



PREFERRED CARRIER SERVICES, INC.

TC97-170

MEMBER
COMPTel

October 22, 1997

RECEIVED

OCT 27 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

State of South Dakota
Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

MEMBER
ACTA

RE: Application by iTELSA (USA), Inc.

Dear Sir or Madam:

MEMBER
tra

Please find enclosed iTELSA (USA), Inc.'s application for a certificate of authority. An original and 10 copies are enclosed along with the \$250 filing fee.

To confirm receipt, please date stamp the attached copy of this letter and return it in the self-addressed, stamped envelope. Thanks for your help.

Sincerely,

Professional
Certification
Services

PREFERRED CARRIER SERVICES, INC.
Consultant for iTELSA (USA), Inc.

Andrew Kang
Regulatory Counsel



ENC.

500 GRAPEVINE HWY
SUITE 300
HURST, TEXAS 76054
TEL: (817) 281-4727
FAX: (817) 281-4827
<http://www.pcs-tele.com>

TC 97-170

RECEIVED

OCT 27 1997

BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSIONSOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In the matter of the Application of)
iTELSA (USA), Inc.)
for a Certificate of Authority to operate) Docket No. _____
as a Telecommunications Company)
within the State of South Dakota.)

iTELSA (USA), Inc. ("iTELSA" or "Applicant") respectfully submits this application for a Certificate of Authority to conduct business within the State of South Dakota as a telecommunications company.

1. The name, address, and telephone number of the applicant:

iTELSA (USA), Inc.
444 Brickell Avenue, Suite 650
Miami, Florida 33131
(305) 372-8722

2. The name under which the applicant will provide services:

iTELSA (USA), Inc.

3a. The state of incorporation, date of incorporation, and copy of certificate of authority to transact business in South Dakota from the Secretary of State:

Applicant was organized in Florida as a corporation on April 28, 1997. A copy of the certificate of authority is attached as **EXHIBIT 1**.

3b. The location of the principal office, if any, in this state and the name and address of the current registered agent:

No office in-state.

Corporation Service Company
503 South Pierre Street
Pierre, South Dakota 57501

- 3c. The names and addresses of any corporation, association, partnership, cooperative, or individual holding a 20% or greater ownership or management interest in the applicant corporation and the amount and character of the ownership or management interest:

iTELSA Limited (100% of all issued shares of stock)
444 Brickell Avenue, Suite 650
Miami, Florida 33131

- 3d. The names and addresses of subsidiaries owned or controlled by the applicant:

None.

4. The name, title, and business address of each partner, both general and limited:

Not applicable.

5. Specific description of the telecommunications services the applicant intends to offer:

The Applicant will provide interexchange services as a non-facilities-based reseller. Applicant proposes to offer 1+ and prepaid phone card services to both business and residential users. All services are supplied through underlying carriers certified by the South Dakota Public Utilities Commission.

6. Means by which the applicant will provide its services, including the type and quantity of equipment to be used in the operation, the capacity, and the expected use of the equipment:

iTELSA, as a switchless reseller, will provide all of its services through an underlying carrier. iTELSA itself does not own, lease, or operate any equipment used in providing long distance services.

7. The geographic areas in which the services will be offered, including a map describing the service area:

iTELSA intends to provide service throughout the entire State of South Dakota.

8. Current financial statements; a copy of the applicant's latest annual report; a copy of the applicant's report to stockholders; and a copy of applicant's tariff with the terms and conditions of service:

As a new company, iTELSA currently has no financial statements. However, iTELSA will provide the information as soon as practicable. iTELSA does not make annual reports or reports to stockholders since iTELSA is a privately held corporation. The tariff is attached as EXHIBIT 3.

9. The names and addresses of the applicant's representatives to whom all inquiries should be made regarding complaints and regulatory matters and a description of how the applicant handles customer billings and customer service matters.

Regulatory Contact

Dick Clayton, Director Telecommunications Services
444 Brickell Avenue, Suite 650
Miami, Florida 33131
(305) 372-8722 ext. 121

End-users/customers purchase phone cards in advance, making billing unnecessary. Applicant will directly bill customers for wholesale services. The Applicant provides a toll free customer service number for inquiries and complaints. The customer may contact Applicant's customer service department at (800) 864-1313.

10. A list of the states in which the applicant is registered or certificated to do business and if the applicant has ever been denied registration or certification in any state and the reasons for the denial

iTELSA currently is not certificated in any state and iTELSA has never been denied certification in any state.

11. A detailed description of how the applicant intends to market its services, the qualifications of its marketing sales personnel, its target market, whether the applicant engages in any multilevel marketing, and copies of any company brochures used to assist in the sale of services

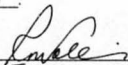
Applicant intends to market its services primarily through advertising in print and other media. iTELSA does not intend to engage in any multilevel marketing.

12. Cost support for rates shown in the company's tariff for all noncompetitive or emerging competitive services.

iTELSA will only provide established competitive services.

WHEREFORE, Applicant requests that the Commission issue to iTelsa (USA), Inc. a Certificate of Authority to transact business as a telecommunications company in the State of South Dakota as set forth above.

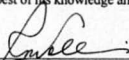
Dated this 25 day of September, 19 97.



Ron Tolliner

STATE OF FLORIDA, COUNTY OF DADE, ss

Ron Tolliner of lawful age, being duly sworn upon oath, deposes and says that he is the CEO/President of iTelsa (USA), Inc., and that he has read the above and foregoing application, and that the statements therein contained are true to the best of his knowledge and belief.



Ron Tolliner

SUBSCRIBED AND SWORN TO before me this 25 day of September, 19 97.

Cathy Ann Cruz

Notary Public **Cathy Ann Cruz**

(My commission expires 11/7/98)

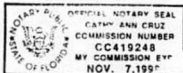


EXHIBIT 1

Certificate of Authority

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of ITELSA (USA), INC. (FL) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of ITELSA (USA), INC.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this September 17, 1997.

Joyce Hazeltime
JOYCE HAZELTINE
Secretary of State



SECRETARY OF STATE
STATE CAPITOL

APPLICATION FOR CERTIFICATE OF AUTHORITY

RECEIVED

SEP 13 1997

RECEIVED

SEP 17 1997

S.D. SEC. OF STATE

Pursuant to the provisions of SDCL 47-8-7, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of South Dakota and for that purpose submits the following statement:

(1) The name of the corporation is iTelsa (USA), Inc.
(Exact corporate name)

(2) If the name of the corporation does not contain the word "corporation", "company", "incorporated" or "limited" or does not contain an abbreviation of one such word, then the name of the corporation with the word or abbreviation which it elects to add thereto for use in this state is

(3) State where incorporated Florida Federal Taxpayer ID# 65-0735745

(4) The date of its incorporation is April 28, 1997 and the period of its duration is perpetual

(5) The address of its principal office in the state or country under the laws of which it is
444 Brickell Ave., Ste. 650, Miami, FL Zip Code 33131

(6) The street address, or a statement that there is no street address, of its proposed registered office in the State of South Dakota is 503 S. Pierre St., Pierre, SD Zip 57501
and the name of its proposed registered agent in the State of South Dakota at that address is
Corporation Service Company

(7) The purposes which it proposes to pursue in the transaction of business in the State of South Dakota are: telecommunications services

(8) The names and respective addresses of its directors and officers are:

Name	Officer Title	Street Address	City	State	Zip
<u>Albert Weintraub</u>	<u>Director</u>	<u>444 Brickell Ave., Ste. 650, Miami, FL</u>	<u>FL</u>	<u>33131</u>	
<u>Ronald Tolliver</u>	<u>President</u>	<u>444 Brickell Ave., Ste. 650, Miami, FL</u>	<u>FL</u>	<u>33131</u>	
<u>Bert Sklar</u>	<u>Vice President</u>	<u>444 Brickell Ave., Ste. 650, Miami, FL</u>	<u>FL</u>	<u>33131</u>	
<u>D. Robert Lewis</u>	<u>Treas.</u>	<u>444 Brickell Ave., Ste. 650, Miami, FL</u>	<u>FL</u>	<u>33131</u>	
<u>Claire Weintraub-Ceballos</u>	<u>Secretary</u>	<u>444 Brickell Ave., Ste. 650, Miami, FL</u>	<u>FL</u>	<u>33131</u>	
<u>Richard N. Bernstein</u>	<u>Asst. Secretary</u>	<u>444 Brickell Ave., Ste. 650, Miami, FL</u>	<u>FL</u>	<u>33131</u>	

(9) The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class is:

Number or shares	Class	Series	Par value per share or statement that shares are without par value
<u>10,000</u>	<u>Common</u>		<u>\$0.01</u>

(10) The aggregate number of its issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class, is:

Number or shares	Class	Series	Par value per share or statement that shares are without par value
10,000	Common		\$0.01

(11) The amount of its stated capital is \$ 100.00

(12) This application is accompanied by a CERTIFICATE OF FACT duly acknowledged by the secretary of state or other officer having custody of corporate records in the state or country under whose laws it is incorporated.

(13) That such corporation shall not directly or indirectly combine or make any contract with any incorporated company, foreign or domestic, through their stockholders or the trustees or assigns of such stockholders, or with any copartnership or association of persons, or in any manner whatever to fix the prices, limit the production or regulate the transportation of any product or commodity so as to prevent competition in such prices, production or transportation or to establish excessive prices therefor.

(14) That such corporation, as a consideration of its being permitted to begin or continue doing business within the State of South Dakota, will comply with all the laws of the said State with regard to foreign corporations.

The application must be signed by the chairman of the board of directors, or by the president or by another officer.

I DECLARE AND AFFIRM UNDER THE PENALTY OF PERJURY THAT THIS APPLICATION IS IN ALL THINGS, TRUE AND CORRECT.

Dated August 19, 1997

[Signature]
(Signature)
President
(Title)

State of Florida
County of Dade

On this 10th day of August, 19 97, before me MARGARET ANN MARINELLI, personally appeared RONALD W. TULLIVER, known to me, or proved to me, to be the President of the corporation that is described in and that executed the within instrument and acknowledged to me that such corporation executed same.

My Commission Expires: 4/6/99

Margaret Ann Marinelli
(Notary Public)

Notarial Seal

The Consent of Appointment below must be signed by the registered agent listed in number six.

CONSENT OF APPOINTMENT BY THE REGISTERED AGENT

I, Corporation Service Company, hereby give my consent to serve as the
(name of registered agent)

registered agent for iTelsa (USA), Inc.
(corporate name)

Dated 9-11 19 97

By: Barbara Gorguly Assistant
vice president
(signature of registered agent)



Department of State

I certify from the records of this office that ITELSA (USA), INC., is a corporation organized under the laws of the State of Florida, filed on April 28, 1997.

The document number of this corporation is P97000037840.

I further certify that said corporation has paid all fees and penalties due this office through December 31, 1997, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Third day of September, 1997



CR2EO22 (2-95)

Sandra B. Northam
Secretary of State

EXHIBIT 2

Managerial Profile

MANAGEMENT PROFILES

Albert L. Weintraub, Chairman of the Board

Mr. Weintraub, Senior Partner of Weintraub, Weintraub, Seiden & Orshan, is the Chairman of the Board. He is a founder of Microtel/ATC and a former Director of LDDS (now known as WorldCom) and is recognized as a catalytic force in the AT&T divestiture. Mr. Weintraub has extensive domestic and international contacts in telecommunications, banking and finance.

He is the Senior Partner of the Miami law firm Weintraub, Weintraub, Seiden & Orshan, and has contributed substantial equity capital to the Company. Mr. Weintraub is a founder and former Director of WorldCom, the fourth largest long-distance company in the United States.

Mr. Weintraub is a recognized force advocating the 1984 AT&T divestiture, which has led to the initial growth of the Telecommunications Industry. He is the principal architect of the Company's vertical integration business strategy, and his vision, experience and leadership have been critical to its implementation.

Mr. Weintraub is a 1953 graduate of the University of Miami (Florida) Law School (Cum Laude). He is a member of the American Bar Association, the District of Columbia Bar Association, and the Florida Bar Association. Mr. Weintraub has extensive domestic and international contacts in banking, finance and telecommunications. He is also active in a variety of community groups, charities and philanthropic organizations.

Claire Weintraub-Ceballos, Secretary

Ms. Claire Weintraub-Ceballos has worked as a Corporate Designer of voice and data networks while employed with communications leader Microtel/ATC, now a division of WorldCom, where she performed analysis of overall telecommunications services. Prior to that she was Manager of the Senior Accounts Sales group in Miami, Florida. Also, Ms. Weintraub-Ceballos was formerly Vice President and Director of Marketing and Sales at Independent Power, Inc.

D. Robert Lewis, Treasurer

D. Robert Lewis, serves as the company's treasurer. He possesses more than 25 years of banking and financial experience. Mr. Lewis founded and served as the Chairman & CEO of TotalBank and Total Bancshares, Inc., a Miami, Florida bank holding company. He later founded BrickellBanc Savings Association and served as iTelsa President & CEO. Recently, Mr. Lewis has been an active corporate investor and advisor and has served as a consultant to the Financial and Telecommunications Industries.

Marshall Ellis

Mr. Ellis has extensive experience in the telecommunications industry. Prior to coming to iTelsa, Mr. Ellis was a principal of Boston-based SmartTel/SmartLink, an international and domestic telecommunications services provider. He was a founder of Sigma Communications in Summit, New Jersey, a company that offers specialized telecommunications services to the travel

industry worldwide. Mr. Ellis was also a founder and the Director of Sales and Marketing for Digitran Inc., an international real-time fax network company.

Robert Sklar, Vice President

Mr. Sklar entered telecommunications as founder of Nationwide Technologies, Inc. a company specializing in telecommunication services for the hospitality industry in 1990. In September, 1991, Mr. Sklar co-founded National TelCom Management, Inc. for the purpose of marketing 1+ product, including the new AT&T Tariff 12 product to both commercial accounts and the hospitality industry. In January, 1992, Bob founded Teleworld International, Inc. as the Pre-Paid calling card division of National Telcom Management, Inc. and developed and implemented the marketing programs operational systems for Teleworld.

Don C. Fletcher

Dr. Fletcher has been involved in development and engineering projects for a multitude of telecommunications and governmental organizations. Dr. Fletcher has held engineering design positions with R & D Associates in Santa Monica, California, RCA Missile Test Project in Androus Island, Bahamas, and Systems Engineering Laboratory in Ft. Lauderdale, Florida. Dr. Fletcher holds a Bachelor of Science degree from the Massachusetts Institute of Technology and a Doctorate of Science from the California Institute of Technology.

Richard G. Clayton, Director Telecommunications Services

Mr. Clayton graduated from Rutgers University with a BS in Economics. His experience in telecommunications spans over 25 years beginning with New Jersey Bell. He also worked as an analyst for the state of New Jersey, as Senior Analyst for Singer, as Telcom Manager for Jefferson/Word, as Senior Analyst for CIT, and as Assistant Vice President Network Design and Analysis for Southeast Bank. He has also served on the Adjunct Faculty of the University of Miami's Telecom Institute for the past seven semesters.

Richard A. Sklar, Prepaid Telecommunications Manager

Mr. Sklar graduated from the University of South Florida with B.A. in American Studies. He has worked in the telecommunications industry for over six years developing marketing strategies and internal procedures, managing and maintaining customer databases, approving all customer activations. He works closely with our engineering staff in developing our new features, software and databases.

Wei Lin, Senior Programmer

Mr. Lin graduated from Jiaotong University in China with a B.S. in Computer Science and from the University of South Florida with a M.S. in Computer Science and Engineering.

He has worked with several software and telephone companies in commercial database applications software and computer telephony applications development and currently is development and currently is developing new database features for our services.

EXHIBIT 3

Tariff

TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, rates, and charges applicable to the provision of telecommunications service by iTELSA (USA), Inc., with principal offices at 444 Brickell Avenue, Suite 650, Miami, FL 33131. This tariff applies to services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

CHECK SHEET

Pages 1 through 52, inclusive of this tariff are effective as of the date shown.

<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>
1	Original	27	Original
2	Original	28	Original
3	Original	29	Original
4	Original	30	Original
5	Original	31	Original
6	Original	32	Original
7	Original	33	Original
8	Original	34	Original
9	Original	35	Original
10	Original	36	Original
11	Original	37	Original
12	Original	38	Original
13	Original	39	Original
14	Original	40	Original
15	Original	41	Original
16	Original	42	Original
17	Original	43	Original
18	Original	44	Original
19	Original	45	Original
20	Original	46	Original
21	Original	47	Original
22	Original	48	Original
23	Original	49	Original
24	Original	50	Original
25	Original	51	Original
26	Original	52	Original

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

TABLE OF CONTENTS

Check Sheet	2
Table of Contents	3
Explanation of Symbols	4
Tariff Format	5
Application of Tariff	6
1 DEFINITIONS	7
2 RULES AND REGULATIONS	10
2.1 Undertaking of the Company	10
2.2 Limitations	10
2.3 Use	11
2.4 Liability of the Company	11
2.5 Responsibilities of the Customer	13
2.6 Interruption of Service	15
2.7 Termination of Service	16
2.8 Restoration of Service	16
2.9 [Reserved for Future Use]	16
2.10 Payment for Service	17
2.11 Deposits	17
2.12 Advance Payments	18
2.13 Taxes	18
2.14 Right to Backbill for Improper Use	18
2.15 Payphone Compensation Surcharge	18
2.16 Take or Pay Provision Applicable to Carriers/Resellers (Wholesale Customers)	19
3 DESCRIPTION OF SERVICES	21
3.1 Timing of Calls	21
3.2 Minimum Call Completion Rate	21
3.3 Calculation of Distance	22
3.4 Time of Day Rate Periods	23
3.5 Holiday Rates	23
3.6 Promotions and Discounts	23
3.7 Service Offerings	24
4 RATES AND CHARGES	27

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

EXPLANATION OF SYMBOLS

The following symbols are reserved for the purposes indicated below:

- R - reduction
- I - increase
- C - changed regulation
- T - change in text but no change in rate or regulation
- S - reissued matter
- M - matter relocated without change
- N - new rate or regulation
- D - discontinued rate or regulation
- Z - correction

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

TARIFF FORMAT

- A. Page Numbering: Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 4 and 5 would be 4.1.
- B. Page Revision Numbers: Revision numbers also appear in the upper right corner of each page. These number are used to determine the most current page version on file. For example, the 4th revised Page 4 cancels the 3rd revised Page 4.
- C. Paragraph Numbering Sequence: There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2
 - 2.1
 - 2.1.1
 - 2.1.1.A
 - 2.1.1.A.1
 - 2.1.1.A.1.(a)
 - 2.1.1.A.1.(a).I
 - 2.1.1.A.1.(a).I.(i)
 - 2.1.1.A.1.(a).I.(i).(1)
- D. When a tariff filing is made, an updated check sheet accompanies the tariff filing. The check sheet lists the pages contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

APPLICATION OF TARIFF

This tariff contains the descriptions, regulations, rates, and charges applicable to the provision of telecommunications service by iTELSA (USA), Inc. within the State of South Dakota. Service is furnished subject to facility availability, transmission conditions, atmospheric conditions, and other like conditions.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

1 DEFINITIONS

Authorization Code: A numeric code, one or more of which are available to a customer to allow access to the carrier and which are used by the carrier to prevent unauthorized access and to identify the customer for billing purposes (see also "Personal Identification Number").

Authorized User: A person, firm, or corporation that is authorized to use the Company's services.

Called Station: The terminating point of the call (i.e. the called number).

Calling Station: The originating point of the call (i.e. the calling number).

Company or Carrier: iTELSA (USA), Inc.

Customer: Any person, firm, partnership, corporation, or other entity that receives telecommunications services under the provisions and regulations of this tariff. The customer is responsible for payment of charges and compliance with this tariff.

Dedicated Line: A direct channel specifically dedicated to a customer's use between specified points.

Direct Dialed Call: A call requiring no operator assistance. A direct dialed call is completed and billed to the telephone number from which the call originated without the assistance of an automated or live operator. This includes calls forwarded by call forwarding equipment.

End User: A person initiating a telephone call using the Company's services (see also "Authorized User").

FCC: Federal Communications Commission.

Incomplete Call: A call where the transmission between the calling and the called station is not established (e.g. busy, no answer, etc.).

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

1 DEFINITIONS (CONT.)

LATA (Local Access and Transport Area): A geographic area within which local telephone companies may offer telecommunications services (local or long distance).

Local Exchange Carrier (LEC): A telephone company utility that provides local telecommunications services to a specific geographic area for business and residential customers.

Non-recurring Charges: One-time charges that apply for a specific work activity (e.g. installation or change to an existing service).

Other Common Carrier (OCC): A common carrier other than the Company.

Personal Identification Number (PIN): A numeric code, one or more of which are available to a customer to allow access to the carrier and which are used by the carrier to prevent unauthorized access and to identify the customer for billing purposes (see also "Authorization Code").

Point of Presence (POP): The physical location where a long distance carrier terminates its long distance circuits.

Prepaid Phone Card: A calling card sold with a preset balance which is debited according to use.

Private Line: A direct channel specifically dedicated to a customer's use between specified points.

Retail Customer: Customer that acquires service for end-use.

Subscriber: Customer.

Switch: An electronic device that allows circuit sharing, routing, and control.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

I DEFINITIONS (CONT.)

T-1: A digital transmission link with a capacity of 1.544 Mbps (1,544,000 bits per second). T-1 lines are used for dedicated local access to long distance facilities.

Uncompleted Call: A call where the transmission between the calling and the called station is not established (e.g. busy, no answer, etc.).

Underlying Carrier: A provider of telecommunications services whose network the Company uses to provide telecommunications services to the customers.

Wholesale Customer: Customer that acquires service for resale to retail customers or to other wholesale customers.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
 iTELSA (USA) Inc.
 444 Brickell Avenue, Suite 650
 Miami, FL 33131

2 RULES AND REGULATIONS**2.1 Undertaking of the Company**

The Company provides telecommunications services through the resale of services of other authorized carriers to customers for the transmission of voice, data, and facsimile, and other special service on a switched and dedicated basis. All services are to be provided in accordance with the terms and conditions set forth in this tariff.

The Company installs, operates and maintains the communication services provided hereunder in accordance with the terms and conditions set forth under this tariff. The Company 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 Company's network. The customer shall be responsible for all charges due for such service arrangements.

The Company's services and facilities are available twenty-four (24) hours per day, seven (7) days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the necessary facilities and/or equipment, and subject to the terms of this tariff.
- 2.2.2 The Company reserves the right to discontinue service when necessitated by conditions beyond its control, or when the end-user or customer uses the service in violation of law or in violation of the terms of this tariff.
- 2.2.3 The customer may not transfer or assign the use of the service or facilities, except with the express consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.4 All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.
- 2.2.5 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)

2.2 Limitations (Cont.)

- 2.2.6 The Company reserves the right to block access to wireless phone and pager numbers that subscribe to a "calling party pays" service.

2.3 Use

- 2.3.1 Customers may only use the services provided under this tariff in a manner consistent with the terms of this tariff and the laws of all governmental authorities having jurisdiction over the service.

- 2.3.2 Services provided under this tariff shall not be used for unlawful purposes.

2.4 Liability of the Company

- 2.4.1 Except as stated in section 2.4, the Company shall have no liability for damages of any kind arising out of or related to services, events, acts, rights, or privileges related to this tariff. This tariff does not limit the liability of the Company for gross negligence or willful misconduct.

- 2.4.2 The Company's liability for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission occurring in the course of furnishing service or facilities shall not exceed the amount that the customer has actually paid the Company for the period of service during which such mistakes, omissions, interruptions, delays, errors or defects in the transmission occur.

- 2.4.3 THE COMPANY DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES WITH RESPECT TO THE SERVICES, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)**2.4 Liability of the Company (Cont.)**

- 2.4.4 In no event will the Company be responsible for any indirect, consequential, incidental, or special damages.
- 2.4.5 The Company is not liable for any act or omission of any other company furnishing any part of the service. No agents or employees of other carriers or companies shall be deemed to be agents or employees of the Company.
- 2.4.6 The Company shall be indemnified and held harmless by the customer against:
- A. Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over the Company's services or facilities;
 - B. Patent infringement claims arising from combining or connecting Company furnished facilities with apparatus and systems of the customer; and
 - C. All other claims arising out of any act or omission of the customer in connection with any service provided by the Company.
- 2.4.7 The customer shall indemnify and hold the Company harmless from all losses, claims, demands, suits and other actions, and any liability whatsoever, whether suffered, made, instituted or asserted by the customer or by any other party or persons, for any personal injury or death of any person, and for any loss, damage, or destruction of any property, whether owned by the customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of such equipment so used.
- 2.4.8 The Company shall not be liable for any defacement or damages to the premises of a customer which is not the direct result of the Company's negligence.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)**2.4 Liability of the Company (Cont.)**

- 2.4.9 The Company shall not be liable for any failure of performance due to causes beyond its control, including but not limited to: fire, floods, and other catastrophes; acts of God; atmospheric conditions and other natural phenomena; acts of government; court orders; national emergencies; war; civil disturbances; labor problems; third party acts and omissions (including failure of performance for reasons beyond the control of common carriers, interexchange carriers, local exchange carriers, suppliers and subcontractors); and other causes beyond its reasonable control, including failures and fluctuations in equipment.

2.5 Responsibilities of the Customer

- 2.5.1 The customer is responsible for taking all necessary actions for interconnecting any customer-provided equipment or systems with the Company's facilities or services. The customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection.
- 2.5.2 The customer shall ensure that any customer-provided equipment and/or system properly interfaces with the Company's facilities or services; that the signals emitted into the network are of the proper mode, bandwidth, power and signal level for the intended use of the customer and in compliance with the criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other customers. If the FCC or other appropriate certifying body certifies equipment as being acceptable for direct connection with telecommunications service, the Company may allow connection of such equipment to its services without the use of protective interface devices.
- 2.5.3 If the customer fails to maintain the equipment and/or system properly, resulting in potential harm to the Company's equipment, personnel, or quality of service to other customers, the Company may take any immediate action necessary to protect its facilities, personnel, and quality of service. The Company will promptly notify the customer of the need for protective action (this may include requiring the use of protective equipment at the customer's expense). If this fails to produce satisfactory quality and safety, the Company may, upon written notice, take any additional action necessary to protect its facilities and personnel, including termination of the customer's service.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)**2.5 Responsibilities of the Customer (Cont.)**

- 2.5.4 The customer shall be responsible for securing its telephone equipment against fraudulent use of the Company's service. The customer shall be responsible for payment of all applicable charges for services provided by the Company and billed to the Customer's accounts, even if those calls originated by fraudulent means from the customer's premises or remote locations. In addition, the customer shall be responsible for all calls charged by fraudulent means to the customer's account.
- 2.5.5 The customer shall indemnify and hold the Company harmless against claims of libel, slander, and infringement of copyrights, trademarks, trade names, and service marks, arising from any transmission over the facility; against all claims for infringement of patents arising from the combination or use of the Company's service with the customer's equipment or system; and against all other claims arising out of any act or omission of the customer in connection with the Company's service.
- 2.5.6 The customer shall be liable for:
- A. Loss of Company equipment or facilities at the customer's premises due to theft, fire, flood, or any other casualty or criminal act.
 - B. Reimbursing the Company for damages to facilities and equipment caused by the negligent or willful acts of the customer or its authorized users, employees, agents, or contractors.
 - C. Charges incurred with other companies for service at the customer's premises or on the customer's equipment.
 - D. Payment of Company charges for calls or service originated at the customer's number; accepted at the customer's number (i.e., collect calls); or placed through the customer's calling card or authorization/PIN number.
- 2.5.7 The customer shall provide access to its premises for any installation, repair, maintenance, inspection, testing, or removal of equipment associated with the Company's service.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)**2.5 Responsibilities of the Customer (Cont.)**

- 2.5.8 The customer shall ensure that authorized users comply with the provisions of this tariff.

2.6 Interruption of Service

- 2.6.1 Upon customer request, the Company may, at its discretion, credit a customer's account for service interruptions which are not due to the Company's testing or adjusting, customer's negligence or willful acts, or to the failure of customer provided facilities or equipment. Before requesting a credit, the customer will take reasonable steps to verify that the trouble could not have been prevented by the customer and is not in the customer's wiring or equipment. Credit for interruptions will not exceed the rate of 1/720th of the monthly charge for the facility affected for each hour or major fraction thereof that the interruption continues. Calculations of the credit shall be made in accordance with the following formula:

$$\text{Credit} = A/720 \times B$$

"A" = outage time in hours

"B" = total monthly charge for affected facility

- 2.6.2 Without incurring liability, the Company may interrupt service at any time for inspection, testing, maintenance, or repair. When possible, the Company will notify customers of the cause and expected duration of the interruption at least 24 hours in advance. The Company will not grant any allowances for interruptions for inspection, testing, maintenance, or repair.
- 2.6.3 The Company may discontinue service or any part thereof, without notice to the customer, by blocking traffic to and from certain countries, cities, NXX's, or by blocking calls that use certain authorization codes or calling card accounts when the Company deems it necessary to prevent fraud or other unlawful use of its services. The Company may restore service as soon as it can be provided without undue risk.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)

2.7 Termination of Service

Without incurring any liability, the Company may terminate or withhold service for any of the following reasons:

- A. Failure to timely pay any charges applicable under this tariff.
- B. Violation of any provision of this tariff.
- C. Violation of any law, rule, regulation, or policy of a government authority having jurisdiction over the service.
- D. An order or decision of a court, public utility commission, federal regulatory body, or other government authority prohibiting the Company from providing service.
- E. Improper use of the Company's services, or use that unreasonably interferes with service to other customers.
- F. Dangerous conditions which may cause imminent harm to persons or substantial damage to property.
- G. Illegal use, unauthorized use, or theft of service.

2.8 Restoration of Service

A reactivation charge may apply if the Company restores service for a customer deactivated under section 2.7.

2.9 [Reserved for Future Use]

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)

2.10 Payment for Service

- 2.10.1 All charges due from the customer are payable to any agency duly authorized to receive such payments. The agency may be a LEC, credit card company, or other billing or collection service. When the LEC serves as the billing agent for the Company or buys the Company's accounts receivables, the terms and conditions for billing, payment, and collection, including without limitation, any late payment charges, specified in the LEC's local exchange service tariff shall apply to charges of the Company.
- 2.10.2 The customer must present any disputed amounts or claims in writing within 30 days from the date of the invoice. The customer may not withhold undisputed amounts.
- 2.10.3 An account becomes past due if the customer fails to pay within 10 days after the invoice date, unless the customer and Company agree otherwise.
- 2.10.4 Bills are due and payable upon receipt. Interest at the lesser of (1) one and one-half percent (1.5%) per month (unless the customer and Company agree otherwise), or (2) the highest rate allowed by law per month shall accrue on any unpaid amount starting 30 days after the invoice date.
- 2.10.5 A past due account may subject the customer's service to deactivation.
- 2.10.6 Failure to receive a bill will not exempt a customer from prompt payment of any sums due.
- 2.10.7 [Reserved for Future Use]
- 2.10.8 The Company will assess a returned check charge of \$25.00 or five percent (5%) of the amount of the check, whichever is greater, for dishonored checks.

2.11 Deposits

The Company does not require deposits from retail customers. The Company may require deposits from wholesale customers as specified in Section 2.16.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)

2.12 Advance Payments

The Company's prepaid phone cards and recharges of such cards require advance purchase by the retail customer before use.

2.13 Taxes

The customer is responsible for payment of all applicable federal, state, and local taxes, charges, and assessments. All taxes (e.g., gross receipts tax, sales tax, excise tax, municipal utilities tax, etc.) are listed as separate line items and are not included in the quoted rates. The Company may allocate the taxes, charges, and assessments on a prorated basis among customers within a taxing jurisdiction.

2.14 Right to Backbill for Improper Use

Any person or entity which uses or appropriates the Company's services, whether directly or indirectly, in any unlawful manner or by providing misleading or false information to the Company shall be liable for an amount equal to the charges that would have applied to a customer's actual use of services.

2.15 Payphone Compensation Surcharge

The Company reserves the right to assess a per call surcharge for compensation of payphone service providers. The surcharge amount may vary according to the requirements of the regulatory authorities having jurisdiction.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)**2.16 Take or Pay Provision Applicable to Carriers/Resellers (Wholesale Customers)**

The term "Customer" as used in this section refers only to wholesale customers and not to retail customers or end-users.

The Company may require Customer to purchase services with a specific minimum amount per month (commitment). Customer may have a specified period (ramp-up period) beginning as of the date of the agreement to purchase such services. During the ramp-up period, Customer shall use its best efforts to utilize the specified minimum amount of minutes per month; however, Customer will only receive an invoice for actual usage charges, based upon the prices set forth in this tariff, unless the Company and Customer agree otherwise. Commencing on the first day after the ramp-up period, Customer shall have a "take or pay" commitment in the specified minimum amount per month. The Customer shall pay the greater of the actual usage charges or the minimum "take or pay" commitment. As used herein, a "take or pay" commitment means that Customer has the obligation to pay for services (at the same time as payment is, or would be due for services for such month) in such amount for each month during periods, whether or not such services are actually used, excluding, without limitation, service charges, interest, installation costs, and on-recurring charges. Subject to the terms and conditions herein, Customer shall pay for services at the prices reflected in this tariff.

The Company may require a deposit, which the Company will hold as security. In the event Customer fails to pay each invoice within the terms specified in this tariff, the Company at its sole discretion, may increase the amount of the deposit. In addition to all other rights provided hereunder or by applicable law, the Company shall have the right to draw upon the deposit for any and all past-due sums owed by Customer hereunder.

If Customer cancels the agreement before its termination date, then Customer must pay the Company, at the time Customer cancels the agreement, the commitment for the months remaining in the agreement.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

2 RULES AND REGULATIONS (CONT.)

**2.16 Take or Pay Provision Applicable to Carriers/Resellers (Wholesale Customers)
(Cont.)**

The Company reserves the right to increase prices 25% if Customer fails to achieve commitment and does not pay the shortfall amount, effective the month next following the month in which Customer fails to achieve commitment, and to continue such increased prices until Customer fulfills its commitment or pays the shortfall amount as required. Such increase in prices does not relieve Customer for payment liability of any charges due including late fees.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

3 DESCRIPTION OF SERVICES

The Company offers intrastate telecommunications service to customers from and to locations within the State. Intrastate telecommunications service is available 24 hours per day, seven (7) days per week.

3.1 Timing of Calls

Billing of retail customers for calls placed through the Company's service is based in part on the duration of the call as follows, unless specified otherwise in this tariff:

- A. Call timing begins when the called party answers the call (i.e., when two way communications are established). Answer detection is based on standard industry detection methods, including hardware and software detection.
- B. Chargeable time for a call ends when either party disconnects from the call.
- C. Minimum call duration may vary by service and is specified in Section 3 of this tariff.
- D. Billing increments may vary by service and is specified in Section 3 of this tariff.
- E. The Company will not charge for unanswered (uncompleted) calls.

3.2 Minimum Call Completion Rate

The customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 99% during peak use periods for all FGD services.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

3 DESCRIPTION OF SERVICES (CONT.)**3.3 Calculation of Distance ("V & H")**

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

The service wire centers of a call are determined by the area codes and exchanges of the origination and destination points.

The distance between the wire center of the Customer and that of the destination point is calculated by using the industry standard vertical ("V") and horizontal coordinates ("H") coordinates.

Step 1: Obtain the V and H coordinates for the wire centers serving the customer and the destination point.

Step 2: Obtain the difference between the V coordinate of each wire center. Obtain the difference between the H coordinates.

Step 3: Square the differences obtained in Step 2.

Step 4: Add the squares of the V difference and the H difference obtained in Step 3.

Step 5: Divide the sum of the squares obtained in Step 4 by 10. Round to the next higher whole number if a fraction remains from the division.

Step 6: Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if a fraction remains.

Formula:

$$\text{Mileage} = \sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

3 DESCRIPTION OF SERVICES (CONT.)**3.4 Time of Day Rate Periods**

The following rate periods apply to all service offerings, unless otherwise specified. The rate periods (Day, Evening, Night/Weekend) are indicated below in Eastern Standard Time:

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
8:00 am to 5:00 pm*	Day Rate Period					Eve	
5:00 pm to 11:00 pm*	Evening Rate Period						
11:00 pm to 8:00 am*	Night/Weekend Rate Period						

* Up to, but not including

3.5 Holiday Rates

The Company may designate certain holidays on which rates may be lower. The Company currently does not designate any holidays.

3.6 Promotions and Discounts

The Company may, from time to time, offer limited duration promotions. The promotions may include, but are not limited to, discounts and waivers of charges. Such promotions are designed to attract new customers or to increase customer awareness of a particular service.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

3 DESCRIPTION OF SERVICES (CONT.)**3.7 Service Offerings****3.7.1 Promotional Phone Card**

The Promotional Phone Card is a prepaid phone card. The minimum order can be as low as 25 cards. Calls are billed in one minute increments with a one minute minimum. Promotional Phone Cards may have one of the following expiration dates: 6 months after first use, 6 months after activation, 12 months after first use, 12 months after activation, 18 months after first use, 18 months after activation, or a specific date printed on the card.

3.7.2 Promotional Phone Card Recharge

Promotional Phone Card Recharge allows the retail customer to recharge the card by purchasing additional time.

3.7.3 Activation Program

The Activation Program provides prepaid phone cards. Calls are billed in 1 minute increments with a 1 minute minimum. Activation Program cards may have one of the following expiration dates: 1 year after first use, 1 year after last recharge, no expiration, or a specific date printed on the card.

3.7.4 Activation Program Recharge

Activation Program Recharge allows the retail customer to recharge the card by purchasing additional time.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

3 DESCRIPTION OF SERVICES (CONT.)**3.7.5 Bundled Usage Program**

The Bundled Usage Program provides prepaid phone cards with a 6 second billing increment and 18 second minimum or a 1 minute increment and 1 minute minimum. Bundled Usage cards may have one of the following expiration dates: 1 year after first use, 1 year after last recharge, no expiration, or a specific date printed on the card.

3.7.6 Bundled Usage Program Recharge

Bundled Usage Program Recharge allows the retail customer to recharge the card by purchasing additional time.

3.7.7 Unbundled Usage Program

The Unbundled Usage Program provides prepaid phone cards with a 6 second billing increment and 18 second minimum or a 1 minute increment and 1 minute minimum. The inbound and outbound legs of calls are rated separately. Unbundled Usage cards may have one of the following expiration dates: 1 year after first use, 1 year after last recharge, no expiration, or a specific date printed on the card.

3.7.8 Unbundled Usage Program Recharge

Unbundled Usage Program Recharge allows the retail customer to recharge the card by purchasing additional time.

3.7.9 Unbundled Usage/Reseller Program

This program provides wholesale services for carriers/resellers. The inbound and outbound legs of calls are rated separately. The inbound leg of a call is billed in 6 second increments with an 18 second minimum or 1 minute increments with a 1 minute minimum. The outbound leg of a call is billed in 6 second increments with a 6 second minimum. The customer will be charged for all calls whether terminated or not.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

3 DESCRIPTION OF SERVICES (CONT.)**3.7 Service Offerings (Cont.)****3.7.10 Carrier Program**

This program provides wholesale services for carriers/resellers that generate enough volume to negotiate their own carrier contracts and justify the investment of the installation of T-1s. The inbound and outbound legs of calls are rated separately. The inbound leg of a call is billed in 6 second increments with a 6 second minimum. The outbound leg of a call is billed in 6 second increments with a 6 second minimum. The customer will be charged for all inbound calls whether terminated or not. The customer is responsible for installation and payment of any T-1s.

3.7.11 Switched Access Long Distance

This service provides wholesale standard long distance service through switched access lines. Calls are billed in: 1 minute increments with a 1 minute minimum, 30 second increments with a 30 second minimum, 6 second increments with an 18 second minimum, or 6 second increments with a 6 second minimum.

3.7.12 Dedicated Access Long Distance

This service provides wholesale long distance service through dedicated access lines. Calls are billed in: 1 minute increments with a 1 minute minimum, 30 second increments with a 30 second minimum, 6 second increments with an 18 second minimum, or 6 second increments with a 6 second minimum. Any access and T-1 fees are billed separately.

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES

This section sets forth the rates and charges applicable to the Company's services. The rates and charges apply to intrastate services and facilities. All rates and charges are expressed in U.S. dollars. All rates are per minute. Calls which overlap rate periods will be charged according to the rates applicable to the time recorded in each period.

4.1 Promotional Phone Card

Day											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.030	26	0.155	51	0.280	76	0.405	101	0.530	126	0.655
2	0.035	27	0.160	52	0.285	77	0.410	102	0.535	127	0.660
3	0.040	28	0.165	53	0.290	78	0.415	103	0.540	128	0.665
4	0.045	29	0.170	54	0.295	79	0.420	104	0.545	129	0.670
5	0.050	30	0.175	55	0.300	80	0.425	105	0.550	130	0.675
6	0.055	31	0.180	56	0.305	81	0.430	106	0.555	131	0.680
7	0.060	32	0.185	57	0.310	82	0.435	107	0.560	132	0.685
8	0.065	33	0.190	58	0.315	83	0.440	108	0.565	133	0.690
9	0.070	34	0.195	59	0.320	84	0.445	109	0.570	134	0.695
10	0.075	35	0.200	60	0.325	85	0.450	110	0.575	135	0.700
11	0.080	36	0.205	61	0.330	86	0.455	111	0.580	136	0.705
12	0.085	37	0.210	62	0.335	87	0.460	112	0.585	137	0.710
13	0.090	38	0.215	63	0.340	88	0.465	113	0.590	138	0.715
14	0.095	39	0.220	64	0.345	89	0.470	114	0.595	139	0.720
15	0.100	40	0.225	65	0.350	90	0.475	115	0.600	140	0.725
16	0.105	41	0.230	66	0.355	91	0.480	116	0.605	141	0.730
17	0.110	42	0.235	67	0.360	92	0.485	117	0.610	142	0.735
18	0.115	43	0.240	68	0.365	93	0.490	118	0.615	143	0.740
19	0.120	44	0.245	69	0.370	94	0.495	119	0.620	144	0.745
20	0.125	45	0.250	70	0.375	95	0.500	120	0.625	145	0.750
21	0.130	46	0.255	71	0.380	96	0.505	121	0.630	146	0.755
22	0.135	47	0.260	72	0.385	97	0.510	122	0.635	147	0.760
23	0.140	48	0.265	73	0.390	98	0.515	123	0.640	148	0.765
24	0.145	49	0.270	74	0.395	99	0.520	124	0.645	149	0.770
25	0.150	50	0.275	75	0.400	100	0.525	125	0.650	150	0.775

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.1 Promotional Phone Card (Cont.)**

Evening									
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.030	26	0.155	51	0.280	76	0.405	101	0.530
2	0.035	27	0.160	52	0.285	77	0.410	102	0.535
3	0.040	28	0.165	53	0.290	78	0.415	103	0.540
4	0.045	29	0.170	54	0.295	79	0.420	104	0.545
5	0.050	30	0.175	55	0.300	80	0.425	105	0.550
6	0.055	31	0.180	56	0.305	81	0.430	106	0.555
7	0.060	32	0.185	57	0.310	82	0.435	107	0.560
8	0.065	33	0.190	58	0.315	83	0.440	108	0.565
9	0.070	34	0.195	59	0.320	84	0.445	109	0.570
10	0.075	35	0.200	60	0.325	85	0.450	110	0.575
11	0.080	36	0.205	61	0.330	86	0.455	111	0.580
12	0.085	37	0.210	62	0.335	87	0.460	112	0.585
13	0.090	38	0.215	63	0.340	88	0.465	113	0.590
14	0.095	39	0.220	64	0.345	89	0.470	114	0.595
15	0.100	40	0.225	65	0.350	90	0.475	115	0.600
16	0.105	41	0.230	66	0.355	91	0.480	116	0.605
17	0.110	42	0.235	67	0.360	92	0.485	117	0.610
18	0.115	43	0.240	68	0.365	93	0.490	118	0.615
19	0.120	44	0.245	69	0.370	94	0.495	119	0.620
20	0.125	45	0.250	70	0.375	95	0.500	120	0.625
21	0.130	46	0.255	71	0.380	96	0.505	121	0.630
22	0.135	47	0.260	72	0.385	97	0.510	122	0.635
23	0.140	48	0.265	73	0.390	98	0.515	123	0.640
24	0.145	49	0.270	74	0.395	99	0.520	124	0.645
25	0.150	50	0.275	75	0.400	100	0.525	125	0.650
								150	0.775
								175	0.900

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.1 Promotional Phone Card (Cont.)**

Night/Weekend/Holiday									
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.030	26	0.155	51	0.280	76	0.405	101	0.530
2	0.035	27	0.160	52	0.285	77	0.410	102	0.535
3	0.040	28	0.165	53	0.290	78	0.415	103	0.540
4	0.045	29	0.170	54	0.295	79	0.420	104	0.545
5	0.050	30	0.175	55	0.300	80	0.425	105	0.550
6	0.055	31	0.180	56	0.305	81	0.430	106	0.555
7	0.060	32	0.185	57	0.310	82	0.435	107	0.560
8	0.065	33	0.190	58	0.315	83	0.440	108	0.565
9	0.070	34	0.195	59	0.320	84	0.445	109	0.570
10	0.075	35	0.200	60	0.325	85	0.450	110	0.575
11	0.080	36	0.205	61	0.330	86	0.455	111	0.580
12	0.085	37	0.210	62	0.335	87	0.460	112	0.585
13	0.090	38	0.215	63	0.340	88	0.465	113	0.590
14	0.095	39	0.220	64	0.345	89	0.470	114	0.595
15	0.100	40	0.225	65	0.350	90	0.475	115	0.600
16	0.105	41	0.230	66	0.355	91	0.480	116	0.605
17	0.110	42	0.235	67	0.360	92	0.485	117	0.610
18	0.115	43	0.240	68	0.365	93	0.490	118	0.615
19	0.120	44	0.245	69	0.370	94	0.495	119	0.620
20	0.125	45	0.250	70	0.375	95	0.500	120	0.625
21	0.130	46	0.255	71	0.380	96	0.505	121	0.630
22	0.135	47	0.260	72	0.385	97	0.510	122	0.635
23	0.140	48	0.265	73	0.390	98	0.515	123	0.640
24	0.145	49	0.270	74	0.395	99	0.520	124	0.645
25	0.150	50	0.275	75	0.400	100	0.525	125	0.650
								150	0.775
								175	0.900

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.2 Promotional Phone Card Recharge

Recharge

#	Rate
1	0.150
2	0.155
3	0.160
4	0.165
5	0.170
6	0.175
7	0.180
8	0.185
9	0.190
10	0.195
11	0.200
12	0.205
13	0.210
14	0.215
15	0.220
16	0.225
17	0.230
18	0.235
19	0.240
20	0.245
21	0.250

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.3 Activation Program**

Day											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.3 Activation Program (Cont.)**

Evening											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865
										175	0.990
										176	0.995
										177	1.000

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.3 Activation Program (Cont.)**

Night/Weekend/Holiday									
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740
								126	0.745
								127	0.750
								128	0.755
								129	0.760
								130	0.765
								131	0.770
								132	0.775
								133	0.780
								134	0.785
								135	0.790
								136	0.795
								137	0.800
								138	0.805
								139	0.810
								140	0.815
								141	0.820
								142	0.825
								143	0.830
								144	0.835
								145	0.840
								146	0.845
								147	0.850
								148	0.855
								149	0.860
								150	0.865
								151	0.870
								152	0.875
								153	0.880
								154	0.885
								155	0.890
								156	0.895
								157	0.900
								158	0.905
								159	0.910
								160	0.915
								161	0.920
								162	0.925
								163	0.930
								164	0.935
								165	0.940
								166	0.945
								167	0.950
								168	0.955
								169	0.960
								170	0.965
								171	0.970
								172	0.975
								173	0.980
								174	0.985
								175	0.990
								176	0.995
								177	1.000

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.4 Activation Program Recharge**

Recharge											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865

Merchant Bank Surcharge (for Recharge/Activation billed to a credit card): \$0.40 + 7% of recharge amount

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.5 Bundled Usage Program**

Day									
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740
								126	0.745
								127	0.750
								128	0.755
								129	0.760
								130	0.765
								131	0.770
								132	0.775
								133	0.780
								134	0.785
								135	0.790
								136	0.795
								137	0.800
								138	0.805
								139	0.810
								140	0.815
								141	0.820
								142	0.825
								143	0.830
								144	0.835
								145	0.840
								146	0.845
								147	0.850
								148	0.855
								149	0.860
								150	0.865
								151	0.870
								152	0.875
								153	0.880
								154	0.885
								155	0.890
								156	0.895
								157	0.900
								158	0.905
								159	0.910
								160	0.915
								161	0.920
								162	0.925
								163	0.930
								164	0.935
								165	0.940
								166	0.945
								167	0.950
								168	0.955
								169	0.960
								170	0.965
								171	0.970
								172	0.975
								173	0.980
								174	0.985
								175	0.990
								176	0.995
								177	1.000

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.5 Bundled Usage Program (Cont.)**

Evening											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865
								151	0.870	176	0.995
										177	1.000

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.5 Bundled Usage Program (Cont.)**

Night/Weekend/Holiday									
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740
								126	0.745
								127	0.750
								128	0.755
								129	0.760
								130	0.765
								131	0.770
								132	0.775
								133	0.780
								134	0.785
								135	0.790
								136	0.795
								137	0.800
								138	0.805
								139	0.810
								140	0.815
								141	0.820
								142	0.825
								143	0.830
								144	0.835
								145	0.840
								146	0.845
								147	0.850
								148	0.855
								149	0.860
								150	0.865
								151	0.870
								152	0.875
								153	0.880
								154	0.885
								155	0.890
								156	0.895
								157	0.900
								158	0.905
								159	0.910
								160	0.915
								161	0.920
								162	0.925
								163	0.930
								164	0.935
								165	0.940
								166	0.945
								167	0.950
								168	0.955
								169	0.960
								170	0.965
								171	0.970
								172	0.975
								173	0.980
								174	0.985
								175	0.990
								176	0.995
								177	1.000

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.6 Bundled Usage Program Recharge**

Recharge													
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745	151	0.870
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750	152	0.875
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755	153	0.880
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760	154	0.885
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765	155	0.890
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770	156	0.895
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775	157	0.900
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780	158	0.905
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785	159	0.910
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790	160	0.915
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795	161	0.920
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800	162	0.925
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805	163	0.930
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810	164	0.935
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815	165	0.940
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820	166	0.945
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825	167	0.950
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830	168	0.955
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835	169	0.960
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840	170	0.965
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845	171	0.970
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850	172	0.975
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855	173	0.980
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860	174	0.985
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865	175	0.990

Merchant Bank Surcharge (for Recharge/Activation billed to a credit card): \$0.40 + 7% of recharge amount

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.7 Unbundled Usage Program**

Day											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.161	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865
										175	0.990
										176	0.995
										177	1.000

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.7 Unbundled Usage Program (Cont.)**

Evening											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.7 Unbundled Usage Program (Cont.)**

Night/Weekend/Holiday											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)**4.8 Unbundled Usage Program Recharge**

Recharge											
#	Rate	#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
1	0.120	26	0.245	51	0.370	76	0.495	101	0.620	126	0.745
2	0.125	27	0.250	52	0.375	77	0.500	102	0.625	127	0.750
3	0.130	28	0.255	53	0.380	78	0.505	103	0.630	128	0.755
4	0.135	29	0.260	54	0.385	79	0.510	104	0.635	129	0.760
5	0.140	30	0.265	55	0.390	80	0.515	105	0.640	130	0.765
6	0.145	31	0.270	56	0.395	81	0.520	106	0.645	131	0.770
7	0.150	32	0.275	57	0.400	82	0.525	107	0.650	132	0.775
8	0.155	33	0.280	58	0.405	83	0.530	108	0.655	133	0.780
9	0.160	34	0.285	59	0.410	84	0.535	109	0.660	134	0.785
10	0.165	35	0.290	60	0.415	85	0.540	110	0.665	135	0.790
11	0.170	36	0.295	61	0.420	86	0.545	111	0.670	136	0.795
12	0.175	37	0.300	62	0.425	87	0.550	112	0.675	137	0.800
13	0.180	38	0.305	63	0.430	88	0.555	113	0.680	138	0.805
14	0.185	39	0.310	64	0.435	89	0.560	114	0.685	139	0.810
15	0.190	40	0.315	65	0.440	90	0.565	115	0.690	140	0.815
16	0.195	41	0.320	66	0.445	91	0.570	116	0.695	141	0.820
17	0.200	42	0.325	67	0.450	92	0.575	117	0.700	142	0.825
18	0.205	43	0.330	68	0.455	93	0.580	118	0.705	143	0.830
19	0.210	44	0.335	69	0.460	94	0.585	119	0.710	144	0.835
20	0.215	45	0.340	70	0.465	95	0.590	120	0.715	145	0.840
21	0.220	46	0.345	71	0.470	96	0.595	121	0.720	146	0.845
22	0.225	47	0.350	72	0.475	97	0.600	122	0.725	147	0.850
23	0.230	48	0.355	73	0.480	98	0.605	123	0.730	148	0.855
24	0.235	49	0.360	74	0.485	99	0.610	124	0.735	149	0.860
25	0.240	50	0.365	75	0.490	100	0.615	125	0.740	150	0.865
										176	0.995
										177	1.000

Merchant Bank Surcharge (for Recharge/Activation billed to a credit card): \$0.40 + 7% of recharge amount

Payphone Compensation Surcharge: See Section 2.15

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.9 Unbundled Usage/Reseller Program

Inbound Leg					
#	Rate	#	Rate	#	Rate
1	0.040	26	0.065	51	0.090
2	0.041	27	0.066	52	0.091
3	0.042	28	0.067	53	0.092
4	0.043	29	0.068	54	0.093
5	0.044	30	0.069	55	0.094
6	0.045	31	0.070	56	0.095
7	0.046	32	0.071	57	0.096
8	0.047	33	0.072	58	0.097
9	0.048	34	0.073	59	0.098
10	0.049	35	0.074	60	0.099
11	0.050	36	0.075	61	0.100
12	0.051	37	0.076		
13	0.052	38	0.077		
14	0.053	39	0.078		
15	0.054	40	0.079		
16	0.055	41	0.080		
17	0.056	42	0.081		
18	0.057	43	0.082		
19	0.058	44	0.083		
20	0.059	45	0.084		
21	0.060	46	0.085		
22	0.061	47	0.086		
23	0.062	48	0.087		
24	0.063	49	0.088		
25	0.064	50	0.089		

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.9 Unbundled Usage/Reseller Program (Cont.)

Outbound Leg					
#	Rate	#	Rate	#	Rate
1	0.040	26	0.065	51	0.090
2	0.041	27	0.066	52	0.091
3	0.042	28	0.067	53	0.092
4	0.043	29	0.068	54	0.093
5	0.044	30	0.069	55	0.094
6	0.045	31	0.070	56	0.095
7	0.046	32	0.071	57	0.096
8	0.047	33	0.072	58	0.097
9	0.048	34	0.073	59	0.098
10	0.049	35	0.074	60	0.099
11	0.050	36	0.075	61	0.100
12	0.051	37	0.076		
13	0.052	38	0.077		
14	0.053	39	0.078		
15	0.054	40	0.079		
16	0.055	41	0.080		
17	0.056	42	0.081		
18	0.057	43	0.082		
19	0.058	44	0.083		
20	0.059	45	0.084		
21	0.060	46	0.085		
22	0.061	47	0.086		
23	0.062	48	0.087		
24	0.063	49	0.088		
25	0.064	50	0.089		

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.10 Carrier Program

Inbound Leg

#	Rate	#	Rate
1	0.003	26	0.028
2	0.004	27	0.029
3	0.005	28	0.030
4	0.006	29	0.031
5	0.007	30	0.032
6	0.008	31	0.033
7	0.009	32	0.034
8	0.010	33	0.035
9	0.011	34	0.036
10	0.012	35	0.037
11	0.013	36	0.0375
12	0.014	37	0.038
13	0.015	38	0.039
14	0.016	39	0.040
15	0.017	40	0.041
16	0.018	41	0.042
17	0.019	42	0.043
18	0.020	43	0.044
19	0.021	44	0.045
20	0.022	45	0.046
21	0.023	46	0.047
22	0.024	47	0.048
23	0.025	48	0.049
24	0.026	49	0.050
25	0.027		

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.10 Carrier Program (Cont.)

Outbound Leg			
#	Rate	#	Rate
1	0.003	26	0.028
2	0.004	27	0.029
3	0.005	28	0.030
4	0.006	29	0.031
5	0.007	30	0.032
6	0.008	31	0.033
7	0.009	32	0.034
8	0.010	33	0.035
9	0.011	34	0.036
10	0.012	35	0.037
11	0.013	36	0.038
12	0.014	37	0.039
13	0.015	38	0.040
14	0.016	39	0.041
15	0.017	40	0.042
16	0.018	41	0.043
17	0.019	42	0.044
18	0.020	43	0.045
19	0.021	44	0.046
20	0.022	45	0.047
21	0.023	46	0.048
22	0.024	47	0.049
23	0.025	48	0.050
24	0.026		
25	0.027		

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.11 Switched Access Long Distance

Day							
#	Rate	#	Rate	#	Rate	#	Rate
1	0.085	26	0.110	51	0.135	76	0.160
2	0.086	27	0.111	52	0.136	77	0.161
3	0.087	28	0.112	53	0.137	78	0.162
4	0.088	29	0.113	54	0.138	79	0.163
5	0.089	30	0.114	55	0.139	80	0.164
6	0.090	31	0.115	56	0.140	81	0.165
7	0.091	32	0.116	57	0.141	82	0.166
8	0.092	33	0.117	58	0.142	83	0.167
9	0.093	34	0.118	59	0.143	84	0.168
10	0.094	35	0.119	60	0.144	85	0.169
11	0.095	36	0.120	61	0.145	86	0.170
12	0.096	37	0.121	62	0.146	87	0.171
13	0.097	38	0.122	63	0.147	88	0.172
14	0.098	39	0.123	64	0.148	89	0.173
15	0.099	40	0.124	65	0.149	90	0.174
16	0.100	41	0.125	66	0.150	91	0.175
17	0.101	42	0.126	67	0.151	92	0.176
18	0.102	43	0.127	68	0.152	93	0.177
19	0.103	44	0.128	69	0.153	94	0.178
20	0.104	45	0.129	70	0.154	95	0.179
21	0.105	46	0.130	71	0.155	96	0.180
22	0.106	47	0.131	72	0.156	97	0.181
23	0.107	48	0.132	73	0.157	98	0.182
24	0.108	49	0.133	74	0.158	99	0.183
25	0.109	50	0.134	75	0.159	100	0.184

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.11 Switched Access Long Distance (Cont.)

Evening							
#	Rate	#	Rate	#	Rate	#	Rate
1	0.085	26	0.110	51	0.135	76	0.160
2	0.086	27	0.111	52	0.136	77	0.161
3	0.087	28	0.112	53	0.137	78	0.162
4	0.088	29	0.113	54	0.138	79	0.163
5	0.089	30	0.114	55	0.139	80	0.164
6	0.090	31	0.115	56	0.140	81	0.165
7	0.091	32	0.116	57	0.141	82	0.166
8	0.092	33	0.117	58	0.142	83	0.167
9	0.093	34	0.118	59	0.143	84	0.168
10	0.094	35	0.119	60	0.144	85	0.169
11	0.095	36	0.120	61	0.145	86	0.170
12	0.096	37	0.121	62	0.146	87	0.171
13	0.097	38	0.122	63	0.147	88	0.172
14	0.098	39	0.123	64	0.148	89	0.173
15	0.099	40	0.124	65	0.149	90	0.174
16	0.100	41	0.125	66	0.150	91	0.175
17	0.101	42	0.126	67	0.151	92	0.176
18	0.102	43	0.127	68	0.152	93	0.177
19	0.103	44	0.128	69	0.153	94	0.178
20	0.104	45	0.129	70	0.154	95	0.179
21	0.105	46	0.130	71	0.155	96	0.180
22	0.106	47	0.131	72	0.156	97	0.181
23	0.107	48	0.132	73	0.157	98	0.182
24	0.108	49	0.133	74	0.158	99	0.183
25	0.109	50	0.134	75	0.159	100	0.184

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.11 Switched Access Long Distance (Cont.)

Night/Weekend/Holiday					
#	Rate	#	Rate	#	Rate
1	0.085	26	0.110	51	0.135
2	0.086	27	0.111	52	0.136
3	0.087	28	0.112	53	0.137
4	0.088	29	0.113	54	0.138
5	0.089	30	0.114	55	0.139
6	0.090	31	0.115	56	0.140
7	0.091	32	0.116	57	0.141
8	0.092	33	0.117	58	0.142
9	0.093	34	0.118	59	0.143
10	0.094	35	0.119	60	0.144
11	0.095	36	0.120	61	0.145
12	0.096	37	0.121	62	0.146
13	0.097	38	0.122	63	0.147
14	0.098	39	0.123	64	0.148
15	0.099	40	0.124	65	0.149
16	0.100	41	0.125	66	0.150
17	0.101	42	0.126	67	0.151
18	0.102	43	0.127	68	0.152
19	0.103	44	0.128	69	0.153
20	0.104	45	0.129	70	0.154
21	0.105	46	0.130	71	0.155
22	0.106	47	0.131	72	0.156
23	0.107	48	0.132	73	0.157
24	0.108	49	0.133	74	0.158
25	0.109	50	0.134	75	0.159
				100	0.184
				101	0.185
				102	0.186
				103	0.187
				104	0.188
				105	0.189
				106	0.190
				107	0.191
				108	0.192
				109	0.193
				110	0.194
				111	0.195
				112	0.196
				113	0.197
				114	0.198
				115	0.199
				116	0.200

Set-Up Fee: up to \$50.00 per customer

Monthly Recurring Charge: up to \$10.00 per customer

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
 iTELSA (USA) Inc.
 444 Brickell Avenue, Suite 650
 Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.12 Dedicated Access Long Distance

Day					
#	Rate	#	Rate	#	Rate
1	0.045	26	0.070	51	0.095
2	0.046	27	0.071	52	0.096
3	0.047	28	0.072	53	0.097
4	0.048	29	0.073	54	0.098
5	0.049	30	0.074	55	0.099
6	0.050	31	0.075	56	0.100
7	0.051	32	0.076	57	0.101
8	0.052	33	0.077	58	0.102
9	0.053	34	0.078	59	0.103
10	0.054	35	0.079	60	0.104
11	0.055	36	0.080	61	0.105
12	0.056	37	0.081	62	0.106
13	0.057	38	0.082	63	0.107
14	0.058	39	0.083	64	0.108
15	0.059	40	0.084	65	0.109
16	0.060	41	0.085	66	0.110
17	0.061	42	0.086	67	0.111
18	0.062	43	0.087	68	0.112
19	0.063	44	0.088	69	0.113
20	0.064	45	0.089	70	0.114
21	0.065	46	0.090	71	0.115
22	0.066	47	0.091	72	0.116
23	0.067	48	0.092	73	0.117
24	0.068	49	0.093	74	0.118
25	0.069	50	0.094	75	0.119
				100	0.144

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.12 Dedicated Access Long Distance (Cont.)

Evening							
#	Rate	#	Rate	#	Rate	#	Rate
1	0.045	26	0.070	51	0.095	76	0.120
2	0.046	27	0.071	52	0.096	77	0.121
3	0.047	28	0.072	53	0.097	78	0.122
4	0.048	29	0.073	54	0.098	79	0.123
5	0.049	30	0.074	55	0.099	80	0.124
6	0.050	31	0.075	56	0.100	81	0.125
7	0.051	32	0.076	57	0.101	82	0.126
8	0.052	33	0.077	58	0.102	83	0.127
9	0.053	34	0.078	59	0.103	84	0.128
10	0.054	35	0.079	60	0.104	85	0.129
11	0.055	36	0.080	61	0.105	86	0.130
12	0.056	37	0.081	62	0.106	87	0.131
13	0.057	38	0.082	63	0.107	88	0.132
14	0.058	39	0.083	64	0.108	89	0.133
15	0.059	40	0.084	65	0.109	90	0.134
16	0.060	41	0.085	66	0.110	91	0.135
17	0.061	42	0.086	67	0.111	92	0.136
18	0.062	43	0.087	68	0.112	93	0.137
19	0.063	44	0.088	69	0.113	94	0.138
20	0.064	45	0.089	70	0.114	95	0.139
21	0.065	46	0.090	71	0.115	96	0.140
22	0.066	47	0.091	72	0.116	97	0.141
23	0.067	48	0.092	73	0.117	98	0.142
24	0.068	49	0.093	74	0.118	99	0.143
25	0.069	50	0.094	75	0.119	100	0.144

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

4 RATES AND CHARGES (CONT.)

4.12 Dedicated Access Long Distance (Cont.)

Night/Weekend/Holiday					
#	Rate	#	Rate	#	Rate
1	0.045	26	0.070	51	0.095
2	0.046	27	0.071	52	0.096
3	0.047	28	0.072	53	0.097
4	0.048	29	0.073	54	0.098
5	0.049	30	0.074	55	0.099
6	0.050	31	0.075	56	0.100
7	0.051	32	0.076	57	0.101
8	0.052	33	0.077	58	0.102
9	0.053	34	0.078	59	0.103
10	0.054	35	0.079	60	0.104
11	0.055	36	0.080	61	0.105
12	0.056	37	0.081	62	0.106
13	0.057	38	0.082	63	0.107
14	0.058	39	0.083	64	0.108
15	0.059	40	0.084	65	0.109
16	0.060	41	0.085	66	0.110
17	0.061	42	0.086	67	0.111
18	0.062	43	0.087	68	0.112
19	0.063	44	0.088	69	0.113
20	0.064	45	0.089	70	0.114
21	0.065	46	0.090	71	0.115
22	0.066	47	0.091	72	0.116
23	0.067	48	0.092	73	0.117
24	0.068	49	0.093	74	0.118
25	0.069	50	0.094	75	0.119
				100	0.144

Set-Up Fee: up to \$50.00 per customer

Monthly Recurring Charge: up to \$10.00 per customer

Issued: October 21, 1997

Effective:

Issued By: Ronald Tolliver, President
iTELSA (USA) Inc.
444 Brickell Avenue, Suite 650
Miami, FL 33131

NEXT

DOCUMENT (S)

DISREGARD

BACKGROUND

INTERACTIVE TELECARD SERVICES, INC.

444 BRICKELL AVE., SUITE 650
MIAMI, FL 33131

952716

DATE 9-25-97

9-25-10
95

PAY TO THE ORDER OF South Dakota Public Utilities Commission

\$ 250.00

Two hundred RPT

DOLLARS

Northern Trust Bank of Florida N.A.

FOR

⑈952716⑈+⑈066009650⑈1010032243⑈

L. J. Scapellato
John Scapellato

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (800) 332-1782
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

These are the telecommunications service filings that the Commission has received for the period of:

10/17/97 through 10/30/97

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC97-168	Application by Atlas Equity, Inc. d/b/a Performance Telecom for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/CH) "Applicant seeks statewide authority to provide intra- and interLATA interexchange telecommunications services....Applicant intends to provide interexchange intrastate voice message telephone services."	10/27/97	11/14/97
TC97-170	Application by iTELSA (USA), Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/CH) "The Applicant will provide interexchange services as a non-facilities-based reseller. Applicant proposes to offer 1+ and prepaid phone card services to both business and residential users."	10/27/97	11/14/97
TC97-171	Application by New Media Telecommunications, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/KC) "New Media, proposes to provide intrastate long distance service in conjunction with its interstate long distance service."	10/27/97	11/14/97
TC97-172	Application by Long Distance of Michigan, Inc. d/b/a LDMI Long Distance for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/KC) "LDMI offers outbound telecommunications services to residential and business customers, utilizing switched access. Switched access service is available on a presubscription basis from equal access originating end offices. LDMI will also offer travel card and inbound toll-free services. Service is offered as an add-on to LDMI's interstate service."	10/27/97	11/14/97
FORMAL COMPLAINT FILED			
TC97-169	Avery and Dixie Thompson vs U S WEST Communications, Inc. On October 24, 1997, the Commission received a complaint filed by Avery and Dixie Thompson, Complainants, Reliance, SD, against U S WEST Communications, Inc. (Respondent) regarding delays in the provisioning of new services. According to the complaint, Complainants contacted Respondent in April of 1997, requesting phone service at a new location. Complainants state they were informed by Respondent that they should call the Respondent two weeks prior to the date they wanted service. Complainants indicate that their service at the new residence was needed on September 12, 1997. Complainants contacted Respondent on September 12, 1997, and were informed that Respondent did not have adequate facilities at the Complainants' new location. On or about September 23, 1997, Complainants were told by Respondent that services would not be provisioned until late October. 1997. Respondent provisioned services to Complainants in late October but the complaint does not indicate whether those services are working as of the date of the complaint. Complainants are asking that Respondent provision the services requested; that Respondent reimburse Complainants for certain expenses relating to the delayed service; and that Respondent compensate Complainants for the inconvenience caused by the delay in provisioning service.	10/24/97	NA

Important Notice: The Commission is compiling a list of internet addresses. If you have an internet address please notify the Commission by E-mailing it to Terry Norum at: terryn@pub.state.sd.us Faxing the address to the Commission at: 605-773-3809



December 4, 1997

State of South Dakota
Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

RE: Financial statements for iTELSA (USA), Inc.

Dear Sir or Madam:

Please find enclosed iTELSA (USA), Inc.'s financial statements (the financial statements were not available when iTELSA originally filed its application). An original and 10 copies are enclosed.

Thanks for your help.

Sincerely,

PCSi
Consultant for iTELSA (USA), Inc.

Andrew Kang
Regulatory Counsel

ENC.

TC97-170

RECEIVED

DEC 08 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

MEMBER
COMPTel

MEMBER
ACTA

MEMBER
tra

Professional
Certification
Services



1425 GREENWAY DR
SUITE 210
IRVING, TEXAS 75038
TEL: (972) 752-1378
FAX: (972) 756-8015
<http://www.pcs-telc.com>

RECEIVED

DEC 08 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

ITELSA, USA
Consolidated Statement of Operations
For the Quarter Ended September 30, 1997

	ACTUAL Q1	BUDGET Q1	Variance	
			Favorable (Unfavorable) \$	%
Revenue:				
Domestic Sales				
Premium and Incentive	\$1,124,811	\$386,330	\$738,281	191%
Retail	216,300	254,605	(38,305)	-15%
Telecom	1,145,574	607,303	538,271	89%
Sub-total Domestic	2,486,485	1,248,238	1,238,247	99%
International Sales				
Corp Development Sales	0	0	0	n/a
International Sales	0	0	0	n/a
Sub-total International	0	0	0	n/a
Total Revenue	<u>2,486,485</u>	<u>1,248,238</u>	<u>1,238,247</u>	99%
Cost of service:				
Domestic Cost				
Premium and Incentive	739,272	248,603	(490,669)	-197%
Retail	149,378	171,494	22,116	13%
Telecom	787,733	407,836	(379,897)	-93%
Sub-total Domestic	1,676,383	827,933	(848,450)	-102%
International Cost				
Corp Development Sales	0	0	0	n/a
International Sales	0	0	0	n/a
Sub-total International	0	0	0	n/a
Total Cost of service	<u>1,676,383</u>	<u>827,933</u>	<u>(848,450)</u>	-102%
Total Cost of service %	67%	66%		
Gross Margin	810,102	420,305	389,797	93%
Gross Margin %	33%	34%		
Operating Expenses:				
Sales and Marketing	499,903	618,296	118,393	19%
General and administrative	1,027,570	1,274,823	247,253	19%
Operations and Engineering	226,650	233,897	7,247	3%
EIS	6,041	6,538	497	8%
Total Operating Expenses	<u>1,760,164</u>	<u>2,133,554</u>	<u>373,390</u>	18%
EBITDA	<u>(950,062)</u>	<u>(1,713,249)</u>	<u>763,187</u>	45%
Depreciation and amortization	98,886	98,886	0	0%
EBIT	<u>(1,048,948)</u>	<u>(1,812,135)</u>	<u>763,187</u>	42%
Interest expense	281,697	281,697	0	0%
Taxes	0	0	0	n/a
Net Income (Loss)	<u>(\$1,330,646)</u>	<u>(\$2,093,832)</u>	<u>\$763,187</u>	36%

Company Confidential

UNAUDITED
 FOR MANAGEMENT DISCUSSION ONLY

ITELSA, USA
Consolidated Balance Sheet
For the Quarter Ended September 30, 1997

	Actual Q1 Ended Sep-97	Budget Q1 Ended Sep-97	Variance Favorable (Unfavorable)	
			\$	%
ASSETS				
Current Assets:				
Cash & cash equivalents	\$3,342,440	\$3,049,505	\$292,935	10%
Accounts receivable, net ¹	1,548,845	649,768	898,877	130%
Customer deposits (letters of credit)	547,042	547,042	0	0%
Sub total	5,438,127	4,246,315	1,191,812	28%
Other Assets:				
Equipment and proprietary information system net of depreciation and amortization	3,114,952	1,803,042	1,311,910	73%
Goodwill, net ²	12,183,737	11,331,442	852,295	8%
TOTAL ASSETS	\$20,738,818	\$17,380,799	\$3,358,017	19%
LIABILITIES & SHAREHOLDER'S EQUITY				
Liabilities:				
Accounts payable ³	3881,475	\$733,953	(\$147,222)	-20%
Accrued transmission ⁴	506,000	272,167	(233,803)	-86%
Preferred dividend payable	0	0	0	n/a
Customer deposits (letters of credit)	547,042	547,042	0	0%
Deferred revenue	196,322	131,315	(65,007)	-62%
Notes payable (ITG)	1,250,000	1,250,000	0	0%
Bank debt ⁵	18,464,369	16,317,902	(2,146,497)	-13%
Sub total current liabilities	21,545,208	19,252,409	(2,292,829)	-13%
Shareholders' Equity:				
Common stock per value \$0.01, 100,000,000 shares authorized, 22,402,213 issued and outstanding July 1, 1997	222,222	222,222	0	0%
Preferred stock per value \$0.01 with 10% annual PDK ⁶	0	0	0	n/a
Accumulated deficit	(1,330,644)	(2,090,832)	763,188	-36%
Total Shareholder Equity	(1,108,422)	(1,871,610)	763,188	-41%
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	\$20,738,818	\$17,380,799	\$3,358,017	19%

FOOTNOTES:

- (1) Account Receivable are based upon gross revenue, collection cycle of 50 days, and bad debt allowance of 5%.
- (2) Goodwill is equal to an estimate of the predecessor company's accumulated deficit. Goodwill is amortized straight line over a 30 year period. Goodwill also includes \$500k of debt issuance costs.
- (3) Accounts Payable are based upon projected operating expenses and a payment cycle of 30 days.
- (4) Accrued Transmission costs are based upon the projected cost of service and a historic payment cycle of 15 days.
- (5) Bank debt consists of Horizon Trust line of credit, NationsBank line of credit and capital lease obligations. Both line of credit facilities are interest only and are guaranteed by Albert L. Weitzbach.
- (6) Represents the \$15mm of new cash infusion plus the conversion of \$5mm credit facility from NationsBank to preferred stock, projected to occur in Q2. All preferred stock will have an annual "Paid in kind" (PIK) of 10%.

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF) ITELSA (USA), INC. FOR A CERTIFICATE OF) AUTHORITY TO PROVIDE) TELECOMMUNICATIONS SERVICES IN) SOUTH DAKOTA)	ORDER DENYING CERTIFICATE OF AUTHORITY TC97-170
--	--

On October 27, 1997, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10.24.02, received an application for a certificate of authority from ITELSA (USA), Inc. (ITELSA).

ITELSA proposed to become a reseller of interexchange telecommunications services. A proposed tariff was filed by ITELSA. The Commission has classified long distance service as fully competitive.

On October 30, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of November 14, 1997, to interested individuals and entities. Commission Staff requested additional information from ITELSA on numerous occasions. ITELSA failed to respond to Staff's requests.

No petitions to intervene or comments were filed and at its regularly scheduled June 11, 1998, meeting, the Commission considered ITELSA's request for a certificate of authority. Pursuant to ARSD 20:10.24.03, Commission Staff recommended denial of the application for a certificate of authority due to unresponsiveness to Staff's request for information on the application and a demonstrated financial capability.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10.24.02 and 20:10.24.03. The Commission finds that ITELSA has not met the legal requirements established for the granting of a certificate of authority. ITELSA has not, in accordance with SDCL 49-31-3, demonstrated sufficient financial capabilities to offer telecommunications services in South Dakota. The Commission denies ITELSA's application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that ITELSA's application for a certificate of authority is hereby denied.

Dated at Pierre, South Dakota, this 19th day of June, 1998.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By William Kachs

Date 6/19/98

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner