an open meeting.

8. **Requests for Public Access to Trade Secret or Privileged Data.** Upon receiving a request for public access to protected data filed with the Commission, the Responsible Authority Designee for the Commission will review the statement of justification originally filed with the data to determine whether the data is indeed protected. If it is determined that the data is protected, the data requester will be informed in writing that the data is not being disclosed and the reasons for nondisclosure. If it is determined that any or all of the data is not protected, the person or entity who filed the data will be informed in writing which data will be disclosed and the reasons for disclosure. Access to the data at issue will not be provided, however, until ten business days after the date of written notice of disclosure. The Commission's Responsible Authority Designee will inform both the data requester and the person or entity who filed the data of their right to challenge the Responsible Authority Designee's decision in district court pursuant to Minn. Stat. § 13.08, subd. 4 (1998).

AG:216897,v.I

TARIFF TEMPLATES

- DISCONNECTION TARIFFSubstitute your company name on the following template to assure compliance with Minnesota Rules.
- DEPOSIT TARIFFSubstitute your company name on the following template to assure compliance with Minnesota Rules.
- CALL TRACE TARIFF.....Substitute your company name on the following template if you will be providing local telephone service in Minnesota.
- TAP TARIFF.....Substitute your company name on the following template if you will be providing local telephone service in Minnesota.
- LINK UP TARIFFSubstitute your company name on the following template if you will be providing local telephone service in Minnesota and are an Eligible Telecommunications Carrier (ETC).
- LIFELINE ASSISTANCESubstitute your company name on the following template if you will be providing local telephone service in Minnesota and are an Eligible Telecommunications Carrier (ETC).
- TAM TARIFFSubstitute your company name on the following template if you will be providing local telephone service in Minnesota.
- CUSTOMER COMPLAINTSSubstitute your company name and contact information
AND/OR BILLING DISPUTES on the following template.

These are sample tariffs for these issues and DO NOT represent a complete tariff book.

DISCONNECTION OF SERVICE

- A. The company may discontinue service to a customer without notice under the following conditions:
1. in the event of tampering with the company's equipment;
 2. in the event of a condition determined to be hazardous to the customer, to other customers of the company, to the company's equipment, the public, or to employees of the company; or
 3. in the event of a customer's use of equipment in such a manner as to adversely affect the company's equipment or the company's service to others.
- B. The company may discontinue service to a customer under the following conditions after giving customer five (5) days' (excluding Sundays and legal holidays) notice:
1. for failure of the customer to pay a bill for service when due;
 2. for failure of the customer to meet the company's deposit and credit requirements;
 3. for failure of the customer to make proper application for service;
 4. for customer's violation of any of the company's rules on file with the Commission;
 5. for failure of the customer to provide the company reasonable access to its equipment and property;
 6. for customer's breach of the contract for service between the company and the customer;
 7. for failure of the customer to furnish such service, equipment, and/or rights-of-way necessary to serve said customer as shall have been specified by the utility as a condition of obtaining service;
or
 8. when necessary for the utility to comply with any order or request of any governmental authority having jurisdiction.
- C. Service will not be disconnected on any Friday, Saturday, Sunday or legal holiday, or at any time when the company's business offices are not open to the public, except where an emergency exists.

DEPOSIT TARIFF

I. ADVANCE PAYMENTS

- A. At the time an application for service is made, an applicant may be required to pay an amount equal to at least one month's service and/or installation charges which may be applicable, in addition to such special construction and installation charges as are to be borne by the applicant. The amount of the advance payment is credited to the customer's account on the first bill rendered.
- B. Federal, State or Municipal governmental agencies may not be required to make advance payments.

II. CREDIT POLICY

A. Deposit and Guarantee Requirements

The utility may require a deposit or guarantee of payment from any customer or applicant who has not established good credit with that utility. Deposit or guarantee of payment requirements as prescribed by the utility must be based upon standards which bear a reasonable relationship to the assurance of payment. The utility may determine whether a customer has established good credit with that utility, except as herein restricted:

- 1) A customer, who within the last 12 months has not had service disconnected for nonpayment of a bill and has not been liable for disconnection of service for nonpayment of a bill, and the bill is not in dispute, shall be deemed to have established good credit.
- 2) A utility shall not require a deposit or a guarantee of payment based upon income, home ownership, residential location, employment tenure, nature of occupation, race, color, creed, sex, marital status, age, national origin, or any other criteria which does not bear a reasonable relationship to the assurance of payment or which is not authorized by this chapter.
- 3) No utility shall use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of the customer. Any credit history so used shall be bailed to the customer in order to provide the customer an opportunity to review the data. Refusal of a customer to permit use of a credit rating or credit service other than that of a utility shall not affect the determination by the utility as to that customer's credit history.
- 4) Qualifying applicants for Lifeline Service may initiate service without paying a deposit if they voluntarily elect to have Toll Blocking on their line. Toll Blocking will be provided at no charge to Lifeline customers. When required, a customer may assure payment by submitting a deposit. A deposit shall not exceed an estimated two months' gross bill or existing two months' bill where applicable. All deposits shall be in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the utility, except where such bill has been discharged in bankruptcy. A utility shall not require a deposit or a guarantee of payment without explaining in writing why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon return. The deposit shall be refunded to the customer after 12 consecutive months of prompt payment of all bills to that utility. The utility may, at its option, refund the deposit by direct payment or as a credit on the bill. With notice any

deposit of a customer shall be applied by the utility to a bill when the bill has been determined by the utility to be delinquent. Each utility shall issue a written receipt of deposit to each customer from whom a deposit is received and shall provide a means whereby a depositor may establish a claim if the receipt is unavailable.

Interest shall be paid on deposits in excess of \$20 at the rate set by the Commissioner of the Department of Commerce as required by Minnesota Statutes §325E.02. The interest rate may be found on the Department of Commerce website at www.commerce.state.mn.us. Interest on deposits shall be payable from the date of deposit to the date of refund or disconnection. The utility may, at its option, pay the interest at intervals it chooses but at least annually, by direct payment, or as a credit on bills.

Upon termination of service, the deposit with accrued interest shall be credited to the final bill and the balance shall be returned within 45 days to the customer.

B. Guarantee of Payment

The utility may accept, in lieu of deposit, a contract signed by a guarantor satisfactory to the utility whereby payment of a specified sum, not exceeding the deposit requirement, is guaranteed. The term of such contract shall be for no longer than 12 months, but shall automatically terminate after the customer has closed and paid the account with the utility, or at the guarantor's request upon 60 days' written notice to the utility. Upon termination of a guarantee contract or whenever the utility deems same insufficient as to amount or surety, a cash deposit or a new or additional guarantee may be required for good cause upon reasonable written notice to the customer.

The service of any customer who fails to comply with these requirements may be disconnected upon notice as prescribed in Minnesota Rules. The utility shall mail the guarantor copies of all disconnect notices sent to the customer whose account he has guaranteed unless the guarantor waives such notice in writing.

Company

TELEPHONE TARIFF
MINNESOTA

PART ____
SHEET ____
ORIGINAL

GENERAL EXCHANGE SERVICES

CALL TRACING

A. GENERAL

Call Tracing allows for the identification and recording of the telephone numbers of some or all of the incoming calls to the telephone line of a customer.

B. DEFINITIONS

1. Customers - means a person, firm, partnership, limited liability company, corporation, municipality, cooperative association or organization, governmental agency, or other entity receiving telecommunications services.
2. Customer-originated call-tracing service - means a customer-activated, call- specific form of call tracing available as part of a set of services called Customer Local Area Signaling Service (CLASS).
3. Emergency - means a situation that appears to present immediate danger to person or property.
4. Investigative or law enforcement officer - means an officer of the United States, a state, or a political subdivision of the United States or a state, or a University of Minnesota peace officer, which is empower by law to investigate or make arrests for crimes related to communications, or an attorney authorized by law to prosecute those crimes.

C. TERMS AND CONDITIONS

1. Call Tracing will be provided when requested by both a customer and an investigative or law enforcement officer and the customer has provided consent. Normally written consent will be required.

In emergencies, call tracing will be provided upon receiving oral consent from the customer. The customer will be requested to provide written consent promptly and advised to seek the assistance of an investigative or law enforcement officer.

ISSUED: _____ EFFECTIVE: _____

BY: _____
Name Titles Address

Company

TELEPHONE TARIFF
MINNESOTA

PART __
SHEET __
ORIGINAL

GENERAL EXCHANGE SERVICES

CALL TRACING

C. TERMS AND CONDITIONS (continued)

2. Information regarding the originating telephone numbers will be disclosed only to investigative or law enforcement officers, not to customers receiving call-tracing services.
3. The company will work with investigative or law enforcement officers to determine how long call-tracing services should be provided.
4. The company may provide customer-originated call-tracing service (CLASS Call Trace) as an alternative to CallTracing in response to a Call Tracing request from a customer who is located in an exchange where CLASS Call Trace is available and where CLASS Call Trace will function as accurately as Call Tracing.

D. RATES

1. Call Tracing Setup
 - a. During Normal Business Hours \$
 - b. Outside of Business Hours \$
2. Extension of Call Tracing period at request of investigative or law enforcement agency No Charge
3. Provision of Call Tracing information to investigative or law enforcement agency No Charge

ISSUED: _____ EFFECTIVE: _____

BY: _____
Name Titles Address

Name of Company

Telephone Assistance Plan (TAP)

1. General

TAP is a state sponsored assistance program under Minnesota Statutes Chapter 237 and is designed to make telephone service accessible to qualifying low-income residential households. Through this program, eligible households will receive a monthly discount of \$2.50 on their telephone service.

NOTE: The TAP discount will increase to \$3.50 per month as of October 1, 2013.

2. Eligibility Requirements

To be eligible for assistance, an applicant must meet the following requirements:

2.1 This discount applies on a single home phone line at the principal place of residence for the applicant.

2.2 Applicant signs document certifying under penalty of perjury that the consumer has income at or below 135 percent of the Federal Poverty Guidelines or receives benefits from at least one of the following programs:

- Medicaid
- Food Support (Food stamps)
- Supplemental Security Income
- Federal Public Housing Assistance or Section 8
- Low Income Home Energy Assistance Program
- National School Lunch Program's Free Lunch Program
- Temporary Assistance for Needy Families (Minnesota Family Investment Program, or MFIP)

Individuals who do not qualify under any of the above but live on a federally recognized reservation may qualify if the applicant signs a document certifying under penalty of perjury that the applicant receives benefits from at least one of the following programs:

- Bureau of Indian Affairs General Assistance
- Tribally administered Temporary Assistance for Needy Families
- Head Start (only for those meeting its income qualifying standard)
- National School Lunch Program's Free Lunch Program

2.3 Applicant agrees to notify the carrier if that consumer ceases to participate in any of the above listed federal assistance programs.

3. Eligibility Revocation

If the telephone company discovers that conditions exist that disqualify the recipient of TAP, the support will be discontinued. The customer will be billed retroactively to whichever is the most recent of the dates TAP assistance commenced or the recipient no longer qualified for the service not to exceed 12 months.

4. State TAP Monthly Surcharge: The surcharge rate is the effective rate ordered by the Minnesota Public Utilities Commission. The company is responsible for billing, collecting and remitting the surcharge to the appropriate government agency.

LOCAL EXCHANGE TARIFF – LINK-UP FOR TRIBAL LANDS

A. General

Link-Up for Tribal Lands is a federally sponsored assistance program under 47 C.F.R. § 54.413. It is a program for eligible residents of Tribal lands seeking telecommunications service from a telecommunications carrier that is receiving high-cost support on Tribal lands. Link-Up offers a 100 percent reduction, up to \$100, off installation charges to qualifying residents of Tribal lands (Link-Up will not cover the cost of a phone or wiring to your home). The remaining portion of the service installation charge, up to \$200, may be installment billed, interest-free, over a period of one year.

B. Eligibility Requirements

To be eligible for assistance, an applicant must meet the following requirements:

1. This discount applies on a single telecommunications connection, a subscriber's principal place of residence.
2. An eligible resident of Tribal lands may receive the benefit of the Tribal Link Up program for a second or subsequent time only for otherwise qualifying commencement of telecommunications service at a principal place of residence with an address different from the address for which Tribal Link Up assistance was provided previously.
3. Applicant signs document certifying under penalty of perjury that the consumer has income at or below 135 percent of the Federal Poverty Guidelines or receives benefits from at least one of the following programs:

- Medicaid
- Supplemental Nutrition Assistance Program (food stamps)
- Supplemental Security Income
- Federal Public Housing Assistance or Section 8
- Low Income Home Energy Assistance Program
- National School Lunch Program's Free Lunch Program
- Temporary Assistance for Needy Families (Minnesota Family Investment Program, or MFIP)

Individuals who do not qualify under any of the above but live on or near a federally recognized reservation may qualify if the applicant signs a document certifying under penalty of perjury that the applicant receives benefits from at least one of the following programs:

- Bureau of Indian Affairs General Assistance
- Tribally Administered Temporary Assistance for Needy Families
- Tribally Administered Head Start (only for those meeting its income qualifying standard)
- Food Distribution Program on Indian Reservations

4. Applicant agrees to notify the carrier if that consumer ceases to participate in any of the above listed federal assistance programs.

C. Credit and Collections

1. Credit Reference

The credit verification procedures used for all applicants who apply for service will also be used for applicants who apply for service under the Link-Up for Tribal Lands program.

2. Deposits

The deposit standards used for all applicants who apply for service will also be used for applicants who apply for service under the Link-Up for Tribal Lands program. The Link-Up for Tribal Lands program does not reduce or eliminate any permissible security deposits.

3. Collection Standards

Once service has been established for a Link-Up for Tribal Lands applicant, he or she will be expected to adhere to the same bill payment policies expected of any other customer.

LIFELINE ASSISTANCE

The Lifeline Assistance (Lifeline) program, established by the Federal Communications Commission under 47 C.F.R. § 54.401-54.410 allows qualifying low income consumers to pay reduced monthly charges for their primary home phone line, including cell phones.

A. General

1. Eligible applicants receive a reduction of \$9.25 on their monthly telephone bill. Eligible applicants living on or near federally recognized Tribal Lands/reservations may receive an additional credit of \$25.00.
2. The Federal Universal Service Fund End User Charge will not be billed to Lifeline customers.
3. Local service for Lifeline subscribers may not be disconnected for non-payment of toll charges.
 - a. Toll Restriction Service will be provided to Lifeline subscribers at no charge.
 - b. Lifeline subscribers are not required to accept Toll Restriction Service as a condition to avoid disconnection of local service for non-payment of toll.
 - c. Lifeline subscribers are not required to pay a service deposit in order to initiate service if the subscriber voluntarily elects to receive Toll Restriction Service.
4. Partial payments from Lifeline subscribers will be applied first to local service charges and then to toll charges.
5. Lifeline subscribers will not be denied re-establishment of service on the basis that the subscriber was previously disconnected for non-payment of toll charges.

B. Eligibility Requirements

1. A single consumer may not receive more than one Lifeline-supported service. Lifeline will be provided for one (1) telephone subscription per household to those individuals who meet the eligibility requirements. A “household” is any individual or group of individuals who are living together at that same address as one economic unit. A household may include related and unrelated persons. An “economic unit” consists of all adult individuals contributing to and sharing in the income and expense of a household.
2. The applicant has income at or below 135 percent of the Federal Poverty Guidelines or participates in one of the following programs:

Medicaid/Medical Assistance
Supplemental Nutrition Assistance Program (food stamps)
Supplemental Security Income
Federal Public Housing Assistance or Section 8
Low Income Home Energy Assistance Program (LIHEAP)
National School Lunch Program's Free Lunch Program
Temporary Assistance for Needy Families (Minnesota Family Investment Program, or MFIP)

Individuals who do not qualify under any of the above but live on or near a federally recognized reservation may qualify if the applicant receives benefits from at least one of the following programs:

Bureau of Indian Affairs General Assistance
Tribally Administered Temporary Assistance for Needy Families
Tribally Administered Head Start (only for those meeting its income qualifying standard)
Food Distribution Program on Indian Reservations

3. The applicant signs a document certifying under penalty of perjury that the applicant receives benefits from one of the programs listed, identifies the program or programs from which that consumer receives benefits, and attaches proof of income or program participation.
4. The applicant signs a document agreeing to notify the carrier if for any reason they no longer satisfy the criteria for receiving Lifeline support. The Lifeline recipient may be required to re-certify continued eligibility, and failure to do so will result in removal from the program.

C. De-enrollment

If an eligible telecommunications carrier has a reasonable basis to believe that a Lifeline subscriber no longer meets the criteria to be considered a qualifying low-income consumer, the carrier must notify the subscriber of impending termination of his or her Lifeline service, and if applicable, de-enroll the subscriber pursuant to 47 C.F.R. § 54.405(e).

Name of Company

TELECOMMUNICATIONS ACCESS MINNESOTA (TAM)

1. Definition

This tariff provides for a surcharge to establish and administer a program to distribute telecommunications devices to eligible Minnesotans who have a hearing, speech, or physical disability and to provide telecommunications relay services.

2. Eligibility for Telecommunications Devices

The Department of Human Services is responsible for distributing telecommunications devices and will determine if a consumer is eligible for such devices. To be eligible to obtain a telecommunication device, a person must be:

- a. able to benefit from and use the equipment for its intended purpose;
- b. have a communication disability;
- c. a resident of the state;
- d. a resident in a household that has a median income at or below the applicable median household income in the state, except a person who is deafblind applying for a Braille device may reside in a household that has a median income no more than 150 percent of the applicable median household income in the state; and
- e. a resident in a household that has telecommunications service or that has made application for service and has been assigned a telephone number; or a resident in a residential care facility, such as a nursing home or group home where telecommunications service is not included as part of overall service provision.

3. Funding

The program is funded through a surcharge on each customer access line, including trunk equivalents, capable of originating a TRS call.

4. Rates

The surcharge rate is the effective rate ordered by the Minnesota Public Utilities Commission. The company is responsible for billing, collecting and remitting the surcharge to appropriate government agency.

CUSTOMER COMPLAINTS AND/OR BILLING DISPUTES

Customer Complaints, Billing Disputes & Inquiries

Customers may register any inquiry or complaint at (insert telephone company name, address, telephone, website and, if possible, an email address here)

Customers unable to resolve a dispute with the company may submit any inquiry or complaint to the:

Minnesota Public Utilities Commission
Consumer Affairs Office
121 7th Place E Suite 350
St. Paul MN 55101-2147
Metro: 651-296-0406
Non-Metro: 1-800-657-3782
Fax: 651-297-7073
Email: consumer.puc@state.mn.us
Web: www.puc.state.mn.us

SEND FULL COPY OF APPLICATION TO THESE PARTIES:

MN PUC/Department of Commerce

Original plus 5 copies
(If part of the application is TRADE SECRET,
you must provide both TRADE SECRET and
PUBLIC versions.)

Service on these agencies is accomplished by electronically filing your application at:
<https://www.edockets.state.mn.us/EFiling/home.jsp>. When you file your application electronically, you
DO NOT need to mail any copies to the above address.

Attorney General's Office

1 PUBLIC copy

Anti-Trust and Utilities Division

1400 NCL Tower

445 Minnesota Street

St. Paul, MN 55101

IF YOU ARE GOING TO PROVIDE LOCAL SERVICE, YOU MUST PROVIDE A COPY TO:

Dana Wahlberg

1 PUBLIC copy

State of MN 911 Program Manager

Dept of Public Safety

Emergency Communication Networks

445 Minnesota St. Suite 137

St. Paul, MN 55101-5137

**IF YOU ARE GOING TO PROVIDE LOCAL SERVICE IN THE METRO AREA, YOU MUST
ALSO PROVIDE A COPY TO:**

Pete Eggiman, ENP

1 PUBLIC copy

Director of 911 Services

Metropolitan Emergency Services Board

2099 University Avenue West, Suite 201

St. Paul, MN 55104

**IF YOU ARE GOING TO PROVIDE LOCAL SERVICE, YOU MUST PROVIDE A PUBLIC
COPY TO THE INCUMBENT CARRIER IN THE AREAS IN WHICH YOU ARE SEEKING
AUTHORITY. HERE ARE THE ADDRESSES OF THE FOUR LARGEST COMPANIES IN
MINNESOTA:**

Citizens Telecommunications Company

Scott Bohler

2378 Wilshire Boulevard

Mound, MN 55364-1652

Frontier Communications of Minnesota, Inc.

Scott Bohler

2378 Wilshire Boulevard

Mound, MN 55364-1652

Embarq Minnesota, Inc.

JoAnn Hanson

200 South 5th Street, Room 390

Minneapolis, MN 55402

Qwest Corporation

JoAnn Hanson

200 South 5th Street, Room 390

Minneapolis, MN 55402

APPLICATION FOR INTERCHANGE CARRIER
TELEXFREE, LLC
ATTACHMENTS REQUIRED

The following attachments are required of all applicants. Please answer each of the following questions on a separate sheet(s) and attach to the application form.

1. Attach a non-refundable filing fee of \$570.00, payable to the Minnesota Department of Commerce. The \$570 initial filing fee will be charged to a company that is requesting authority for the first time in Minnesota. The initial filing fee will not be charged for requests for expansions of authority or the transfer of authority. Your application will not be processed until the fee is received.

ATTACHED

ATTACHMENT 2
INTEREXCHANGE TARIFF

SEE ATTACHED

ATTACHMENT 3
MAP FOR LOCAL SERVICE PROVIDERS

For local service providers, submit a map and a narrative description of the service area for which you are seeking authority. To satisfy the map requirement, you may provide a list of the exchanges for which you are seeking authority. If you intend to serve only a portion of any exchange rather than an entire exchange, you must specify the portion of the exchange for which you are seeking authority. As stated below, a 911 plan is required for local service providers. To facilitate the processing of their application, companies should only apply for authority in those areas they intend to serve.

NOT APPLICABLE

ATTACHMENT 4

For local service providers, describe the status of any negotiations for interconnection agreements that are currently underway.

NOT APPLICABLE

ATTACHMENT 5

Provide a brief summary of the technology and facilities that you will use to provide the services that you intend to offer.

Respond to each of the following:

- a) How will end users be connected to the services? Will the ILEC's local loop be used or another facility? Will a broadband connection be relied upon? If so, will the connecting signal be (i) integrated into the end user's connection with the internet, (ii) a separate connection on the same facility, or (iii) on a separate facility from the end user's internet access? Please explain.

Customers will be connected to our Long distance and VoIP offering through the ILEC's local loop or a broadband connection obtained elsewhere. Customer shall have the option of (1), (11) or (111) on their own.

- b) Will the company provide intercity transport mainly using (i) the public switched network, (ii) the public Internet backbone, (iii) a private IP network, or (iv) other? Please explain.

NO

- c) Where are the switches or soft-switches located that the company will use to provide these services?

Applicant will own no switches in Minnesota as it will lease facilities of other carriers.

- d) Can the services be nomadic (i.e., be used from more than one location)?

Yes they may.

- e) Will the services permit a Minnesota end user to be assigned a telephone number associated with a rate center in which the end user is not physically located?

As an interexchange company, the applicant will not be assigning telephone numbers.

- f) Will the services be offered on a retail basis, wholesale basis, or both?

RETAIL ONLY

- g) Are the services intended for (i) residential customers, (ii) small business customers or (iii) large business/large organization customers?

Applicant's services are intended for residential and small business customers only.

ATTACHMENT 6

Demonstrate your financial ability by attaching your most recent balance sheet and income statement, most recent annual report, and an auditor's report if available. (Proforma financial statements for new businesses)

Applicant has the financial ability to operate successfully in the State of Minnesota. See P&L and Balance sheet for the period ending 12/31/13 which is filed as Confidential and Under Seal.

Telexfree LLC
Profit & Loss
January - December 2013

	Total
Income	
Income	0.00
Income - paid through bank	119,575,477.02
Income - paid through system	572,240,960.21
Total Income	\$ 691,816,437.23
Sales	0.00
Total Income	\$ 691,816,437.23
Cost of Goods Sold	
Direct Inbound Dial & Access Numbers	15,256.18
Telecom & Database Network Expense	397,322.12
Termination	1,850,898.35
Total Cost of Goods Sold	\$ 2,263,476.65
Gross Profit	\$ 689,552,960.58
Expenses	
Advertising	16,568.75
Agent Commission - paid through bank	50,424,998.61
Agent Commission - paid through system	572,240,960.21
Bank Charges	161,804.71
Charitable Contributions	7,500.00
Credit Card Fees	16.10
Depreciation	9,575.10
Events	109,454.62
Filing and registered agent fees	1,579.00
Income tax expense	
Federal Income Tax Expense	21,613,289.00
State income and franchise taxes	3,705,135.30
Total Income tax expense	\$ 25,318,424.30
Interest Expense	14,127.09
Meals and Entertainment	2,808.87
Merchant Fees	1,038,788.45
Miscellaneous	65,555.90
Office Expenses	12,910.27
Office Rental	10,603.92
Office Supplies	1,956.33
Payroll Expenses	
Payroll Fees	425.05
Payroll Reimbursement Expense	58,006.04
Payroll Salaries	0.00
Payroll Tax Expense	-384.50

Total Payroll Expenses	\$ 58,046.59
Personnel	18,750.00
Postage & Delivery	113.77
Product Development	6,000.00
Professional Fees	225,256.49
Accounting	43,085.37
Attorney	162,801.09
Total Professional Fees	\$ 431,142.95
Promotion Expense	110,893.86
Refund	733,638.50
Chargebacks	666,390.91
Charged Twice	46,353.20
Fraud	646,292.90
Total Refund	\$ 2,092,675.51
Small Items Not Capitalized	728.16
Software Development	81,287.50
Subcontractor	50,524.82
Technology Consultant	440,682.36
Professional Consultant IT	440,682.36
Total Technology Consultant	\$ 440,682.36
Telecom tax expense	23,403.93
Travel	133,924.45
Travel Meals	21.99
Website Domain	649.81
Total Expenses	\$ 652,886,477.93
Net Operating Income	\$ 36,666,482.65
Other Income	2,731.65
Interest Earned	2,731.65
Total Other Income	\$ 2,731.65
Other Expenses	48,662.88
Loss on Investment	48,662.88
Other Expenses	0.00
Penalties & Settlements	186,719.86
Total Other Expenses	\$ 235,382.74
Net Other Income	-\$ 232,651.09
Net Income	\$ 36,433,831.56

Telexfree LLC
Balance Sheet
As of December 31, 2013

	Total
ASSETS	
Current Assets	
Bank Accounts	
100103 ProPay	98,463.24
100104 TD Bank 2808	0.00
100105 TD Bank 0334	0.00
100106 TD Bank 8409	295,921.23
100107 Citizens Bank	0.00
100109 Fidelity Bank 3842	-200.00
100110 Fidelity Bank Sweep 7884	2,041.16
100111 e-Wallet	31,640,192.30
100113 Middlesex Savings	5,467,660.06
	\$ 37,504,077.99
Total Bank Accounts	
Other current assets	
Loan to TelexElectric, LLLP	2,022,329.00
Loan to Telexfree Financial Inc	3,800,475.30
Loan to Telexfree Inc	0.00
Loan to TelexMobile	500,870.00
Loan to Ympactus	291,808.02
Propay Reserve	4,468,411.11
	\$ 11,083,893.43
Total Other current assets	
	\$ 48,587,971.42
Fixed Assets	
Accumulated Depreciation	-9,575.10
Equipment	86,541.68
	\$ 76,966.58
Total Fixed Assets	
Other Assets	
Citizens Bank Investment	0.00
Fidelity Investment	18,068,960.59
Middlesex Savings Acc 0260	2,000,000.00
Organizational Costs	3,475.00
Security Deposits	5,944.00
Software	97,948.56
Waddell and Reed, Inc	7,299,408.73
	\$ 27,475,736.88
Total Other Assets	
	\$ 76,140,674.88
TOTAL ASSETS	\$ 76,140,674.88
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
American Express	0.00
Bank of America Braz Help 0033	0.00
Bank of America Telexfree 2658	0.00

Total Credit Cards	\$ 0.00
Other Current Liabilities	
Commissions Payable	7,642,550.42
Craft Trust Financial	0.00
Federal Income Taxes Payable	21,613,289.00
Loan from Telexfree Inc.	5,390,753.49
Payable to Brazilian Help, Inc	2,671.76
Shareholder Loan	50.00
State/Local Income Tax Payable	3,924,262.30
Telecom taxes payable	23,403.93
	<hr/>
Total Other Current Liabilities	\$ 38,596,980.90
	<hr/>
Total Current Liabilities	\$ 38,596,980.90
	<hr/>
Total Liabilities	\$ 38,596,980.90
Equity	
Retained Earnings	1,109,862.42
Net Income	36,433,831.56
	<hr/>
Total Equity	\$ 37,543,693.98
	<hr/>
TOTAL LIABILITIES AND EQUITY	\$ 76,140,674.88

ATTACHMENT 7

Describe your ability to service and maintain your equipment.

NOT APPLICABLE – Applicant will not own any switching equipment in Minnesota

ATTACHEMNT 8
Describe how you plan to bill customers.

Applicant will bill its customers through an in-house billing platform

ATTACHMENT 9

Describe how you plan to handle customer complaints.

Applicant has set up a dedicated customer service department that will handle both complaints and billing issues Monday-Friday from 8am EST to 5pm EST and Saturday from 8am EST to 2pm EST. A dedicated toll free number has also been established: 888-670-4890 In the event that our customer service manager, Danielle Goss, cannot handle a particular situation then all complaints will be escalated to Mr. Jim Merrill, Managing Member of TelexFREE.

ATTACHMENT 10

Describe the classes of customers you intend to serve.

Note: If you intend to provide prepaid local exchange service, please include an affirmative statement that your company has reviewed Minnesota Rules part 7810.18007810.2300 and that your proposed service complies with these rules. Specifically, these Rules do not allow a carrier to disconnect service to an end user until that end user has received a disconnect notice. Disconnect notices may not be issued to an end user until after an event listed under Minnesota Rules 7810.1800 (A)-(H) has occurred.

Applicant intends to serve residential and small business throughout the State of Minnesota. Applicant is not requesting certification as a local exchange carrier and no intent on selling prepaid local service.

Attachment 11

Describe your marketing plan: Who do you intend to market to? Do you intend to use a multi-level marketing approach? Do you operate or offer any charity programs?

Applicant intends to market its product primary through agents to residential customers. Currently no charitable programs are being offered.

Attachment 12

Describe your planned schedule for providing local service including the date you plan to provide service to the entire service area for which you are seeking authority and the dates for providing at least some service through your own network facilities.

NOT APPLICABLE. APPLICANT HAS NO PLANS TO OFFER LOCAL SERVICE

ATTACHMENT 13

Provide a copy of your certificate from the Minnesota Secretary of State to do business in Minnesota.

**Office of the Minnesota Secretary of State
Certificate of Authority**

I, Mark Ritchie, Secretary of State of Minnesota, do certify that: The following business entity has duly complied with the relevant provisions of Minnesota Statutes listed below, and is formed or authorized to do business in Minnesota on and after this date with all the powers, rights and privileges, and subject to the limitations, duties and restrictions, set forth in that chapter.

The business entity is now legally registered under the laws of Minnesota.

Name in Minnesota:	TelexFree, LLC
Name in Home Jurisdiction:	TelexFree, LLC
File Number:	745272500021
Minnesota Statutes, Chapter:	322B
Home Jurisdiction:	Nevada
This certificate has been issued on:	03/17/2014



Mark Ritchie

Mark Ritchie
Secretary of State
State of Minnesota

ATTACHMENT 14

For local service providers seeking conditional authority, please provide a copy of a letter of introduction that you have sent to the following 911 experts in Minnesota:

Dana Wahlberg
State of MN 911 Program Manager
Dept of Public Safety
Emergency Communication Networks
445 Minnesota St. Suite 137
St. Paul, MN 55101-5137

Pete Eggiman, ENP
Director of 911 Services
Metropolitan Emergency Services Board
2099 University Avenue West, Suite 201
St. Paul, MN 55104

NOT APPLICABLE

ATTACHMENT 15

For local service providers seeking operational authority, provide a copy of your 911 plan along with any letters from the Department of Public Safety and the Metropolitan 911 Board stating any conditions they are recommending to the Public Utilities Commission for plan approval. Note that a 911 plan is required for all areas authorized for the company. Templates for 911 plans and additional 911 information can be found at <https://dps.mn.gov> (Click on “Divisions,” “Emergency Communication Networks” and “911”).

NOT APPLICABLE AS APPLICANT DOESN'T SEEK AUTHORITY TO PROVIDE LOCAL SERVICE

ATTACHMENT 16

Provide a copy of your articles of incorporation, if a corporation.

SECRETARY OF STATE



CERTIFICATE OF EXISTENCE WITH STATUS IN GOOD STANDING

I, ROSS MILLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, non-profit corporations, corporation soles, limited-liability companies, limited partnerships, limited-liability partnerships and business trusts pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that the records of the Nevada Secretary of State, at the date of this certificate, evidence, **TELEXFREE, LLC**, as a limited liability company duly organized under the laws of Nevada and existing under and by virtue of the laws of the State of Nevada since July 19, 2012, and is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on February 11, 2014.



ROSS MILLER
Secretary of State

Electronic Certificate
Certificate Number: C20140211-0459
You may verify this electronic certificate
online at <http://www.nvsos.gov/>

ATTACHMENT 17

Supply a list of names, addresses and telephone numbers of all officers or partners, and resumes for the key staff to demonstrate that the company has the managerial ability for the proposed undertaking.

TelexFREE, LLC has 2 officers and owners with equal 50% shares

Mr. Jim Merrill

Mr. Carlos Wanzeler

See attached resumes

ATTACHMENT 18

Supply a list of names and addresses of stockholders owning ten percent or more of the interest in the business.

Mr. Jim Merrill	50%
Mr. Carlos Wanzeler	50%

ATTACHMENT 19

Identify all affiliates, subsidiaries and parent organizations.

NONE

ATTACHEMNT 20

A) List all other jurisdictions where you provide telephone service. Include the name of each jurisdiction and the date you received authority. B) List all pending or completed criminal, civil, or administrative action taken against you by a state or federal authority, including any settlements, in connection with your provision of telephone services or telecommunications services.

- A) Applicant has received authorization to provide interexchange services in 2014 in CA, TX, IA, KY, MI, IL and MO
- B) NONE

ATTACHMENT 21

Applicants for local service authority must agree to offer each of the services set forth in Minnesota Rules part 7812.0600.

NOT APPLICABLE

ATTACHMENT 22

Applicants for local service authority must confirm that they will be collecting surcharges for the Telephone Assistance Plan (TAP) and will file TAP reports with the Commission verifying their remittance of this surcharge. TAP reporting forms are available on the Department's website at www.commerce.state.mn.us (click on "Industry Info"). In addition to confirming that the TAP reporting form will be filed, please list the name of the person that will be responsible for submitting these reports.

NOT APPLICABLE

ATTACHMENT 23

Applicants for local service must demonstrate that they have notified the following persons or entities of their application: the Department of Commerce, the Office of Attorney General- Residential Utilities Division, the Department of Administration, the Department of Public Safety, persons certified to provide service within the petitioner's designated service area, and the city clerk of all municipalities within the petitioner's designated service area. The notice to the persons certified to provide service and to the city clerks of all municipalities may be waived if the company files a request for a variance and states: 1) compliance with the requirement would impose an excessive burden, 2) granting the variance would not adversely affect the public interest, and 3) granting the variance would not conflict with standards imposed by law.

NOT APPLICABLE

TITLE SHEET

TELEXFREE, LLC

TARIFF NO. 1

This tariff contains the description, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by TelexFREE, LLC whose principle place of business is 225 Cedar Hill Street, Marlborough, MA 01752. This tariff is on file with the Minnesota Public Utilities Commission, and copies may be inspected during normal business hours at the Company's principal place of business. The Company's toll free telephone number is 1-888-670-4890.

Issued: March 25, 2014

Effective: _____

Issued By:

Jim Merrill, Managing Member
TelexFREE, LLC

CHECK SHEET

All sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all sheets of tariff and are effective as of the date stated on the bottom of each page.

<u>Sheet</u>	<u>Revision</u>	<u>Sheet</u>	<u>Revision</u>
1	Original	21	Original
2	Original	22	Original
3	Original	23	Original
4	Original	24	Original
5	Original		
6	Original		
7	Original		
8	Original		
9	Original		
10	Original		
11	Original		
12	Original		
13	Original		
14	Original		
15	Original		
16	Original		
17	Original		
18	Original		
19	Original		
20	Original		

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TelexFREE, LLC

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- D - Deleted or Discontinued Material
- I - Change Resulting In A Rate Increase
- M - Moved From Another Tariff Location
- N - New Material
- R - Change Resulting In A Rate Reduction
- T - Change In Text or Regulation But No Change In Rate or Charge

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TARIFF FORMAT

- A. Sheet Numbering - Sheet numbers appear in the upper-right corner of the sheet. Sheets are numbered sequentially. New sheets are occasionally added to the tariff.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper-right corner of the sheet. These numbers are used to determine the most current sheet version on file with the MN P.U.C. For example, 4th revised Sheet 14 cancels 3rd Revised Sheet 14.
- C. Paragraph Numbering Sequence - There are various levels of alphanumeric paragraph coding. Each level of coding is subservient to its next higher level of coding.
- 2.
 - 2.1.
 - 2.1.1.
 - 2.1.1.A.
 - 2.1.1.A.1.
 - 2.1.1.A.1.(a)
- D. Check Sheets - When a tariff filing is made with the MN P.U.C., an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new sheets are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc., remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current sheet on file with the MN P.U.C..

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS1.1 Definitions:

Application for Service - A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable the carrier to provide the communication service as required.

Authorized User - A person, firm, corporation, or other entity authorized by the customer to receive or send communications.

Cancellation of Order - A customer-initiated request to discontinue processing a service order, either in part or in its entirety, prior to its completion.

Carrier - TelexFREE, LLC, unless specifically stated otherwise.

Commission - The Minnesota Public Utilities Commission.

Company - TelexFREE, LLC, also referred to as "Carrier."

Completed Calls - Completed calls are calls answered on the distance end.

Customer - The person, firm, corporation, or other entity which orders or uses service and is responsible by law for payment for communication service from the telephone utility.

Customer Provided Equipment - Terminal equipment provided by a customer.

Day Rate Period - 8:00 a.m. to 4:59 p.m., Monday through Friday.

Delinquent Account - An account for which a bill or payment agreement for regulated services or equipment has not been paid in full on or before the last day for timely payment.

Disconnection - The disabling of circuitry preventing outgoing and incoming toll communication service provided by Carrier.

Due Date - The last day for payment without unpaid amounts being subject to a late payment charge.

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TelexFREE, LLC

1.1 Definitions: (continued)

Evening Rate Period - 5:00 p.m. to 10:59 p.m., Sunday through Friday.

Holidays - Carrier's recognized holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Measured Use Service - The provision of long distance measured time communications telephone service to customers who access the carrier's services at its switching and call processing equipment by means of access facilities obtained from another carrier by the customer or otherwise provided at its own expense (the customer is responsible for arranging for the access line).

Message - A completed telephone call by a customer or user.

Night/Weekend Rate Period - 11:00 p.m. to 7:59 a.m., every day; 8:00 a.m. to 10:59 p.m. Saturday; and 8:00 a.m. to 4:59 p.m. Sunday.

Normal Business Hours - 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays.

Premises - The space occupied by an individual customer in a building, in adjoining buildings occupied entirely by that customer, or on contiguous property occupied by the customer separated only by a public thoroughfare, a railroad right of way or a natural barrier.

Terminal Equipment - All telephone instruments, including pay telephone equipment, the common equipment of large and small key and PBX systems and other devices and apparatus, and associated wiring, which are intended to be connected electrically, acoustically or inductively to the telecommunication system of the telephone utility.

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TelexFREE, LLC

1.2 Abbreviations:

LATA - Local Access Transport Area

LEC - Local Exchange Carrier

MTS - Message Toll Service

PBX - Private Branch Exchange

SAL - Special Access Line

V&H - Vertical and Horizontal

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TelexFREE, LLC

SECTION 2 - RULES AND REGULATIONS

2.1 Carrier Undertaking

Carrier provides interexchange long distance telephone service to customers for their direct transmission of voice, data, and other types of telecommunications.

Communications originate when the customer accesses Carrier directly or through the facilities of the local service carrier via one or more access lines, equal access or on a dial-up basis. Carrier may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the network. The customer shall be responsible for all charges due for such service arrangements.

The Company's services are provided on a monthly basis unless otherwise stated in this tariff, and are available twenty-four (24) hours per day, seven (7) days per week.

2.2 Limitations on Service

2.2.1 Service is offered subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this tariff.

2.2.2 Carrier reserves the right to discontinue furnishing service upon written notice, when necessitated by conditions beyond its control or when the customer is using the service in violation of the provisions of this tariff or in violation of the law.

2.2.3 Title to any equipment provided by Carrier under these regulations remains with Carrier. Prior written permission from the company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to any assignee or transferee.

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TelexFREE, LLC

2.3 Use of Service

Service may not be used for any unlawful purposes.

The minimum period for service is one month (30 days), unless specifically stated in the service description.

2.4 Limitation of Liability

2.4.1 Carrier shall not be liable to any person, firm or entity for damages, either direct, indirect, consequential, special, incidental, actual, punitive, or for any other damages or lost profits of arising out of mistakes, accidents, errors, omissions, interruptions, delays or defects in transmissions, which are not caused by the negligence of the carrier, commencing upon activation of service and in no event exceeding an amount equivalent to the proportionate charge to the customer for the period of service during which the mistakes, accidents, errors, omissions, interruptions, delays or defects in transmission occurred.

2.4.2 Carrier will indemnify the customer and hold it harmless in respect to any and all loss, damage, liability or expense asserted against the customer by a third party on account of any property damage or personal injury caused by the negligence or willful misconduct of Carrier or its agents or representatives arising out of performance by Carrier of any testing or other activities on the customer's premises pursuant to this tariff. Carrier's obligations under the immediately preceding sentence shall be subject to the customer's full performance of this tariff and subject further to the customer's duty to take reasonable precautions in the location, construction, maintenance and operation of all activities, facilities and equipment for the protection against hazard or injury and so as to not interfere with the services provided by Carrier.

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TelexFREE, LLC

2.4.3 Carrier shall be indemnified and held harmless by the customer against:

- A. Claims for libel, slander, infringement of patent or copyright or unauthorized use of any trademark, trade name, or service mark arising out of the material, data information, or other content transmitted over the carrier's facilities; and
- B. All other claims arising out of any act or omission by the customer in connection with any service provided by Carrier.

2.5 Interruption of Service

2.5.1 A credit allowance for interruptions of service are subject to the liability provisions set forth herein. It shall be the obligation of the customer to notify Carrier of any interruption in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by or within the customer's control and is not in wiring or equipment connected to the Carrier's terminal.

2.5.2 No credit shall be allowed for an interruption of less than two hours. The customer shall be credited for an interruption of two hours or major fraction thereof that interruption continues beyond two hours.

2.5.3 When a minimum usage charge is applicable and the customer fails to meet a usage minimum credit, the outage shall be applied against that minimum equal to 1/360th of the monthly minimum charges associated with the portion of service disabled for each period of two hours or major fraction thereof that the interruption continues beyond two hours.

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2.6 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in Part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

2.7 Customer Responsibility

2.7.1 All customers assume general responsibilities in connection with the provisions and use of Carrier's service. All customers are responsible for the following:

- A. The customer is responsible for placing orders for service, paying all charges for service rendered by Carrier and complying with all of Carrier's regulations governing the service. The customer is also responsible for assuring that its users comply with regulations.
- B. When placing an order for service, the customer must provide:
 - 1. The name(s) and address(es) of the person(s) responsible for the payment of service charges.
 - 2. The name(s), telephone number(s), and address(es) of the customer contact person(s).
- C. The customer must pay Carrier for the replacement or repair of Carrier's equipment when the damage results from:
 - 1. The negligence or willful act of the customer or user.
 - 2. Improper use of service.
 - 3. Any use of equipment or service provided by others.

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2.7.2 Maintenance, Testing, and Adjustment

Upon reasonable notice, the equipment provided by Carrier shall be made available to Carrier for such tests and adjustments as may be necessary to maintain them in satisfactory condition. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.7.3 Deposits and Guarantees

A. Deposit and Guarantee Requirements

The Company may require a deposit or guarantee of payment from any customer or applicant who has not established credit the Company. Deposit or guarantee payment requirements as prescribed by the Company will be based upon standards which bear a reasonable relationship to the assurance of payment. The Company may determine whether a customer has established good credit with the Company, except as herein restricted:

- 1) A customer, who within the last 12 months has not had service disconnected for nonpayment of a bill and has not been liable for disconnection of service for nonpayment of a bill, and the bill is not in dispute, shall be deemed to have established good credit.
- 2) The Company shall not require a deposit or a guarantee of payment based upon income, home ownership, residential location, employment tenure, nature of occupation, race, color, creed, sex, marital status, age, national origin, or any other criteria which does not bear a reasonable relationship to the assurance of payment or which is not authorized by Minnesota Rules.
- 3) The Company shall not use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of the customer. Any credit history so used shall be mailed to the customer in order to provide the customer an opportunity to review the data. Refusal of a customer to permit use of a credit rating or credit service other than that of a utility, will not affect the determination by the utility as to that customer's credit history.

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Jim Merrill, Managing Member
TelexFREE, LLC

A. Deposit and Guarantee Requirements (contd.)

When required, a customer may assure payment by submitting a deposit. A deposit shall not exceed an estimated two months' gross bill or existing two months' bill where applicable. All deposits shall be in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the Company, except where such bill has been discharged in bankruptcy. The Company shall not require a deposit or guarantee of payment without explaining in writing why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon return. The deposit shall be refunded to the customer after 12 consecutive months of prompt payment of all bills to the Company. The Company may, at its option, refund the deposit by direct payment or as a credit on the bill. With notice any deposit of a customer shall be applied by the utility to a bill when the bill has been determined by the utility to be delinquent. The Company shall issue a written receipt of deposit to each customer from whom a deposit is received and shall provide a means whereby a depositor may establish a claim if the receipt is unavailable.

Interest shall be paid on deposits in excess of \$20.00 at the rate of six percent per year. Interest on deposits shall be payable from the date of deposit to the date of refund or disconnection. The utility may, at its option, pay the interest at intervals it chooses, but at least annually, by direct payment, or as a credit on bills.

Upon termination of service, the deposit with accrued interest shall be credited to the final bill and the balance shall be returned within 45 days to the customer.

B. Guarantee of Payment

The Company may accept, in lieu of a deposit, a contract signed by a guarantor satisfactory to the Company whereby payment of a specified sum, not exceeding the deposit requirement is guaranteed. The term of such contract shall be for no longer than 12 months, but shall automatically terminate after the customer has closed and paid the account with the Company, or at the guarantor's request upon 60 days' written notice to the Company. Upon termination of a guarantee contract or whenever the Company deems same insufficient as to amount or surety, a cash deposit or a new or additional guarantee may be required for good cause upon reasonable written notice to the customer.

The service of any customer who fails to comply with these requirements may be disconnected upon notice as prescribed in the Minnesota Rules. The Company shall mail the guarantor copies of all disconnect notices sent to the customer whose account (s)he has guaranteed unless the guarantor waives such notice in writing.

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TelexFREE, LLC

2.7 Customer Responsibility

2.7.4 Credit Allowances

Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in equipment owned, provided and billed for, by Carrier.

- A. Credit allowances for failure of service begin when the customer notifies Carrier of the failure or when Carrier becomes aware of the failure and ceases when operation has been restored and an attempt made to notify the customer.
- B. The customer shall notify Carrier of failures of service and make reasonable attempts to ascertain that the failure is not caused by customer-provided facilities, an act or omission of the customer, or in wiring or equipment connected to the terminal.
- C. Only those portions of the service disabled will be credited. No credit allowances will be made for:
 - 1. Interruptions of service resulting from Carrier performing routine maintenance;
 - 2. Interruptions of service for implementation of a customer order or a change in the service;
 - 3. Interruption caused by the negligence of the customer or his authorized user;
 - 4. Interruptions of service due to customer or authorized user provided facilities.

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TelexFREE, LLC

2.7.5 Cancellation by Customer

If a customer orders services requiring special equipment and/or facilities dedicated to the customer's use and then cancels his order before the service begins, a charge will be made to the customer for the non-recoverable portions of expenditures or liabilities incurred expressly on behalf of the customer by Carrier.

2.7.6 Payment and Charges for Services

- A. Service is provided and billed on a monthly basis.
- B. Payment is due upon receipt. Payment will be considered timely if paid within 20 days after the bill is rendered. The bill shall be considered rendered when deposited in the U.S. mail with postage prepaid.
- C. In the event of a dispute concerning a bill, Customer must pay a sum equal to the amount of the undisputed portion of the bill and proceed with complaint procedures set forth herein.
- D. The customer is responsible for payment of all charges for service furnished to the customer under this tariff. Charges are based on actual usage during a month will be billed monthly in arrears.
- E. Customer is responsible for payment of any state and local taxes (i.e. gross receipts tax, sales tax, municipal utilities tax) which will be listed as separate line items and which are not included in the quoted rates.
- F. Customers will be charged a late payment penalty on past-due amounts owed to the company.
- G. Customers will be charged a fee for all dishonored checks issued to Carrier, not to exceed a maximum of \$20.00.

2.7.7 Customer Complaints and/or Billing Disputes

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

TelexFREE, LLC
15350 Sherman Way, Suite 492
Van Nuys, California 91406
Telephone: (818) 786-8990 or 1-888-389-2899 (toll free)

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2.7.7 Customer Complaints and/or Billing Disputes (contd.)

Any objection to billed charges should be reported promptly to the Company. If after investigation and review by the Company, a disagreement remains as to the disputed amount, the customer may file an appropriate complaint with:

Minnesota Public Utilities Commission
Consumer Affairs Office
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147
Telephone: (651) 296-0406 or Toll Free: 1-800-657-3782
TTY: (651) 297-1200
Fax: (651) 297-7073
E-Mail: CAOstaff@pucgate.puc.state.mn.us

2.8 Carrier Responsibility

2.8.1 Cessation of Service

Service shall cease at the end of the customer's service period, or when the customer transfers service to another long distance carrier, whichever occurs first. No credit shall be given for any prepaid services discontinued prior to the end of the service term for which payment was made.

2.8.2 Cancellation of Service by Company:

- A. The Company may refuse or discontinue service to a customer without notice under the following conditions:
1. in the event of tampering with the Company's equipment;
 2. in the event of a condition determined to be hazardous to the customer, to other customers of the Company, to the Company's equipment, the public, or to employees of the company; or
 3. in the event of a customer's use of equipment in such a manner as to adversely affect the Company's equipment of the Company's service to others.

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2.8.2 Cancellation of Service by Company: (contd.)

- B. The Company may discontinue service to a customer under the following conditions after giving the customer five (5) days' notice, excluding Sundays and legal holidays:
1. for failure of the customer to pay a bill for service when due;
 2. for failure of the customer to meet the Company's deposit and credit requirements;
 3. for failure of the customer to make proper application for service;
 4. for customer's violation of any of the company's rules on file with the Commission;
 5. for failure of the customer to provide the Company reasonable access to its equipment and property;
 6. for customer's breach of the contract for service between the Company and the customer.
 7. for a failure of the customer to furnish such service, equipment and/or rights-of-way necessary to serve said customer as shall have been specified by the utility as a condition of obtaining service; or
 8. when necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.
- C. Service will not be disconnect on any Friday, Saturday, Sunday or legal holiday, or at any time when the Company's business offices are not open to the public, except where an emergency exists.

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TelexFREE, LLC

SECTION 3 - DESCRIPTION OF SERVICE AND RATES

3.1 Timing of Calls

The customer's monthly usage charges for services are based upon the total number of minutes the customer uses and service options subscribed to. Chargeable time begins when the connection is established between the calling station and the called station or PBX. Chargeable time ends when the either party "hangs up."

There is no charge for uncompleted calls.

3.2 Start of Billing

The start of service date is the first day on which service is actually available to the customer. The end of service date is the last day or any portion thereof that service is provided.

3.3 Interconnection

Service furnished by Carrier may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Carrier. Service furnished by the Company is not part of a joint undertaking with any such other carriers. Any special interface equipment shall be provided at the customer's expense.

Interconnection with the facilities or services of other carriers shall be under the applicable terms and conditions of other carriers' tariffs. The customer is responsible for taking all necessary legal steps for interconnecting his customer-provided terminal equipment or communications systems with Carrier's. The customer shall secure all licenses, permits, right-of-ways, and other arrangements necessary for such interconnection.

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3.4 Terminal Equipment

Carrier's service may be used with or terminated in customer provided terminal equipment or customer provided communication systems, such as teleprinters, handsets, or data sets. Terminal equipment shall be furnished and maintained at the expense of the customer. The customer is responsible for all costs at his premises, including customer personnel, wiring, electrical power, and the like incurred in the use of Carrier's service.

If the customer fails to maintain and operate his terminal equipment properly, resulting in the occurrence or possibility of harm to Carrier's equipment or personnel, or impairment to the quality of service to other customers, Carrier may, upon written notice, require the use of protective equipment at the customer's expense. If this fails to produce satisfactory quality and safety of service, Carrier may, upon written notice, terminate the customer's service.

3.5 Calculation of Distance

Usage charges for any mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The company uses the rate centers and associated vertical and horizontal coordinates generally accepted within the industry.

Formula:
$$\frac{\sqrt{(V1 - V2)^2 + (H1 - H2)^2}}{10}$$

3.6 Minimum Call Completion Rate

The customer can expect a call completion rate of 99% of Feature Group D (1+) calls attempted.

3.7 Special Service

A Special Service is deemed to be any service requested by the customer for which there is no prescribed rate in this tariff. Special Services charges will be developed on an individual case basis and filed in this tariff.

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3.8 Service Offerings

The company provides the following services:

3.8.1 Switched Access Outbound and Inbound Service

A. Switched Access Outbound 1 Service

Telex's Switched Access Outbound 1 Service provides Customers with the ability to make intrastate 1+ long distance calls within the state. All calls are billed in one (1) minute increments, with a minimum billing period of one (1) minute. The rate options and tiers listed in the table in Section 4.4.1 provide the Customer the option of choosing one of the applicable rate plans based upon their monthly estimated usage.

B. Switched Access Outbound 6 Service

Telex's Switched Access Outbound 6 service provides Customers with the ability to make intrastate 1+ long distance calls within the state. All calls are billed in six (6) second increments, with a minimum billing period of eighteen (18) seconds. The rate options and tiers listed in the table in Section 4.4.2 provide the Customer the option of choosing one of the applicable rate plans based upon their monthly estimated usage.

C. Switched Access Inbound 1 Service

Telex's Switched Access Inbound 1 service provides Customers with the ability to received intrastate toll free calls within the state. All calls are billed in one (1) minute increments, with a minimum billing period of one (1) minute. The rate options and tiers listed in the table in Section 4.4.3 provide the Customer the option of choosing one of the applicable rate plans based upon their monthly estimated usage.

D. Switched Access Inbound 6 Service

Telex's Switched Access Inbound 6 service provides Customers with the ability to received intrastate toll free calls within the state. All calls are billed in six (6) second increments, with a minimum billing period of eighteen (18) seconds. The rate options and tiers listed in the table in Section 4.4.4 provide the Customer the option of choosing one of the applicable rate plans based upon their monthly estimated usage.

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TelexFREE, LLC

3.9 Service Offerings, (Cont'd.)

3.9.7 Optional Rates and Tiered Pricing Summary

Customers are offered services based upon the Options and Tier levels provided in the rate tables of this tariff. Customer rates are established based upon anticipated usage and term commitment established during the initial point of sale. The following information shall be used on all rate tables.

Customers may request that the Company review their billing levels and if applicable, move them to a different billing level based upon the actual billing. Customers that are eligible for a lower per minute billing rate will be moved to the newer rate but will not be eligible for retroactive credits between the actual billing levels and the billing levels established during the initial sales call and/or subsequent billing review.

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TelexFREE, LLC

SECTION 4 - RATES AND CHARGES

4.1. Usage Charges and Billing Increments

4.1.1 Usage Charges

Unless flat rated, usage charges are determined by the time of day rate periods and minutes of use within each rate period. The rate period is determined by the time and day of call origination at the customer's location.

4.1.2 Billing Increments

Usage is billed in accordance with the billing increments set forth in the individual product rate sections of this tariff. All partial usage will be rounded up to the next highest applicable billing increment.

4.1.3 Rounding

All calls are rounded to the next highest billing interval. Any partial cents per call will be rounded up to the next highest whole cent.

4.2 Switched Access Outbound and Inbound Rates

	Tier A Origination	Tier B Origination Plan
SVR	\$0.1140 per minute	\$0.1680 per minute Plan
VR	\$0.1290 per minute	\$0.1900 per minute

Billed with an initial 18 second increment and in 6 second increments thereafter.

Customers using less than \$15.00 per month will incur a monthly recurring charge of \$2.99.

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Issued By:

Jim Merrill, Managing Member
TelexFREE, LLC

4.3 Directory Assistance

\$0.99 per call.

4.4 Late Payment Penalty

Customers will be charged 1.5% of any amounts owed to the Company beyond the due date as set forth within this tariff.

4.5 Dishonored Check Charge

All customers issuing dishonored check(s) to the company will be charged a fee of \$20.00 per check.

Commission approval of such promotion.

4.13 Pay Telephone (Payphone) Surcharge

A \$0.35 surcharge shall be assessed for each call made from a pay telephone to an 8XX number or using a travel card and dialing the carrier prefix in the form 101XXXX.

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