

In the Matter of _____

**IN THE MATTER OF THE
APPLICATION OF SMALL BUSINESS
BILLING, INC. FOR A CERTIFICATE OF
AUTHORITY TO PROVIDE
TELECOMMUNICATIONS SERVICES IN
SOUTH DAKOTA**

Public Utilities Commission of the State of South Dakota

[illegible]

TC99-094



Steven C. Clay
& Associates, P.A.
900 Flour Exchange Bldg.
310 Fourth Avenue South
Minneapolis, MN 55415

telephone 612.321.9241
facsimile 612.321.9207
sclay@lawx.com

RECEIVED

SEP 15 1999

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

August 6, 1999

South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

**RE: Application of Small Business Billing, Inc. for Authority as a
Telecommunications Reseller in South Dakota**

To Whom It May Concern:

Enclosed please find an original and ten copies of the Application of Small Business Billing, Inc. for authority to resell intrastate inbound and outbound long distance telecommunications service within and throughout the state of South Dakota. The Company is applying for authority as a switchless reseller only, and will not provide operator services. I have provided an additional application to be stamped as filed and returned to my attention in the enclosed self-addressed envelope.

If you have any questions regarding this application, please call me at 612-321-9241. Thank You.

Sincerely,

Steven C. Clay
Attorney for Applicant

Enc.

SC/cg

SEP 15 1999

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

In the Matter of the Application of
Small Business Billing, Inc.
for a Certificate of Authority to resell
telecommunications services
in South Dakota

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Docket No. _____

**APPLICATION OF
SMALL BUSINESS BILLING, INC.**

Small Business Billing, Inc. (hereinafter "Small Business Billing, Inc." or "Applicant") respectfully requests that the South Dakota Public Utilities Commission (hereinafter "Commission") grant it authority to provide intrastate inbound and outbound long distance telecommunications service within and throughout the state of South Dakota. This Application submitted by Small Business Billing, Inc. demonstrates:

(a) Applicant is a corporation organized and existing under the laws of the state of Minnesota. Applicant's date of incorporation is June 3, 1998. Applicant is authorized to do business in South Dakota, and a copy of Applicant's Certificate of Authority to transact business is attached as Exhibit 1.

(b) The full name, address, and telephone number of the Applicant is:

Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, MN 55075
Telephone: (651) 714-7970

Applicant has no offices located in South Dakota.

(c) Questions concerning this application and tariff should be directed to Steven Clay, Applicant's Attorney at the address and telephone number listed below.

Steven C. Clay & Associates, P.A.
900 Flour Exchange Building
310 Fourth Avenue South
Minneapolis, Minnesota 55415
sclay@lawx.com
Phone: (612) 321-9241
Facsimile: (612) 321-9706

- (d) The name and address of Applicant's registered agent in South Dakota is:

CT Corporation System
319 South Coteau Street
Pierre, SD 57501

- (e) A list of Applicant's executive officers, board of directors, and principle shareholders is attached as Exhibit 2.

- (f) Applicant is currently authorized to provide long distance service in the following jurisdictions:

1. Arkansas
2. Colorado
3. Idaho
4. Indiana
5. Iowa
6. Kentucky
7. Michigan
8. Montana
9. Pennsylvania
10. Utah
11. Virginia

Applicant has interstate and international long distance service tariffs on file with the Federal Communications Commission (FCC). Applicant has not been denied certification or registration in any state.

- (g) Applicant has no affiliates or subsidiaries.
- (h) Applicant intends to resell the telecommunications facilities of the underlying common carrier Sprint. Applicant does not own, lease, control or maintain any facilities for the

transmission of long distance telecommunications signals, and Applicant is not a facilities-based carrier.

(i) Small Business Billing, Inc.'s service will be offered nationwide. Through its service, customers may originate calls nationwide or in other countries for termination in the United States or in other countries. Small Business Billing, Inc. intends to offer its services within and throughout the entire state of South Dakota.

(j) Small Business Billing, Inc. markets long distance service to small businesses and residences. Small Business Billing, Inc. offers switched telecommunications services to its customers, twenty-four (24) hours a day, seven (7) days a week. Applicant markets long distance service through professional independent agents.

(k) Small Business Billing, Inc. bills customers through agreements with the Regional Bell Operating Companies. Small Business Billing, Inc. will be listed as the long distance service provider on customer bills. The Applicant has retained the services of USBI, a San Antonio, Texas-based customer service and billing clearinghouse, to handle any problems with customer service and billing. USBI provides twenty-four (24) hour customer service, and a toll-free customer service number for USBI will be printed on each customer's bill. USBI is fully authorized to issue credits on behalf of the Applicant to customers where necessary.

Questions regarding customer service matters should be directed to Denise Pettit, President at:

Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, MN 55075
(651) 714-7970

(l) Small Business Billing, Inc. has ample financial resources to operate as a telecommunications provider. Complete financial statements are provided as Exhibit 3.

(m) A complete tariff reflecting services to be offered, rates applicable to each service and applicable regulations is provided with this application as Exhibit 4

(n) Small Business Billing, Inc. does not intend to acquire or construct any facilities for the provision of telecommunications services within South Dakota. Rather, Small Business Billing, Inc. will resell the facilities of other authorized carriers.

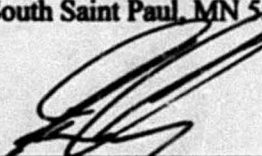
(o) The public interest, convenience and necessity will be served by the grant of this application of Small Business Billing, Inc. Through the entry of Small Business Billing, Inc. into the South Dakota market, consumers will benefit from increased availability of a greater variety of long distance telecommunications service options. The public as a whole will benefit from increased competition within the South Dakota long distance service industry. The entry of Small Business Billing, Inc. into the South Dakota market will provide South Dakota small businesses with long distance service options not currently offered by other carriers.

WHEREFORE, the Applicant respectfully requests that the Commission grant it authority to resell intrastate inbound and outbound long distance telecommunications service within and throughout the state of South Dakota, and issue an order authorizing Small Business Billing, Inc. to provide such services in South Dakota.

Dated this 14th day of August, 1999.

Respectfully submitted,

Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, MN 55075

By: 

Steven C. Clay
Attorney for Applicant
Steven C. Clay & Associates, P.A.
900 Flour Exchange Building
310 Fourth Avenue South
Minneapolis, Minnesota 55415
Telephone: (612) 321-9241
Facsimile: (612) 321-9207

EXHIBIT 1

State of South Dakota

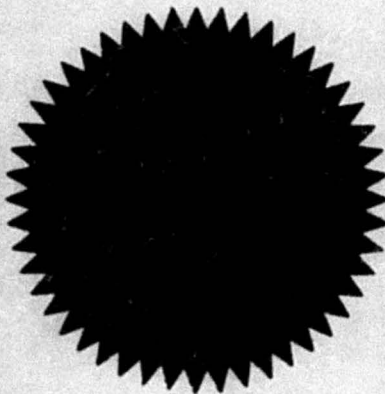


OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of SMALL BUSINESS BILLING, INC. (MN) 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.



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 August 25, 1999.

Joyce Hazeltime
JOYCE HAZELTINE
Secretary of State

SECRETARY OF STATE
STATE CAPITOL
500 E. CAPITOL
PIERRE, S.D. 57501-5077
605-773-4845
FAX (605) 773-4550

FILE NO. _____
RECEIPT NO. RECEIVED

AUG 25 1999

APPLICATION FOR CERTIFICATE OF AUTHORITY

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 Small Business Billing, 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 of such words, 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 Minnesota Federal Taxpayer ID# 41-1910077

(4) The date of its incorporation is June 3, 1998 and the period of its duration, which may be perpetual, is Perpetual

(5) The address of its principal office in the state or country under the laws of which it is incorporated is 1054 Summit Avenue, South Saint Paul, MN Zip Code 55075

mailing address if different from above is: Same
Zip Code _____

(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 c/o C T Corporation System, 319 S. Coteau Zip 57501
and the name of its proposed registered agent in the State of South Dakota at that address is C T Corporation System

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

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

Name	Officer Title	Street Address	City	State	Zip
<u>Denise Pettit</u>	<u>President and Director</u>	<u>1054 Summit Avenue, South Saint Paul, MN</u>			<u>55075</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 of shares	Class	Series	Par value per share or statement that shares are without par value
<u>100,000</u>	<u>Common</u>	<u>(No series)</u>	<u>No par value</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 of shares	Class	Series	Par value per share or statement that shares are without par value
<u>1,000</u>	<u>Common</u>	<u>(No series)</u>	<u>No par value</u>
_____	_____	_____	_____
_____	_____	_____	_____

(11) The amount of its stated capital is \$1,000.00

Shares issued times par value equals stated capital. In the case of no par value stock, stated capital is the consideration received for the issued shares.

(12) This application is accompanied by a CERTIFICATE OF FACT or a CERTIFICATE OF GOOD STANDING 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, in the presence of a notary public, 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 12-11 19 98

Denise Pettit
(Signature) Denise Pettit

President
(Title)

State of MINNESOTA
County of WASHINGTON

On this 11 day of December, 19 98, before me _____, 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 01/31/2000

Dennis C. Coleman
(Notary Public)

Notarial Seal



DENNIS C. COLEMAN
NOTARY PUBLIC - MINNESOTA
My Commission Expires 01/31/2000

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

CONSENT OF APPOINTMENT BY THE REGISTERED AGENT

I, C T Corporation System, hereby give my consent to serve as the
(name of registered agent)

registered agent for Small Business Billing, Inc.
(corporate name)

Dated 1.12 19 99

C T CORPORATION SYSTEM
Michael R. Graham
(signature of registered agent)

Authorized capital stock of	\$ 25,000	or less	\$ 90
Over \$25,000 and not exceeding	100,000		110
Over \$100,000 and not exceeding	500,000		130
Over \$500,00 and not exceeding	1,000,000		150
Over \$1,000,000 and not exceeding	1,500,000		200
Over \$1,500,000 and not exceeding	2,000,000		250
Over \$2,000,000 and not exceeding	2,500,000		300
Over \$2,500,000 and not exceeding	3,000,000		350
Over \$3,000,000 and not exceeding	3,500,000		400
Over \$3,500,000 and not exceeding	4,000,000		450
Over \$4,000,000 and not exceeding	4,500,000		500
Over \$4,500,000 and not exceeding	5,000,000		550

For each additional \$500,000, \$40 in addition to \$500.

For purposes only of computing fees under this section, the dollar value of each authorized share having a par value shall be equal to par value and the value of each authorized share having no par value shall be equal to one hundred dollars per share. The maximum amount charged under this subdivision may not exceed sixteen thousand dollars.

The proper filing fee must accompany the application. Make checks payable to the Secretary of State.

FILING INSTRUCTIONS:

The application must be signed, in the presence of a notary public, by the chairman of the board of directors, or its president, or any other officer. Original and one photocopy of the application must be submitted.

The application must be accompanied by an original, currently dated, **CERTIFICATE OF FACT** or a **CERTIFICATE OF GOOD STANDING** from the Secretary of State in the state where incorporated. A photocopy of a certificate is not acceptable. It should be dated within ninety days of submitting it to our office.

South Dakota law requires every corporation to continuously maintain a resident of this state as the registered agent (number six on the application). The registered agent's address is considered the registered office address of the corporation in South Dakota. A complete street address must be listed for service of process.

The Consent of Registered Agent portion must be signed by the South Dakota registered agent.

Mail the application, certificate, and filing fee to the Secretary of State, Corporate Division, 500 E. Capitol, Pierre, SD 57501-5070. The duplicate and a Certificate of Authority will be returned for your records.

10E.
314

STATE OF MINNESOTA
SECRETARY OF STATE
ARTICLES OF INCORPORATION
Business and Nonprofit Corporations

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

JUN 03 1996

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK.

Please read the directions on the reverse side before completing this form. All information on this form is public information.

James Andrew Stone
Secretary of State

TO EXPEDITE THE RETURN OF YOUR DOCUMENTS, PLEASE SUBMIT A STAMPED, SELF-ADDRESSED ENVELOPE.

The undersigned incorporator(s) is an (are) individual(s) 18 years of age or older and adopt the following articles of incorporation to form a (mark ONLY one):

☒ FOR-PROFIT BUSINESS CORPORATION (Chapter 302A) ☐ NONPROFIT CORPORATION (Chapter 317A)

ARTICLE I NAME

The name of the corporation is:

SMALL BUSINESS BILLING, INC.

(Business Corporation names must include a corporate designation such as Incorporated, Corporation, Company, Limited or an abbreviation of one of these words.)

ARTICLE II REGISTERED OFFICE ADDRESS AND AGENT

The registered office address of the corporation is:

1186 ROSS AVENUE ST. PAUL MN 55106

(A complete street address or rural route and rural route box number is required; the address cannot be a P.O. Box) City State Zip

The registered agent at the above address is:

(Note: You are not required to have a registered agent.) Name

ARTICLE III SHARES

The corporation is authorized to issue a total of 100,000 shares.

(If you are a business corporation you must authorize at least one share. Nonprofit corporations are not required to have shares.)

ARTICLE IV INCORPORATORS

I (We), the undersigned incorporator(s) certify that I am (we are) authorized to execute these articles and that the information in these articles is true and correct. I (We) also understand that if any of this information is intentionally or knowingly misstated that criminal penalties will apply as if I had signed these articles under oath. (Provide the name and address of each incorporator. Each incorporator must sign below. List the incorporators on an additional sheet if you have more than two incorporators.)

Denise L. Pettit 1186 Ross Ave. St. Paul MN 55106 Denise L. Pettit

Name

Street

City

State

Zip

Signature

Name

Street

City

State

Zip

Signature

List the Standard Industrial Classification Code (SIC) that most accurately describes the nature of the business of this corporation. Select one of the 2-digit SIC Codes listed on the backside of this form. _____

Print name and phone number of person to be contacted if there is a question about the filing of these articles.

Jim Rolshouse612-798-1173

528461

Name

Phone Number

State of Minnesota

SECRETARY OF STATE

CERTIFICATE OF INCORPORATION

I, Joan Anderson Grove, Secretary of State of Minnesota, do certify that: Articles of Incorporation, duly signed and acknowledged under oath, have been filed on this date in the Office of the Secretary of State, for the incorporation of the following corporation, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

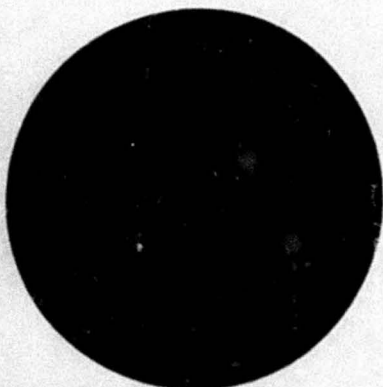
This corporation is now legally organized under the laws of Minnesota.

Corporate Name: Small Business Billing, Inc.

Corporate Charter Number: 10E-314

Chapter Formed Under: 302A

This certificate has been issued on 06/03/1998.



Joan Anderson Grove
Secretary of State.

EXHIBIT 2

President

Denise Pettit
1054 Summit Avenue
South Saint Paul, MN 55075

Director

Denise Pettit
1054 Summit Avenue
South Saint Paul, MN 55075

Sole Shareholder

Denise Pettit
1054 Summit Avenue
South Saint Paul, MN 55075

EXHIBIT 3

**Small Business Billing, Inc.
Forecasted Balance Sheet**

1999

ASSETS**Current Assets:**

CASH-NORWEST CHECKING	\$95,000.00
CASH-SAVINGS	50,000.00
ACCOUNTS RECEIVABLE	150,000.00
NOTES RECEIVABLE-CURRENT	4,200.00
OTHER RECEIVABLES	60,000.00
PREPAID INSURANCE	2,400.00
DEPOSITS	1,900.00

TOTAL Current Assets**\$363,100.00****Fixed Assets:**

FURNITURE AND FIXTURES	11,000.00
TELEPHONE EQUIPMENT	5,300.00
COMPUTER EQUIPMENT	24,000.00
COMPUTER EQUIPMENT-UBD	470.00
TELEPHONE EQUIPMENT-SALES	130,000.00
ACCUM DEPREC-FURN & FIX	(2,000.00)
ACCUM DEPREC-TELEPH EQPMNT	(1,400.00)
ACCUM DEPREC-EQUIP	(4,600.00)
ACCUM DEPREC-EQUIP SALE	(28,000.00)

TOTAL Fixed Assets**134,770.00****Other Assets:**

GOODWILL	50,000.00
ACCUM AMRT-GOODWILL	(17,000.00)

TOTAL Other Assets**33,000.00****TOTAL ASSETS****\$530,870.00**

Small Business Billing, Inc. Forecasted Balance Sheet

1999

LIABILITIES

Current Liabilities:

ACCOUNTS PAYABLE	\$100,700.00
A/P - SUB-AGENTS	29,900.00
NOTES PAYABLE-QAI 2	2,200.00
WAGES PAYABLE	46,000.00
FEDERAL W/H PAYABLE	4,900.00
FICA PAYABLE	7,700.00
MEDICARE PAYABLE	1,750.00
CHILD SUPPORT W/H PAYABLE	460.00
SUTA PAYABLE	186.00
PUTA PAYABLE	1,300.00
HEALTH INSURANCE PAYABLE	2,700.00
OTHER PAYROLL W/H	6,067.00
ACCRUED INCOME TAX	122.00
OTHER ACCRUED EXPENSES	476.00

TOTAL Current Liabilities

\$205,870.00

TOTAL LIABILITIES

\$203,170.00

CAPITAL

COMMON STOCK	250.00
ADDITNL PAID IN CAPITAL	750.00
RETAINED EARNINGS	10,000.00
Year-to-Date Earnings	314,000.00

TOTAL CAPITAL

\$325,000.00

TOTAL LIABILITIES & CAPITAL

\$530,870.00

Small Business Billing, Inc. Forecasted Income Statement

Year Ended
December 31, 1999

SUPPLIES	1,470.42
TELEPHONE	(4,657.85)
TEMPORARY HELP	2,243.63
TRAVEL	10,767.98
TRAINING	5,339.38
UTILITIES	7,242.68
TOTAL General/Administrative Expenses	462,944.53
OPERATING PROFIT	258,336.21
Other Income & Expenses	64,750.00
RENTAL INCOME	2,684.47
INTEREST INCOME	132.20
VENDING MACHINE INCOME	
TOTAL Other Income & Expenses	67,566.67
PROFIT BEFORE TAXES	325,902.88
Provisions for Taxes	902.88
INCOME TAX EXPENSE	
TOTAL Provisions for Taxes	902.88
NET PROFIT	\$325,000.00

Small Business Billing, Inc.

Forecasted Income Statement

Year Ended
December 31, 1999

General/Administrative Expenses

GENERAL ADMINISTRATIVE	817.60
OFFICE SALARIES	193,566.32
PAYROLL TAXES (OFFICE)	3,167.77
FICA	9,962.61
MEDICARE	2,329.97
FLTA	358.94
SUTA	576.48
HEALTH	12,852.18
LIFE	239.95
DENTAL	2,265.51
RENT-OFFICE	14,885.13
RENT-PARKING	5,681.50
ABANDON PROJECTS	90.00
ADVERTISING	550.94
AMORTIZATION EXPENSE	2,976.15
AUTO EXPENSES	2,700.00
BANK CHARGES	908.71
BEVERAGE SUPPLIES	687.00
DATA PROCESSING	1,782.25
DEPRECIATION EXPENSES	13,397.25
DUES AND SUBSCRIPTIONS	(294.79)
EMPLOYEE APPRECIATION	2,454.33
EMPLOYEE RECRUITMENT	1,883.22
MEALS AND TICKETS	175.05
OTHER	147.94
EQUIPMENT RENTAL	3993.72
FRINGE FEE	1,145.36
INTEREST EXPENSE	6,440.25
INSURANCE-BUSINESS	874.71
INSURANCE-WORKERS COMP	2,027.46
LICENSES AND FEES	535.16
MEETING EXPENSE	131.00
MISCELLANEOUS	7.02
OFFICE SUPPLIES	6,670.55
PENALTIES	1,805.32
POSTAGE AND DELIVERIES	2,386.46
PRINTING	37.15
PROFESSIONAL SERVICES	71,101.16
ACCOUNTING	11,190.60
ATTORNEY	44,385.50
REPAIRS AND MAINTENANCE	295.02
REPAIRS & MAINT-EQUIPMENT	13,350.00

Small Business Billing, Inc. **Forecasted Income Statement**

Year ended
 December 31, 1999

Income	
SALES-LONG DISTANCE/QAI	\$2,927,906.00
SALES-CORP SVCS/CENTRAL CORP	36,008.20
SALES-LONG DISTANCE/RELA/LOM	1,251,217.00
WEB PAGE SALES/CYBER LONG DIST	2,340.00
REFUNDS & ALLOWANCES	(4,004.00)
OTHER INCOME	111.36
TOTAL Income	4,213,548.51
Operating Expenses	
SUB-AGENT PAYMENTS	2,627,058.30
TELEPHONE	82,834.10
FREIGHT OUT	177.00
VERIFICATION COSTS-CEI	127,946.85
VERIFICATION COSTS-S/A	69,258.60
SALES COMMISSIONS	508,497.15
PAYROLL TAXES (SALES)	5,631.57
FICA	22,300.61
MEDICARE	5,215.52
FUTA	2,260.97
SUTA	1,790.12
HEALTH	2,281.04
LIFE	334.34
WORKER'S COMPENSATION	733.61
DENTAL	1,376.53
RENT-SALES AREA	28,120.68
DEPRECIATION EXPENSE	4,459.70
EQUIPMENT LEASE	735.76
TELEPHONE	63.27
TEMPORARY HELP	1,200.00
TOTAL Operating Expenses	3,492,267.77
GROSS PROFIT	721,280.74

EXHIBIT 4

**SOUTH DAKOTA
TELECOMMUNICATIONS TARIFF
OF
SMALL BUSINESS BILLING, INC.**

**1054 SUMMIT AVENUE
SOUTH SAINT PAUL, MN 55075**

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of long distance telecommunications services within the state of South Dakota by Small Business Billing, Inc.

Issued: August 8, 1999

Effective: October 8, 1999

**Issued by: Denise Pettit, President
Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, Minnesota 55075**

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Issued: August 8, 1999

Effective: October 8, 1999

Issued by: Denise Pettit, President
Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, Minnesota 55075

EXPLANATION OF SYMBOLS

- C- Changed Regulation
- D- Discontinued rate or regulation
- I- Rate increase
- M- Matter moved or relocated without change
- N- New rate or regulation
- R- Rate reduction
- S- Reissued matter
- Z- Correction

Issued: August 8, 1999

Effective: October 8, 1999

Issued by: Denise Pettit, President
Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, Minnesota 55075

TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to the underlying carrier's central office.

Authorization Code - A numerical code, one or more of which are available to a customer to enable him/her to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

Company or Carrier - Small Business Billing, Inc.

Customer - The person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with the Company's tariff regulations.

Customer Premise - A Customer location from which calls are originated by Company.

FCC or Commission - Federal Communications Commission.

Holidays - The Company's recognized holidays are New Year's Day, July 4th, Labor Day, Thanksgiving Day, and Christmas Day.

LEC - Local Exchange Carrier.

Service - The communications offerings provided by the Company, i.e. resold long-distance voice and data service obtained by the Company from a facilities-based interexchange carrier.

Underlying Carrier - Facilities-based interexchange carrier providing the long-distance service being resold by the Company.

Issued: August 8, 1999

Effective: October 8, 1999

**Issued by: Denise Pettit, President
Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, Minnesota 55075**

1. APPLICATION OF TARIFF

This tariff contains the regulations and rates applicable to the provision of Long Distance Message Telecommunications Service by the Company, consisting of outbound 1+ service and inbound 800 service. Service is furnished subject to transmission, atmospheric, and like conditions.

2. REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to provide Long Distance Message Telecommunications Service within the state of South Dakota in accordance with the terms and conditions set forth in this tariff. The Company does not own or operate long distance transmission facilities, but rather resells the facilities of underlying carriers.

2.1.2 Shortage of Facilities

All service is subject to the availability of suitable facilities. The Company reserves the right to limit the length of communications or to discontinue furnishing services when necessary because of the lack of satellite or other transmission medium capacity or because of any causes beyond its control.

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Effective: October 8, 1999

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2.1.3 Liability of the Company

(A) Except as stated in this Section 2.1.3, the Company shall have no liability for damages of any kind arising out of or related to events, acts, rights or privileges contemplated in this tariff. This tariff does not limit the liability of the Company for willful misconduct.

(B) The liability of the Company for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations shall not exceed an amount equal to five times the initial minute charge provided for under this tariff for the intrastate long distance call for the period during which the call was affected. No other liability in any event shall attach to the Company.

(C) The Company shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to acts of God, fires, flood or other catastrophes; any law, order, regulation, directive, action or request of the United States Government, or any other government, including state and local governments having jurisdiction over the Company, or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; or national emergencies, insurrections, riots, wars, or strikes or other labor difficulties.

(D) The Company shall not be liable for any act or omission of any other entity furnishing to the Customer facilities, equipment, or services used with the Company's Long Distance Message Telecommunications Service. Nor shall the Company be liable for any damages or losses due to the failure or negligence of the Customer or due to the failure of Customer-provided equipment, facilities or services.

Issued: August 8, 1999

Effective: October 8, 1999

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Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, Minnesota 55075

2.1.4 Claims

The Company shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable attorney's fees, due to claims for libel, slander, or infringement of copyright in connection with the material transmitted over the Company's facilities: and any other claim resulting from any act or omission of the Customer or patron(s) of the Customer relating to the use of the Company's facilities.

2.2 Prohibited Uses

Long Distance Message Telecommunications Service shall not be used for any unlawful purpose.

2.3 Use of Service

Long Distance Message Telecommunications Service may be used to transmit communications of the Customer in a manner consistent with the terms of this tariff and the policies and regulations of the FCC.

Use of Long Distance message Telecommunications Service is considered an order for such service.

2.4 Payment Arrangements

2.4.1 Payment for Service

(A) The Customer is responsible for payment of all charges for facilities and services furnished by the Company. Federal, state and local sales, use and excise taxes, where applicable, shall be added to the charges contained herein. It shall be the responsibility of the Customer to pay these taxes and to accept the liability of any such unpaid taxes that may subsequently become applicable retroactively.

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(B) Bills are due and payable upon receipt. If the Customer's net bill is not paid (payment received by the Company) within twenty (20) days after the invoice date listed on the bill it shall become a delinquent bill and interest at the lesser of (1) the rate of one and one-half percent (1.5%) per month or (2) the highest rate allowed by law per month shall accrue upon any unpaid amount. If the Company initiates legal proceedings to collect any amount due hereunder and the Company substantially prevails in such proceedings then the defendant Customer shall pay the reasonable attorney's fees and costs of the Company in prosecuting such proceedings and appeals therefrom.

(C) The Customer will be assessed a charge of twenty-five dollars (\$25.00) for each check submitted by the Customer to the Company which a financial institution refuses to honor for insufficient funds or a non-existent account.

(D) Customers are not responsible for any previously unbilled charge for services furnished prior to three months immediately preceding the date of the bill, except for collect calls, credit card calls, third party calls and "Error File" calls (those which cannot be billed due to the unavailability of complete billing information to the company) which shall have a six-month back billing period. In case of fraud, a back billing period of no more than three years will apply.

2.4.2 Discontinuance of Service for Cause

Upon non-payment of any sum owing to the Company for more than 30 days beyond the date of rendition of the bill for service or upon violation of any of the terms or conditions governing the furnishing of service under this tariff, the Company may, after 7 days advance notice in writing to the Customer, without incurring any liability, discontinue the furnishing of service under this tariff.

Issued: August 8, 1999

Effective: October 8, 1999

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Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, Minnesota 55075**

2.4.3 Customer Inquiries and Complaints

Customer inquiries or complaints regarding the billing or service provided by the Company should be directed to the following toll free number: 1-800-585-8167. The Company may be reached by mail at:

Small Business Billing, Inc.
1054 Summit Avenue
South Saint Paul, MN 55075

If the Customer is dissatisfied with the Company's response to a complaint or inquiry he or she may file with the South Dakota Public Utilities Commission for resolution of the conflict. The South Dakota Public Utilities Commission may be reached at:

500 East Capitol
Pierre, SD 57501-5070
(605) 773-3201
(800) 332-1782

3. **SERVICE OFFERINGS**

3.1 Intrastate Message Telecommunications Service

3.1.1(a) Description of Services

The Company offers switched and dedicated access MTS and 800 interexchange services by the resale of the services of Underlying Carriers, currently Sprint. Such service is available twenty-four (24) hours a day, seven (7) days a week. MTS and 800 Services are offered on a time and distance sensitive rate basis and an optional flat rate basis.

The company maintains its headquarters in South Saint Paul, Minnesota.

3.1.1(b) Timing of Calls

The Customer's long distance usage charge is based on the actual usage of the Company's services. Usage begins when the called party picks up the receiver, and ends when the calling party hangs

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Small Business Billing, Inc.
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up. Calls are measured by Underlying Carriers, whose services are resold by the Company, in accordance with its own Tariff.

3.1.1(c) Calculation of Distance

The Company uses the V&H coordinate system to calculate the distance of calls.

3.1.1(d) Minimum Call Completion Rate

A Customer can expect a call completion rate (number of calls completed/number of calls attempted) of not less than 99% during peak use periods.

3.1.1(e) Advance Payments

The Company may request any customer to pay in advance for toll services based on a good faith estimate of traffic volumes. When estimates exceed actual usage the customer will be credited on the toll statement.

3.1.2 Rates and Charges

(A) Non-Recurring Charges

Validated Account Codes, per account install	\$5.00
---	--------

(B) Recurring Charges

Validated Account Codes, per account	\$5.00
800 Charges	\$5.00

(C) Rates Per Minute

Outbound and Inbound services carry an initial and incremental billing minimum of no greater than one minute.

Switched Access Outbound Service Per Minute
Day, Evening and Night

Commercial	\$0.25
Residential	\$0.25

Switched Access Inbound Service Per Minute
Day, Evening and Night

Commercial	\$0.25
Residential	\$0.25

Travel Card Service: Access charges are \$0.35 to \$0.60 per access, in addition to a \$0.25 per minute charge for the duration of the call.

Calls are billed in full minute increments with a one minute billing minimum.

(D) Operator Assistance

The Company does not provide alternative operator services. Operator assisted calls are limited to live operator or automated operator functions provided by the Underlying Carriers for the processing of telephone services such as completion of person to person, operator assisted station to station calls, dialing instructions and emergency call handling.

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(E) Directory Assistance

Switched 1+

Interstate	\$0.75
Intrastate	\$0.75
International	\$4.00

Travel Card

Interstate	\$0.80
Intrastate	\$0.80
International	\$4.00

(G) Monthly Service Fee

All customers may be charged a minimum monthly service fee for long distance usage of \$5.00.

Issued: August 8, 1999

Effective: October 8, 1999

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1054 Summit Avenue
South Saint Paul, Minnesota 55075

PAY
TO THE
ORDER
OF

**PUBLIC UTILITIES
COMMISSION-SOUTH DAKOTA**

COLEMAN ENTERPRISES, INC.
28 WEST FIFTH STREET, SUITE 400
SAINT PAUL, MN 55102

NORTHEAST BANK MINNESOTA, N.A.
ST. PAUL OFFICE
ST. PAUL, MN 55101
7-1-810

TWO HUNDRED FIFTY & 00/100 Dollars

04/22/06
DATE

*****250.00
AMOUNT

20787

020787 1:091000019: 3973090114

Henri Cohen.

 Security features included. Details on back.

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of September 9, 1999 through September 15, 1999

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

TELECOMMUNICATIONS

TC99-092 In the Matter of the Filing by Northern Valley Communications, LLC for Approval of its Intrastate Switched Access Tariff and for an Exemption from Developing Company Specific Cost-Based Switched Access Rates.

Northern Valley Communications has filed an Intrastate Switched Access Tariff No. 1 concurrent with the rates, terms, and conditions of the current LECA Tariff No. 1 with the exception of the switched access rates, which are based upon a statewide average. The Company has also requested an exemption from the requirement to develop intrastate switched access rates based on company specific costs.

Staff Analyst: Heather Forney
Staff Attorney: Camron Hoseck
Date Filed: 09/13/99
Intervention Date: 10/01/99

TC99-093 In the Matter of the Application of Corporate Billing Management, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Corporate Billing Management, Inc. intends to provide intrastate inbound and outbound long distance telecommunication services by reselling telecommunication facilities of the underlying common carrier Sprint.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Filed: 09/15/99
Intervention Date: 10/01/99

TC99-134 In the Matter of the Application of Small Business Billing, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Small Business Billing, Inc. has filed a request for a Certificate of Authority to offer resold interexchange services, including, message telecommunications service and post-paid calling card services to business and residential customers.

Staff Analyst: Michele Farris
Staff Attorney: Camron Hoseck
Date Filed: 09/15/99
Intervention Date: 10/01/99

TC99-095 In the Matter of the Application of P.D.S., Inc. d/b/a Phone Debit Systems, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

P.D.S., Inc. d/b/a Phone Debit Systems, Inc. has filed a request for a Certificate of Authority to offer resold interexchange services to residential and business customers. Phone Debit Systems also intends to offer debit card services.

Staff Analyst: Heather Forney

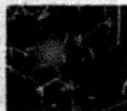
Staff Attorney: Karen Cremer

Date Filed: 09/15/99

Intervention Date: 10/01/99

You may receive this listing and other PUC publications via our website or via internet e-mail.

You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc/>



Steven C. Clay
& Associates, P.A.
900 Flour Exchange Bldg.
310 Fourth Avenue South
Minneapolis, MN 55415

telephone 612.321.9241
facsimile 612.321.9207
sclay@lawnc.com

RECEIVED

OCT 29 1999

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

October 27, 1999

South Dakota Public Utilities Commission
Attention: Mr. Camron Hoseck
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

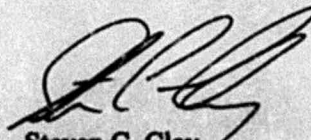
**RE: Revised Tariff Pages for Small Business Billing, Inc.
TC99-094**

Dear Mr. Hoseck:

As per your request, please find enclosed an original and ten copies of the revised pages of Small Business Billing, Inc.'s tariff. Additionally, as per Ms. Farris' request, enclosed is a statement regarding Small Business Billing's financial status.

If you have any questions, please call me at 612-321-9241. Thank You.

Yours truly,



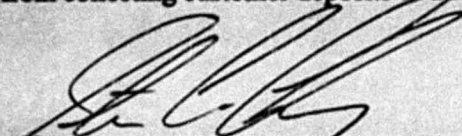
Steven C. Clay
Attorney for Applicant

Enc.

SC/cg

There are no actual income statements, balance sheets or cash flow statements for Small Business Billing, Inc. because the Company is a start up company and has not conducted any business.

Small Business Billing, Inc. agrees to the restrictions from offering prepaid services and from collecting customer deposits or advanced payments.



Steven C. Clay, Attorney for Small Business Billing, Inc.

10/27/99
Date

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A Customer can expect a call-completion rate (number of calls completed/number of calls attempted) of not less than 99% during peak use periods.

3.1.2 Rates and Charges**(A) Non-Recurring Charges**

Validated Account Codes, per account install	\$5.00
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(B) Recurring Charges

Validated Account Codes, per account	\$5.00
800 Charges	\$5.00

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1054 Summit Avenue
South Saint Paul, Minnesota 55075**

2.1.3 Liability of the Company

(A) Liability shall be limited as provided by South Dakota Law.

(B) The Company shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to acts of God, fires, flood or other catastrophes; any law, order, regulation, directive, action or request of the United States Government, or any other government, including state and local governments having jurisdiction over the Company, or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; or national emergencies, insurrections, riots, wars, or strikes or other labor difficulties.

(C) The Company shall not be liable for any act or omission of any other entity furnishing to the Customer facilities, equipment, or services used with the Company's Long Distance Message Telecommunications Service. Nor shall the Company be liable for any damages or losses due to the failure or negligence of the Customer or due to the failure of Customer-provided equipment, facilities or services.

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1054 Summit Avenue
South Saint Paul, Minnesota 55075

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
SMALL BUSINESS BILLING, INC. FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
TELECOMMUNICATIONS SERVICES IN)	
SOUTH DAKOTA)	TC99-094

On September 15, 1999, 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 Small Business Billing, Inc. (SBBI).

SBBI proposes to offer intrastate inbound and outbound long distance telecommunications services within and throughout the state of South Dakota. SBBI is a reseller of such services and is not facilities based. A proposed tariff was filed by SBBI. The Commission has classified long distance service as fully competitive.

On September 16, 1999, the Commission electronically transmitted notice of the filing and the intervention deadline of October 1, 1999, to interested individuals and entities. No petitions to intervene or comments were filed and at its November 1, 1999, meeting, the Commission considered SBBI's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that SBBI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. Commission Staff further recommended a waiver of ARSD 20:10:24:02(8).

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 SBBI has met the legal requirements established for the granting of a certificate of authority. SBBI has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive ARSD 20:10:24:02(8). The Commission approves SBBI's application for a certificate of authority, subject to the condition that SBBI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

ORDERED, that SBBI's application for a certificate of authority is hereby granted, effective November 15, 1999, subject to the condition that SBBI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

FURTHER ORDERED, that the Commission finds good cause to waive ARSD 20:10:24:02(8). It is

FURTHER ORDERED, that SBBI shall file informational copies of tariff changes with the Commission as the changes occur.

Dated at Pierre, South Dakota, this 4th day of November, 1999.

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: Helaine Kalbo

Date: 11/4/99

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

**To Conduct Business As A Telecommunications Company
Within The State Of South Dakota**

Authority was Granted November 1, 1999, effective November 15, 1999
Docket No. TC99-094

This is to certify that

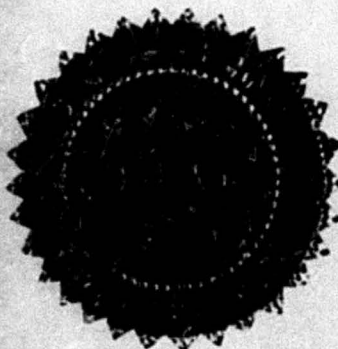
SMALL BUSINESS BILLING, INC.

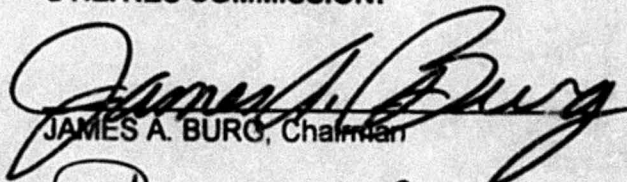
is authorized to provide telecommunications services in South Dakota.

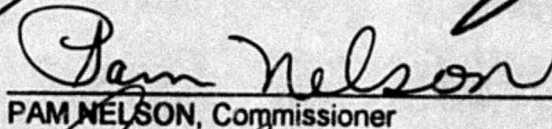
This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

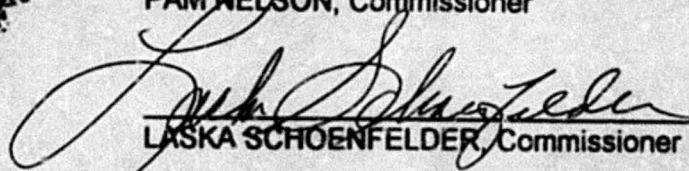
Dated at Pierre, South Dakota, this 4th day of November, 1999.

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**




JAMES A. BURC, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner