Lance J.M. Steinhart

Attorney At Law 6455 East Johns Crossing Suite 285 Duluth, Georgia 30097

Also Admitted in New York and Maryland

Telephone: (770) 232-9200 Facsimile: (770) 232-9208

December 21, 1999

VIA OVERNIGHT DELIVERY

Mr. Dale Roberts
Chief A.L.J./Executive Secretary
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102

FILED

DEC 22 1999

Missouri Public Service Commission

Re: NetworkIP, L.L.C.

TA-2000-380

Dear Mr. Roberts:

Enclosed please find an original and fourteen (14) copies of NetworkIP, L.L.C.'s Application for Certificate of Service Authority to Provide Interexchange Telecommunications Services Within the State of Missouri.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self addressed, postage prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Please note that this Application is being submitted by myself and Judith A. Rau, Esq., Missouri Counsel, Bar # 24856.

Respectfully submitted,

Lance J.M. Steinhart

Attorney for NetworkIP, L.L.C.

Enclosures

cc:

Toni Van Burkleo

Office of Public Counsel

20000581

FILED

OF THE STATE OF MISSOURI DEC 2 2 1999

| In the matter of the application of NetworkIP, L.L.C. |))) | Missouri Public S ervice Commiss ior |
|---|-------------|--|
| for a certificate of |) | |
| service authority |) Case No. | TA-2000-380 |
| to provide interexchange |) | |
| telecommunications services |) | |

APPLICATION

NetworkIP, L.L.C., ("Applicant"), a Texas Limited Liability Company, files this verified application respectfully requesting that the Missouri Public Service Commission ("Commission") issue an order that:

- (a) grants Applicant a Certificate of Service Authority to provide interexchange telecommunications services pursuant to Chapter 392 of the Missouri Revised Statutes.
- (b) grants competitive status to Applicant.
- (c) waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo Cumm. Supp. 1992.

In support of its request, Applicant states:

1. The legal name and principal office or place of business of the Applicant are:

NetworkIP, L.L.C. 119 West Tyler Street, Suite 168 Longview, TX 75601 (903) 323-4500/Phone (903) 323-4564/Facsimile

A copy of Applicant's Certificate Of Organization and certificate of authority from the Missouri Secretary of State to transact business in Missouri are attached hereto as Exhibit I.

2. The name and address of Applicant's in-state attorney is:

Judith A. Rau, Esq.
Rau & Rau

1007 Olive Street, 5th Floor
St. Louis, Missouri 63101

- 3. Applicant is a reseller of telecommunications services.

 Applicant proposes to provide interexchange telecommunications services within Missouri including direct outbound dialing (1+ and 101XXXX), 800 and 888 (inbound Toll-Free), travel cards, and prepaid calling cards. Applicant proposes to provide service to prospective customers throughout the State of Missouri.
- 4. Applicant has the experience in the telecommunications industry and the technical and financial resources to provide telecommunications services within Missouri. A brief description of the qualifications and experience of the key management employees is attached hereto as Exhibit II. A copy of the Applicant's Balance Sheet as of November 30, 1999 and Income Statement for the period ended November 30, 1999 is attached hereto as Exhibit III.
- 5. Applicant's draft Tariff is attached as Exhibit IV. The proposed tariff contains the rules and regulations applicable to its customers, a description of the services offered, and a list of rates associated with such services.

- 6. Applicant requests classification as a competitive telecommunications company within the State of Missouri.

 Applicant believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation.

 Granting of this application will allow greater price and service options for telephone users.
- 7. Applicant also requests, pursuant to Section 392.420 RSMo (Cum. Supp. 1992), that the Commission waive the application of the following rules and statutory provisions as it relates to the regulation of Applicant:

392.240(1)Rates-reasonable average return on investment.

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392.270Property valuation.
392.280Depreciation rates.
392.290Issuance of stocks and bonds.
392.310Issuance of stocks and bonds.
392.320Issuance of stocks and bonds.
392.330Issuance of stocks and bonds.
392.340Reorganization.
4 CSR 240-10.020
                       Income on depreciation fund investments.
4 CSR 240-30.010(2)(C) Posting exchange rates at central offices.
4 CSR 240-32.030(1)(B) Exchange boundary maps.
4 CSR 240-32.030(1)(C) Record of access lines.
4 CSR 240-32.030(2)
                       Records kept within state.
4 CSR 240-32.050(3-6)
                       Telephone directories.
4 CSR 240-32.070(4)
                       Coin telephones.
4 CSR 240-33.030
                       Inform customers of lowest priced
service.
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Uniform System of Accounts

The above-referenced rules and statutory provisions have been waived to other interexchange carriers in prior cases.

Finance Fee.

4 CSR 240-33.040(5)

4 CSR 240-30.040

- 8. Applicant, pursuant to Section 386.570, Cum. Supp. 1992, will comply with all applicable Commission rules except those which are specifically waived by the Commission pursuant to a request filed by the Applicant.
- 9. Correspondence or communications pertaining to this Application should be addressed to:

Lance J.M. Steinhart, Esq.
6455 East Johns Crossing, Suite 285
Duluth, Georgia 30097
(770) 232-9200
(770) 232-9208 (Fax)

WHEREFORE, Applicant, NetworkIP, L.L.C., respectfully requests that the Missouri Public Service Commission grant it a certificate of service authority to provide interexchange telecommunications services within the State of Missouri. Applicant also requests classification as a competitive telecommunications company. In addition Applicant requests a waiver of the above-referenced rules and statutory provisions.

Respectfully submitted,

Lance J.M. Steinhart, Esq.

Attorney at Law

6455 East Johns Crossing, Suite 285

Duluth, Georgia 30097

(770) 232-9200

Georgia Bar No. 678222

and

Judith A. Rau, Esq.

Rau & Rau

1007 Olive Street, 5th Floor

St. Louis, Missouri 63101

(314) 231-3323

Missouri Bar No. 24856

Attorneys for Applicant

ATTACHED EXHIBITS

| Exhibit I | [| Missouri Secretary of State Authorization and Certificate of Organization |
|-----------|-----|---|
| Exhibit I | II | Executive Officers' Qualifications and Experience |
| Exhibit I | III | Financial Information |
| Exhibit I | ľV | Draft Tariff |

Exhibit I
Missouri Secretary of State Authorization and
Certificate of Organization



Rebecca McDowell Cook Secretary of State

CERTIFICATE OF REGISTRATION FOREIGN LIMITED LIABILITY COMPANY

WHEREAS, NETWORKIP, L.L.C.

USING IN MISSOURI THE NAME NETWORKIP, L.L.C.

AND EXISTING UNDER THE LAWS OF THE STATE OF TEXAS HAS FILED WITH THIS STATE ITS APPLICATION FOR REGISTRATION AND WHEREAS THIS APPLICATION FOR REGISTRATION CONFORMS TO THE MISSOURI LIMITED LIABILITY COMPANY ACT;

NOW, THEREFORE, I, REBECCA McDOWELL COOK, SECRETARY OF STATE, STATE OF MISSOURI, BY VIRTUE OF AUTHORITY VESTED IN ME BY LAW, DO CERTIFY AND DECLARE THAT ON THE 13TH DAY OF DECEMBER, 1999, THE ABOVE FOREIGN LIMITED LIABILITY COMPANY IS DULY AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF MISSOURI

AND IS ENTITLED TO ANY RIGHTS GRANTED

LIMITED LIABILITY COMPANIES.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 13TH DAY OF DECEMBER, 1999.

Secretary of State

\$105.00

SOR-LLC



The State of Texas

Secretary of State

CERTIFICATE OF URGANIZATION

UF

NETWORKIP. L.L.C.

FILING NUMBER 7 07056632

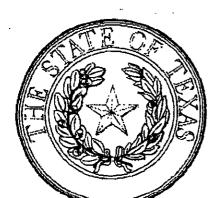
THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CEPTIFIES THAT THE ATTACHED ARTICLES OF ORGANIZATION FOR THE ABOVE NAMED COMPANY HAVE BEEN RECEIVED IN THIS OFFICE AND HAVE BEEN FOUND TO CONFORM TO LAW.

ACCUPDINGLY. THE UNDERSIGNED. AS SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF CRGANIZATION.

ISSUANCE OF THIS CERTIFICATE OF DRGANIZATION DOES NOT AUTHORIZE

THE USE OF A COPPANY NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF ANOTHER ENTITY UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW, THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED SEP. 30, 1999 EFFECTIVE SEP. 30, 1999



Eiton Borner, Secretary of State

710 --

P. 4/5 p. 3

Sep 30 99 02:44p

Wilson & Johnson

713-781-7585

3-781-No.6375

p.3

In the Office of the Sportstary of Subject of Texas

Articles of Organization of Network IP, L.L.C.

SEP 3 0 1999

Corporations Section

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for Network IP, L.I.C. (the "Company"):

ARTICLE ONE

The name of the Company is NetworkIP, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, or until the earlier dissolution of the Company in accordance with the provisions of its regulations.

ARTICLE THREE

The purpose for which the Company is organized is the transaction of any or all lawful business for which limited liability companies may be organized under the Act.

ARTICLE FOUR

The principal place of business of the Company in the State of Texas is 119 W. Tyler, Suite 260, Longview, Texas 75601.

ARTICLE FIVE

The name of the initial registered agent of the Company in the State of Texas is Ron Hutchison, and the address of such initial registered agent is 119 W. Tyler, Suite 260, Longview, Texas 75601.

ARTICLE SIX

The Company will not have managers. The names and addresses of the initial members are as follows:

No.Nov.17. 1999, 2:07PM

NORK SOLUTIONS

903-323-4564

3-781-No.6375 P. 5/5

Sep 30. 99 02:44p

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Wilson & Johnson

713-781-7585

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Network Holding, L.L.P. 119 W. Tyler, Suite 104 Longview, Texas 75606

Pete Patullo 119 W. Tyler, Suite 104 Longview, Texas 75606

Simplified Telesys, Inc 5000 Plaza on the Lake, Suite 170 Austin, Texas 78746

ARTICLE SEVEN

The name and address of the organizer is:

Kenton L. Wilson 2603 Augusta, Suite 1150 Houston, Texas 77057

IN WITNESS WHEREOF, these Articles of Organization have been executed on 5 , 1999, by the undersigned.

ORGANIZER

Kenton L. Wilson

ARTICLES OF CORRECTION

This correction is submitted pursuant to Article 1302-7.01, Texas Miscellaneous Corporation Laws Act for a corporation or limited liability company, or pursuant to section 2.13, Texas Revised Limited Partnership Act for a limited partnership, to correct a document which is an inaccurate record of the entity action, contains an inaccurate or erroneous statement, or was defectively or erroneously executed, sealed, acknowledged or verified.

ARTICLE ONE

The name of the entity is Network IP, L.I..C.

ARTICLE TWO

The document to be corrected is the Articles of Organization which was filed in the Office of Secretary of State on the 30th day of September, 1999.

ARTICLE THREE

The inaccuracy, error, or defect to be corrected is Article Six which erroneously listed the individual partners of Network Enhanced Telecom, L.L.P., a limited liability partnership, as the members of NetworkIP, L.L.C., instead of the Partnership itself as the only member of NetworkIP, L.L.C.

ARTICLE FOUR

As corrected, the inaccurate, erroneous, or defective portion of the document reads as follows:

ARTICLE SIX

The Company will not have managers. The name and address of the initial member is as follows:

> Network Enhanced Telecom, L.L.P. 119 W. Tyler, Suite 168 Longview, Texas 75601

Ron Hutchison, Authorized Limited Liability Company Member

Exhibit II Executive Officers' Qualifications and Experience

See attached Resumes

NETWORK ENHANCED TELECOM, LLP Biographical Sketches for Senior Management

Peter R. Patullo, age 39

Chief Executive Officer

Mr. Pattullo is the President and Chief Executive Officer for Network Enhanced Telecom, LLP (NET). He also serves as Chief Technology Officer for Network Operator Services Inc. and its subsidiaries. Mr Pattullo joined Network Operator Services, Inc., in May 1997, subsequently founding and managing NET in December 1997. He served over fourteen years at Nortel in a full range of positions. Mr. Pattullo has nineteen years of experience in telecommunications customer service, product management, maintenance, operations and support.

Toni L. Van Burkleo, CPA, age 44

Chief Financial Officer

Ms. Van Burkleo joined Network Enhanced Telecom, LLP in December of 1998. She previously served as the CFO and Controller for Network Operator Services since June of 1993. Prior to that time she was in private practice as a CPA, consulting with clients on accounting software for personal computers and was a management consultant with Coopers & Lybrand in Dallas in their Energy Systems and Services division. Ms. Van Burkleo manages the financial functions of the Company including preparation of financial information for NET and selected customers. Ms. Van Burkleo received her BBA in Accounting from Baylor University, Waco, Texas.

Scott Reskey, age 43

Vice President, Operations

Mr. Reskey joined Network Enhanced Telecom in October 1998. Prior to joining the Company, he was employed by Sprint Long Distance (1986-1998) in various technical and management positions within Field and Network Operations, including Technical Support and Network Management & Control. Mr. Reskey is responsible for the day-to-day operation and management of the network.

Jet Thomas, age 40

Director of Network Operations

Mr. Thomas joined Network Enhanced Telecom in August of 1998 after working with Network Operator Services since July of 1993, where he served as their Director of Network Operations also. He was previously employed by Valu-Line of Longview as Network Manager. Prior to this time, he was a technician with Southwestern Bell Telephone. Mr. Thomas manages the switch and facility network for the Company, including deployment of new technologies for Network Operator Services, Inc. and its affiliates. Mr. Thomas attended Texas Baptist College and received his BA in Business from Arkansas State University, Jonesboro, Arkansas.

Darren Burns, age 34

Vice President of Sales/Marketing

Mr. Burns joined Network Enhanced Telecom in August of 1998 after working with Network Operator Services, Inc. since late 1988, where he was Director of Information Systems. He was previously a customer engineer for Memorex Telex Corporation in their Telecommunications Division. Mr. Burns has been involved in various aspects of the telecommunications industry for thirteen years. Mr. Burns is responsible for business development and marketing for NET. Mr. Burns is a graduate of LeTourneau University with a BA in Business Management.

Exhibit III Financial Information

ORK SOLUTIONS 903-323-4564

BALANCE SHEET (UNAUDITED) NOVEMBER 30, 1999

ASSETS

| Current Assets Cash & Short Term Investments | \$300,000.00 | |
|--|------------------------|--------------|
| Total Current Assets | • | 300,000.00 |
| Other Assets | • | |
| Total Other Assets | | .00 |
| Long Term Assets | , | |
| Total Long Term Assets | | .00 |
| Fixed Assets | | |
| Total Fixed Assets | | .00. |
| Total Assets | | 300,000.00 |
| LIABILI | TIES & MEMBER'S EQUITY | |
| Current Liabilities | | |
| Total Current Liabilities | | .00. |
| Member's Equity Member Contributions | 300,000.00 | |
| Total Member's Equity | | 300,000.00 |
| Total Liabilities and Member's Equity | | \$300,000.00 |
| | ******* | |

No.6416 P. 5/7

ORK SOLUTIONS 90 NEIWUKKIR, LLC INCOME STATEMENT

(UNAUDITED) FOR THE ELEVEN PERIODS ENDED NOVEMBER 30, 1999

| | PERIOD TO DATE | | YEAR TO DATE | |
|---|----------------|---|--------------|----|
| · | ACTUAL | % | ACTUAL | % |
| Revenue | * | | | |
| Total Revenue | \$.00 | .0 % | .00 | .0 |
| Cost of Sales | - | | | |
| Total Cost of Sales | .00 | .0 | .00 | 0. |
| Gross Profit | .00 | .0 | .00. | .0 |
| Operating Expenses | | | | |
| Total Operating Expenses | .00 | .0 | .00 | .0 |
| Net Inc (Loss) from Oper Before I | nc Tax \$.00 | .0 % | .00 | .0 |
| ======================================= | | ======================================= | | |

Exhibit IV Draft Tariff

| STATE OF | TEXAS | , |
|-------------|-------|--------------|
| COUNTY OF _ | GREGG | , ()) |

VERIFICATION

I, Toni Van Burkleo, being duly sworn, declare that I am the Chief Financial Officer of NetworkIP, LLC, the Applicant. verify that, based upon information and belief, I have knowledge of the statements in the foregoing Application, and I declare that they are true and correct.

Sworn to before me, the undersigned Notary Public on this <u>2nd</u> day of <u>Scember</u>, 1999.

DEBBIE BARNETT

Print or Type Name

Som Va Buller

My commission expires:

3-25-2002

DEBBIE BARNETT Notary Public State of Texas Comm. Exp. 3-25-2002

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the matter of the |) |
|------------------------------|-----------|
| application of |) |
| NetworkIP, L.L.C. |) |
| for a certificate of service |) Case No |
| authority to provide |) |
| interexchange |) |
| telecommunications services |) |

ENTRY OF APPEARANCE

COMES NOW Lance J. M. Steinhart, Attorney at Law and pursuant to rule 4 CSR 240-2.040 herewith files his Entry of Appearance on behalf of Applicant NetworkIP, L.L.C., in connection with the above-styled proceeding. With respect to his entry, Mr. Steinhart hereby advises the Commission that he is a member in good standing of the State Bar of Georgia and the New York State Bar and is admitted to practice before District Courts. He also is on inactive status with the State Bar of Maryland. Neither the undersigned nor any member of his firm is disqualified to appear in any court. I also hereby designate Judith A. Rau, of the law firm of Rau & Rau, 1007 Olive Street, Fifth floor, St. Louis, Missouri 63101 to serve as our local Missouri counsel in this matter.

Lance Jack Steinhart, Esq.
Attorney at Law
6455 East Johns Crossing, Suite 285
Duluth, Georgia 30097
(770) 232-9200
(770) 232-9208 (Fax)

Georgia Bar No. 678222

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the matter of the |) |
|------------------------------|-----------|
| application of |) |
| NetworkIP, L.L.C. |) |
| for a certificate of service |) Case No |
| authority to provide |) |
| interexchange |) |
| telecommunications services |) |

ENTRY OF APPEARANCE

COMES NOW Judith A. Rau of the Law Firm of Rau & Rau, and pursuant to rule 4 CSR 240-2.040, herewith files her Entry of Appearance as local Missouri counsel on behalf of Applicant NetworkIP, L.L.C., in connection with the above-styled proceeding.

Judith A. Rau, Esq.

Rau & Rau

1007 Olive Street, 5th Floor St. Louis, Missouri 63101

(314) 231-3323

Missouri Bar No. 24856