

**NEWMAN, COMLEY & RUTH**

PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS AT LAW

MONROE BLUFF EXECUTIVE CENTER

601 MONROE STREET, SUITE 301

P. O. BOX 537

JEFFERSON CITY, MISSOURI 65102-0537

TELEPHONE: (573) 634-2266

FACSIMILE: (573) 636-3306

ROBERT K. ANGSTEAD  
ROBERT J. BRUNDAGE  
MARK W. COMLEY  
CATHLEEN A. MARTIN  
STEPHEN G. NEWMAN  
JOHN A. RUTH

September 14, 1999

The Honorable Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102-0360

**FILED<sup>2</sup>**  
**SEP 14 1999**  
Missouri Public  
Service Commission

Re: P.D.S., Inc. d/b/a Phone Debit Systems, Inc.

*TA 2000-234*

Dear Judge Roberts:

Enclosed for filing in the above-referenced matter, please find the original and fourteen copies of an Application and the original and five copies of a Tariff set out as Exhibit II.

If you have any questions, please advise. Thank you very much for your attention to this matter.

Sincerely,

NEWMAN, COMLEY & RUTH, P.C.

By:

*Cathleen A. Martin*

Cathleen A. Martin

[martinc@ncrpe.com](mailto:martinc@ncrpe.com)

CAM/slw

Enclosures

cc: Monique Byrnes  
Office of Public Counsel

0000233

BEFORE THE  
PUBLIC SERVICE COMMISSION OF MISSOURI

**FILED**<sup>2</sup>  
SEP 14 1999  
Missouri Public  
Service Commission

In the Matter of the Application of )  
**P.D.S., Inc., d/b/a Phone Debit Systems, Inc.** )  
for a Certificate of Authority )  
To Provide Competitive Intrastate Interexchange )  
Telecommunications Services in )  
Missouri )

Case No. TA 2000-234

**APPLICATION**

COMES NOW P.D.S., Inc., d/b/a Phone Debit Systems, Inc. ("Phone Debit," "Company," or "Applicant") and hereby requests that the Missouri Public Service Commission grant Phone Debit a Certificate of Service Authority to provide competitive intrastate interexchange telecommunications service within the State of Missouri pursuant to Section 392.440, RSMo 1994<sup>1</sup>; an order classifying it as a competitive telecommunications company providing competitive service; and an order suspending, waiving, or modifying certain commission rules and statutory provisions as they relate to the regulation of the Applicant in the State of Missouri pursuant to Section 392.420, RSMo. Phone Debit provides the following information:

1. Phone Debit is a corporation organized under the laws of Texas. Its principal office is located at:

P.D.S., Inc., d/b/a Phone Debit Systems, Inc.  
17400 Dallas Parkway, Suite 114  
Dallas, Texas 75287-7305  
Contact: Joyce Clinger  
Telephone: (972) 250-0383  
Facsimile: (972) 250-0806

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<sup>1</sup>All statutory references are to Revised Statutes of Missouri 1994, unless otherwise noted.

A copy of Phone Debit's Articles of Incorporation and Certificate of Authority to transact business in Missouri are attached hereto as Exhibit I and incorporated herein by reference.

2. Phone Debit proposes to offer long distance voice telecommunications services over resold transmission facilities. The Company offers prepaid debit card service.

3. Phone Debit's statutory representation in the State of Missouri is:

National Registered Agents, Inc.  
300-B East High Street  
Jefferson City, MO 65101

4. Phone Debit has no plans to install or construct transmission facilities in Missouri. The Company will provide resold long distance telecommunication services. The Company plans to provide service twenty-four (24) hours a day, seven (7) days a week, originating from equal access end offices and terminating throughout the State of Missouri.

All service is prepaid. The Company issues debit cards which include a toll-free number for inquiries or complaints printed on the back of each card.

5. The Company's target market includes both residential and business Customers. Each Customer is charged individually for each call placed through Phone Debit. Customer cards are decremented based on their use of the Phone Debit's service. Rates for these services are based on call duration and product type.

6. Phone Debit offers interstate and intrastate resale long distance service. The Company will resell the facilities of existing carriers. Calls originate over LEC facilities to the underlying carrier and are switched over the underlying carrier's network facilities.

7. Phone Debit possesses the requisite managerial and technical expertise to provide resale interexchange telecommunications services.

8. Phone Debit possesses sufficient financial resources to successfully provide resale interexchange telecommunications services in Missouri.

9. Phone Debit's tariff, which contains the rules and regulations applicable to its Customers, a description of the services offered, and a list of rates associated with such services, is being filed simultaneously with this Application, attached as Exhibit II. The tariff has a forty-five (45) day effective date.

10. Phone Debit requests classification as a competitive telecommunications company operating within the State of Missouri. Phone Debit further requests classification of services described in Phone Debit's tariff as competitive services.

11. Applicant will not unjustly discriminate among its Customers, which discrimination is prohibited pursuant to Section 392.200.

12. Applicant, pursuant to Section 386.570, will comply with all applicable Commission rules except those which are specifically waived by the Commission pursuant to a request filed by the Applicant.

13. Correspondence or communications pertaining to this application should be addressed to:

Cathleen A. Martin  
Attorney at Law  
Newman, Comley & Ruth PC  
Post Office Box 537  
601 Monroe Street, Suite 301  
Jefferson City 65102  
Telephone: (573) 634-2266  
Facsimile: (573) 636-3306

AND Monique Byrnes  
Technologies Management, Inc.  
210 N. Park Avenue  
Winter Park, Florida 32789  
(407) 740-8575  
(407) 740-0613

14. Applicant also respectfully requests, pursuant to Section 392.420, RSMo (Cum. Supp. 1994), that the Commission suspend, waive or modify the application of the following rules and statutory provisions as they relate to the regulation of the applicant:

- |                                    |  |
|------------------------------------|--|
| 4 CSR 240-10.020                   | - Depreciation fund income   |
| 4 CSR 240-30.010(2)(C)             | - Posting of exchange rates at central operating offices                                   |
| 4 CSR 240-30.040                   | - Uniform system of accounts   |
| 4 CSR 240-32.030(1) (B)<br>and (C) | - Exchange area maps and records of access lines   |
| 4 CSR 240-32.030(2)                | - In-state record keeping  |
| 4 CSR 240-32.050(3)<br>through (6) | - Information concerning local service tariffs, maps<br>directories, and telephone numbers |
| 4 CSR 240-32.070(4)                | - Coin telephones  |
| 4 CSR 240-33.030                   | - Minimum charge rules   |
| 4 CSR 240-33.040(5)                | - Finance fee  |
|                                    |  |
| Section 392.210.2                  | - System of Accounts   |
| Section 392.240(1)                 | - Rates--reasonable average return on investment   |
| Section 392.270                    | - Property valuation   |
| Section 393.280                    | - Depreciation rates   |
| Section 392.290                    | - Issuance of securities   |
| Section 392.300.2                  | - Stock ownership and sale   |
| Section 392.310                    | - Issuance of stocks and bonds   |
| Section 392.320                    | - Stock dividends  |
| Section 392.330                    | - Issuance of securities, debt and notes   |
| Section 392.340                    | - Reorganization   |

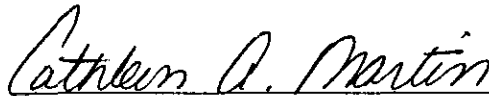
The above-referenced rules and statutory provisions have been waived with regard to other interexchange carriers in prior cases. These rules or statutory provisions are principally designed to apply to noncompetitive telecommunications carriers. It would be inconsistent with the goal and purpose of Section 392.530 to apply them to a competitive telecommunications carrier such as the Applicant.

WHEREFORE, Applicant P.D.S., Inc., d/b/a Phone Debit Systems, Inc. respectfully requests the Commission to grant it a Certificate of Authority to provide competitive intrastate interexchange telecommunications service within the State of Missouri; an order classifying it as a competitive telecommunications company providing competitive service; an order suspending, waiving, or modifying the above-referenced rules and statutory provisions as they relate to the regulation of the Applicant in the State of Missouri; and for such further orders as the Commission deems appropriate.

Dated: September 14, 1999

Respectfully submitted,

ATTORNEY FOR APPLICANT  
P.D.S., Inc., d/b/a Phone Debit Systems, Inc.



Cathleen A. Martin Mo. Bar No. 45682  
Attorney at Law  
Newman, Comley & Ruth PC  
601 Monroe Street, Suite 301  
P.O. Box 537  
Jefferson City 65102

Telephone: (573) 634-2266  
Facsimile: (573) 636-3306

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered or mailed, postage prepaid, this 14th day of September, 1999, to:

Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, Missouri 65102

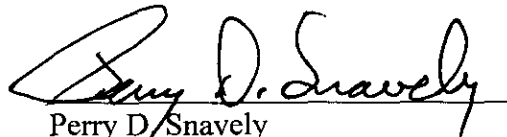
Cathleen A. Martin

Cathleen A. Martin      Mo. Bar No. 45682  
Attorney at Law  
Newman, Comley & Ruth PC  
601 Monroe Street, Suite 301  
P.O. Box 537  
Jefferson City 65102

Telephone: (573) 634-2266  
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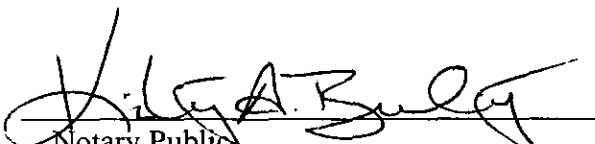
VERIFICATION

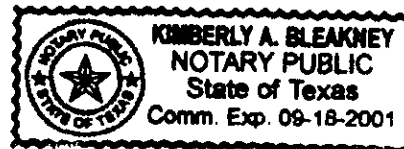
I, Perry D. Snavelly, first being duly sworn upon oath depose and say I am the President of P.D.S., Inc., d/b/a Phone Debit Systems, Inc., a Texas corporation; that I have read the above and foregoing petition by me subscribed and know the contents thereof; that said contents are true in substance and in fact, except as to those matters stated upon information and belief, and as to those, I believe same to be true.

  
Perry D. Snavelly

Subscribed and sworn to before me

this 31 day of AUGUST, 1999

  
Notary Public





APPLICATION OF

P.D.S., Inc., d/b/a Phone Debit Systems, Inc.

**EXHIBIT I**

Articles of Incorporation and  
Certificate of Authority to Transact Business in Missouri

# STATE OF MISSOURI



**Rebecca McDowell Cook**  
**Secretary of State**

## CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS,  
PDS, INC.

USING IN MISSOURI THE NAME  
PHONE DEBIT SYSTEMS, INC.

HAS COMPLIED WITH THE GENERAL AND BUSINESS CORPORATION LAW WHICH GOVERNS FOREIGN CORPORATIONS; BY FILING IN THE OFFICE OF THE SECRETARY OF STATE OF MISSOURI AUTHENTICATED EVIDENCE OF ITS INCORPORATION AND GOOD STANDING UNDER THE LAWS OF THE STATE OF TEXAS.

NOW, THEREFORE, I, REBECCA MCDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI, DO HEREBY CERTIFY THAT SAID CORPORATION IS FROM THIS DATE DULY AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE, AND IS ENTITLED TO ALL RIGHTS AND PRIVILEGES GRANTED TO FOREIGN CORPORATIONS UNDER THE GENERAL AND BUSINESS CORPORATION LAW OF MISSOURI.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 28TH DAY OF JULY, 1999.

  
Secretary of State



\$155.00



# The State of Texas

Secretary of State

SEP. 22, 1998

PHONE DEBIT SYSTEMS INC.  
17400 DALLAS PKWY #114  
DALLAS ,TX 75287-0806

RE:  
PDS, INC.

CHARTER NUMBER C0285390-00

ASSUMED NAME:  
PHONE DEBIT SYSTEMS, INC.

FILE DATE: SEP. 21, 1998

DEAR SIR OR MADAM,

THE ASSUMED NAME CERTIFICATE FOR THE ABOVE REFERENCED INCORPORATED BUSINESS OR PROFESSION HAS BEEN FILED IN THIS OFFICE. THIS LETTER MAY BE USED AS EVIDENCE OF THE FILING.

IN ADDITION TO FILING WITH THE SECRETARY OF STATE, CHAPTER 36 OF THE TEXAS BUSINESS AND COMMERCE CODE REQUIRES FILING OF THE ASSUMED NAME CERTIFICATE WITH THE COUNTY CLERK IN THE COUNTIES IN WHICH THE REGISTERED OFFICE AND THE PRINCIPAL OFFICE OF THE CORPORATION ARE LOCATED.



VERY TRULY YOURS,

A handwritten signature in dark ink, appearing to read "Alberto R. Gonzales".

Alberto R. Gonzales, Secretary of State

OFFICE OF EARL BULLOCK, COUNTY CLERK, DALLAS COUNTY, TEXAS  
ASSUMED NAME CERTIFICATE FOR AN INCORPORATED BUSINESS OR PROFESSION

NOTICE:

"CERTIFICATES" ARE VALID FOR A PERIOD NOT TO EXCEED 10 YEARS FROM  
THE DATE FILED IN THE COUNTY CLERK'S OFFICE (CHAPTER 36, SECT. 1,  
TITLE 4 BUSINESS AND COMMERCE CODE)

THIS CERTIFICATE PROPERLY EXECUTED IS TO BE FILED IMMEDIATELY  
WITH THE COUNTY CLERK

NAME UNDER WHICH BUSINESS OR PROFESSIONAL SERVICES IS OR WILL BE CONDUCTED  
P.D.S., Inc. dba Phone Debit Systems, Inc.

Address: 17400 Dallas Parkway, Suite #114  
City: Dallas State: Texas Zip Code: 75287

1. The name of the incorporated business or profession as stated in its Articles of Incorporation or comparable document is: P.D.S., Inc.

2. The state, country, or other jurisdiction under the laws of which it was incorporated is: Texas  
and the address of its registered or similar office in that jurisdiction is:  
17400 Dallas Parkway, Suite #114, Dallas, TX 75287

3. The period, not to exceed ten years, during which this assumed name will be used is: 10

4. The corporation is a (circle one) business corporation, non-profit corporation, professional corporation, professional association or  
other type of corporation (specify):  
or other type of of incorporated business, professional or other association or legal entity (specify):

5. If the corporation is required to maintain a registered office in Texas, the address of the registered office is:  
17400 Dallas Parkway, Suite 114, Dallas, TX 75287

and the name of its registered agent at such address is: Perry D. Snavelly  
principal office (if not the same as the registered office) is:

6. If the corporation is not required to or does not maintain a registered office in Texas, the office address in Texas is:

and if the corporation is not incorporated, organized or associated under the laws of Texas, the address of its place of business in Texas  
is:

the office address elsewhere is:

7. The county or counties where business or professional services are being or are to be conducted or rendered under such assumed name  
are (if applicable, use the designation "all" or "all except" Dallas County).

8. If this instrument is executed by the attorney-in-fact, the attorney-in-fact hereby states that he has been duly authorized, in writing, by  
his principal to execute and acknowledge this instrument.

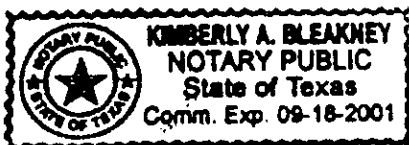
Perry D. Snavelly  
Signature of Officer, representative or  
attorney-in-fact of the corporation

THE STATE OF TEXAS  
COUNTY OF DALLAS

BEFORE ME, THE UNDERSIGNED AUTHORITY, on this day personally appeared PERRY D. SNAVELLY

known to me to be the person whose name is/are subscribed to the foregoing instrument and, under oath, acknowledged to  
me that he signed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on SEPTEMBER 15, 1998



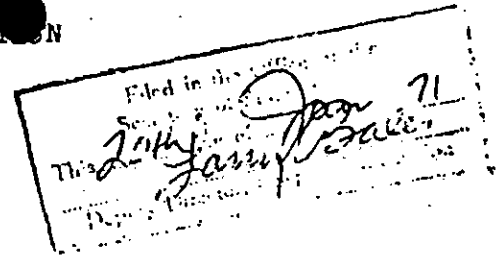
EARL BULLOCK, COUNTY CLERK  
DALLAS COUNTY, TEXAS

BY: [Signature]  
Deputy County Clerk

CERTIFICATE OF INCORPORATION

OF

CHURCH FUNDS, INC.



We, the undersigned natural persons of the age of twenty-one years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Business Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

FIRST: The name of the corporation is:

CHURCH FUNDS, INC.

SECOND: The corporation is to have perpetual existence.

THIRD: The nature of the business of the Corporation and the objects and purposes to be transacted, promoted, and carried on by it are as follows:

To engage in the general business of buying and selling goods, wares, merchandise and personal property of every class.

To act as representative for manufacturers, wholesalers and distributors of any goods, wares, merchandise, and personal property of every class, and to act as a distributing agent in dealing in and with goods, wares, merchandise, and personal property of every class.

To acquire, and pay for in cash, stock or bonds of the Corporation or otherwise, the good will, rights, assets and property, and to undertake or assume the whole or any part of the obligations or liabilities of any person, firm, association or corporation.

To acquire by purchase, subscription or otherwise ( including, without limitation, the issuance of the Corporation's stocks, bonds, notes and other obligations ), and to receive, hold, own, sell, assign, exchange, transfer, mortgage, pledge or otherwise dispose of or deal in and with any of the shares of the capital stock, or any voting trust certificates in respect of the shares of capital stock, script, warrants, rights, bonds, debentures, notes, trust receipts, and other securities, obligations, choses in action and evidences of indebtedness or interest issued or created by any corporations, joint stock companies, syndicates, associates, firms, trusts or persons, public or private, or by the government of the United States of America or by any foreign government, or by any state, territory, province, municipality or other political subdivision or by any governmental agency and as owner thereof to possess and exercise all the rights, powers and privileges of ownership, including the right to execute consents and vote thereon, and to do any and all acts and things necessary or advisable for the preservation, protection, improvement and enhancement in value thereof.

To enter into, make and perform contracts of every kind and description with any person, firm, association, corporation, municipality, county, state, body politic or government or colony or dependency thereof.

To borrow or raise moneys for any of the purposes of the Corporation and, from time to time without limit as to amount, to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the Corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such securities or other obligations of the Corporation for its corporate purposes.

To obtain, purchase, or otherwise acquire, to hold, own, use, sell, mortgage, assign or otherwise dispose of, and to grant licenses in respect of or otherwise exploit and turn to account, any and all inventions and improvements and any letters patent or application therefor, including design patents, of the United States or other countries and to obtain and hold licenses or other patent rights; to devise, adopt, use, own, purchase or otherwise acquire and to sell, assign or otherwise dispose of, any and all trade-marks, trade names and trade-mark rights and registrations or applications for registration therefor in the United States or in other countries, and when purchasing, acquiring or otherwise obtaining any such trade-marks, trade names or trade-mark rights, to take over and acquire the good will, assets and business in connection with which said trade-marks, trade names or trade-mark rights are or have been used; also any and all copyrights, processes, formulae, trade secrets and devices of all kinds, and to use, exercise and develop the same as are useful, necessary or convenient to the purposes and objects of the Corporation.

To apply for, purchase or acquire, and to exercise and enjoy any license, power, authority, franchise, right or privilege which any government or authority or any corporation or other public body shall enact, make or grant.

To loan to any person, firm or corporation any of its surplus funds, either with or without security, but not to engage in the banking business.

To purchase, hold, sell and transfer the shares of its own capital stock; provided it shall not use its funds or property for the purchase of its own shares of capital stock when such use would cause any impairment of its capital except as otherwise permitted by law, and provided further that shares of its own capital stock belonging to it shall not be voted upon directly or indirectly.

To exercise any of its powers itself, or through the medium of subsidiary corporations, organized under the laws of the United States of America or of any state thereof or of any foreign government or country or subdivision thereof.

To carry out all or any part of the foregoing objects and purposes in any and all parts of the world and to conduct business in all or any of its branches as principal, factor, agent, contractor or otherwise, either alone or through or in conjunction with any corporations, associations, partnerships, firms, trustees, syndicates, individuals, organizations and other entities located in or organized under the laws of any part of the world, and to maintain offices, branches and agencies in any part of the world.

In general, to carry on any other business in connection with the foregoing, and to have and exercise all the powers conferred by the laws of Texas upon corporations formed under the Business Corporation Act of the State of Texas, and to do any or all of the things hereinbefore set forth to the same extent as natural persons might or could do.

The foregoing clauses shall be construed both as objects and powers; and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the powers of this Corporation.

The objects and purposes specified in the foregoing clauses shall, except where otherwise expressed, be in nowise limited or restricted by reference to, or inference from, the terms of any other clause in this certificate of incorporation, but the objects and purposes specified in each of the foregoing clauses of this article shall be regarded as independent objects and purposes.

FOURTH: The total number of shares of stock which the Corporation shall have the authority to issue is one thousand (1,000) shares, and the par value of each of such shares is ten cents (\$.10) amounting in the aggregate to one hundred dollars (\$100).

Each share of stock shall have identical rights and privileges in every respect.

FIFTH: The minimum amount of capital with which the Corporation will commence business is one thousand dollars (\$1,000).

SIXTH: The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation and for further defining, limiting and regulating the powers of the Corporation and its directors and stockholders:

(1) The By-Laws of the Corporation shall fix or provide for the method of fixing the number of directors which shall constitute the whole Board and may prescribe their term of office and may provide that from time to time the number of directors may be increased or decreased by amendment of the By-Laws, provided that in no case shall the number of directors be less than three. The directors need not be stockholders and they need not be chosen by ballot.

(2) Any stockholder desiring to sell shares of the Corporation stock shall offer his shares first to the Corporation under a right of first refusal. The Corporation shall have thirty (30) calendar days within which to exercise such right of first refusal and thereby purchase the shareholder's stock for a per share price equal to the book value of the stock as reflected in the Corporation's books at the time of said offer.

(3) In furtherance and not in limitation of the powers conferred by the laws of the State of Texas, the Board of Directors is expressly authorized and empowered, without the assent or vote of the stockholders, as follows:

(a) To declare and pay dividends upon the shares of the capital stock of the Corporation as provided by the laws of the State of Texas and to fix the time for payment thereof. The Board of Directors shall have authority from time to time to set apart out of any of the funds of the Corporation available for dividends a reserve or reserves as working capital or for any other proper purpose or purposes, and to abolish in whole or in part or add to any such reserve or reserves from time to time, as said Board may deem to be in the interests of the Corporation, in the manner in which it was created; and said Board shall likewise have power to determine in its discretion what part of the assets of the Corporation available for dividends in excess of such reserve or reserves, if any, shall be declared in dividends and paid to the stockholders of the Corporation.

(b) To make, alter, or repeal the By-Laws of the Corporation.

(c) To authorize and issue obligations of the Corporation and to authorize and cause to be executed mortgages and liens upon, or pledges of, the real and personal property of the Corporation, including after-acquired property.

(d) To determine from time to time whether, and, if allowed, under what conditions and regulations, the accounts and books of the Corporation (other than the stock and transfer books), or any of them, shall be open to the inspection of the stockholders, and the stockholders' rights in this respect are and shall be restricted and limited accordingly.

(e) When and as authorized by the affirmative vote of the holders of outstanding stock constituting a majority of the voting power given to all outstanding stock by this Certificate of Incorporation given at a stockholders' meeting duly called for that purpose, or when authorized by the written consent of the holders of outstanding stock constituting a majority of the voting power given to all outstanding stock by this Certificate of Incorporation, to sell, lease or exchange all of the property and assets



of the Corporation, including its good will and its corporate franchises, upon such terms and conditions and for such consideration, which may be in whole or in part shares of stock in, and/or other securities of, any other corporations, as its Board of Directors shall deem expedient and for the best interests of the Corporation.

(4) Stockholders may at any meeting remove directors from office immediately. Furthermore, the officers shall serve only at the pleasure of the Board of Directors and may be removed by the Board of Directors at any time with or without cause.

(5) The Board of Directors shall have the power at any time and from time to time (without any action by the stockholders of the Corporation) to create and issue, whether or not in connection with the issue or sale of any shares of stock or bonds, debentures or securities of the Corporation, rights or options entitling the holders thereof to purchase from the Corporation shares of its stock of any class, such rights or options to be evidenced by or in such warrants or other instruments as shall be approved by the Board of Directors. The terms upon which and the time or times, which may be limited or unlimited in duration, at or within which such rights or options shall be issued shall be such as shall be fixed and stated in the resolutions adopted by the Board of Directors providing for the creation and issue of such rights or options.

SEVENTH: The post office address of the initial registered office of the Corporation is 6540 Cliffbrook, Dallas, Texas, 75240, and the name of its initial registered agent at such address is Perry D. Snively.

EIGHTH: The number of directors constituting the initial Board of Directors is three (3), and the names and addresses of the persons who are to serve as directors until the first annual meeting of the shareholders, or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
Perry D. Snively	6540 Cliffbrook Dallas, Texas
W.L. Keetch, Jr.	13530 Far Hills Dallas, Texas
Daisy Burks	6540 Cliffbrook Dallas, Texas

NINTH: The names and addresses of each of the incorporators of the Corporation are:

<u>Name</u>	<u>Address</u>
Perry D. Snively	6540 Cliffbrook Dallas, Texas

W.L. Keetch, Jr.

13530 Far Hills  
Dallas, Texas

Daisy Burks

6540 Cliffbrook  
Dallas, Texas

WE, THE UNDERSIGNED, being each of the incorporators herein-  
before named, for the purpose of forming a corporation in pursuance of  
the Business Corporation Act of the State of Texas, do make this Certi-  
ficate hereby declaring and certifying that the facts stated herein are  
true, and accordingly we hereunto set our hands this 13<sup>th</sup> day of Jan.,  
1971.

Perry D. Snavelly  
Perry D. Snavelly

W.L. Keetch, Jr.  
W.L. Keetch, Jr.

Daisy Burks  
Daisy Burks

STATE OF TEXAS )

COUNTY OF DALLAS )

I, the undersigned notary public, do hereby certify that on  
this 13<sup>th</sup> day of January, 1971, personally appeared before me  
Perry D. Snavelly, W.L. Keetch, Jr., and Daisy Burks, who each being by  
me duly sworn, severally declared that they are the persons who signed  
the foregoing document as incorporators, and that the statements therein  
contained are true.

GIVEN under my hand and seal of office the day and year aforesaid.

Mary A. Hager  
Notary Public

ARTICLES OF AMENDMENT  
TO THE  
ARTICLES OF INCORPORATION  
OF CHURCH FUNDS, INC.

FILED  
In the Office of the  
Secretary of State of Texas

MAR 20 1974

*James B. Cook*  
Deputy Director, Corporation Division

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act the above named corporation adopts an amendment to Article One of its Articles of Incorporation which:

Changes the name of the corporation

ARTICLE ONE. The following amendment to the Articles of Incorporation was adopted by the shareholders of the Corporation on the first day of December, 1973:

Article One of the Articles of Incorporation is hereby amended so as to read as follows:

The name of the corporation is PDS, Inc.

ARTICLE TWO. The number of shares of the corporation outstanding at the time of such adoption was 1,000 and all shares are voting shares.

ARTICLE THREE. The holders of all the shares outstanding are entitled to vote on said amendment and all have signed consent in writing adopting said amendment.

Dated: January 24, 1974.

By *Perry D. Snively*  
Corporate President - Perry D. Snively

By *Alise G. Snively*  
Corporate Secretary - Alise G. Snively

STATE OF TEXAS     I  
COUNTY OF DALLAS   I

I Thermon A. Hoff a Notary Public do hereby certify that on this 28th day of January, 1974 personally appeared before me Thermon A. Hoff who declared he is President of the corporation executing the foregoing document, and being first duly sworn acknowledged that he signed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.

Thermon A. Hoff  
Notary Public, in and for Dallas County,  
Texas.

STATE OF TEXAS      I

COUNTY OF DALLAS I

I Nancy Laffa a Notary Public do hereby  
certify that on this 20th day of January  
1974 personally appeared before me Walter L. Laffa,  
who declared she is Secretary of the corporation executing the  
foregoing document, and being first duly sworn acknowledged that  
she signed the foregoing document in the capacity therein set  
forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal  
the day and year before written.

Nancy Laffa  
Notary Public, in and for Dallas County, Texas.

CONSENT TO AMENDMENT TO ARTICLES  
OF INCORPORATION OF CHURCH FUNDS, INC.

The undersigned shareholders of Church Funds, Inc., a Texas Corporation hereby consents that Article One of the Articles of Incorporation be amended to change the corporate name and to read as follows:

The name of the Corporation is PDS, Inc.

Perry D. Snively  
Shareholder 50% - Perry D. Snively

Alice G. Snively  
Shareholder 50% - Alice G. Snively

APPLICATION OF

P.D.S., Inc., d/b/a Phone Debit Systems, Inc.

**EXHIBIT II**

Interexchange Tariff