

HENDREN AND ANDRAE, L.L.C.

HENRY ANDRAE (RETIRED)  
RICHARD S. BROWNLEE III  
MICHAELA A. DALLMEYER  
DUANE E. SCHREIMANN  
DOUGLAS L. VAN CAMP  
MICHAEL G. BERRY  
JOHN W. KUEBLER  
SUSAN M. TURNER  
CHRISTOPHER P. RACKERS  
SARA C. MICHAEL  
PATRICIA D. PERKINS  
BRIAN K. FRANCKA  
TOBIAS A. TEETER

ATTORNEYS AT LAW  
RIVERVIEW OFFICE CENTER  
221 BOLIVAR STREET, SUITE 300  
P.O. BOX 1069  
JEFFERSON CITY, MISSOURI 65102

(573) 636-8135

JOHN H. HENDREN (1907-1988)  
CHARLES H. HOWARD (1925-1970)  
JOHN E. BURRUSS, JR. (1933-1985)  
GERALD E. ROARK (1956-1995)

FACSIMILE  
(573) 636-5226

E-MAIL  
office@hendrepandae.com

May 23, 2000

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

RECEIVED

MAY 23 2000

MAY 23 2000 Missouri Public  
Service Commission  
Records  
Public Service Commission

Re: In the Matter of the Application of Snappy Phone of Texas, Inc., d/b/a Snappy Phone for a Certificate of Service Authority to provide Basic Local and Interexchange Telecommunications Services within the State of Missouri

TA-2000-783

Dear Mr. Roberts:

Enclosed for filing please find the original plus eight (8) copies of the Application for Snappy Phone of Texas, Inc., d/b/a Snappy Phone in the above-captioned matter.

WE ARE REQUESTING EXPEDITED APPROVAL OF THIS APPLICATION.

If you should have any questions concerning the enclosed materials, please do not hesitate to contact me. Thank you.

Very truly yours,

HENDREN AND ANDRAE, L.L.C.

*Richard S. Brownlee, III*

Richard S. Brownlee, III

*by Patricia D. Perkins*

RSB/s  
Enclosures  
cc: Office of the Public Counsel  
General Counsel  
Art McGee

FILED<sup>3</sup>

MAY 23 2000

BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

Missouri Public  
Service Commission

In the Matter of the Application of       )  
Snappy Phone of Texas, Inc., d/b/a       )  
Snappy Phone for a Certificate       )  
of Service Authority to provide       )  
Basic Local and Interexchange       )  
and Telecommunications Services       )  
within the State of Missouri       )

CASE NO. TA-2000-783

APPLICATION

Snappy Phone of Texas, Inc., d/b/a Snappy Phone, (Snappy Phone or Applicant) files this verified application respectfully requesting that the Missouri Public Service Commission ("Commission") issue an order that:

- A. grants Applicant a Certificate of Services Authority to provide basic local exchange and interexchange telecommunications services pursuant to Chapter 392 of the Missouri Revised Statutes;
- B. grants competitive status to the Applicant; and,
- C. waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo. Cum. Supp. 1992.

In support of its request, Applicant states:

1. The mailing address of the Applicant is:

Snappy Phone of TEXas, Inc.  
d/b/a Snappy Phone  
6901 W. 70th Street  
P.O. Box 29620  
Shreveport, LA 71149  
(318) 671-7864

Snappy Phone is a Texas Corporation authorized to do business in Missouri, with a copy of its Certificate of Authority attached hereto as **Exhibit A**.

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

Richard S. Brownlee, III  
HENDREN AND ANDRAE, L.L.C.  
221 Bolivar Street, P.O. Box 1069  
Jefferson City, MO 65102  
(573) 636-8135  
(573) 636-4905 (Facsimile)

3. Snappy Phone intends to provide basic local exchange and interexchange telecommunications service as a non-facility based provider and on a resale basis. This will be provided in all exchanges currently served by the incumbent local exchange telecommunications company of Sprint/United Telephone Company ("United"), and GTE Midwest, Inc. ("GTE"). Applicant currently holds authority to provide these services in all exchanges served by Southwestern Bell Telephone Company ("SWBT") issued in Case No. TA-2000-372. The specific incumbent local exchanges within which Applicant proposes to offer service are listed in the incumbent providers' respective local exchange tariffs and will be specifically included in the Applicant's tariff. Pursuant to applicable law, and subject to Applicant's right under federal or state laws to seek to offer, and offer and provide service in geographical areas smaller than an exchange or in market segmentations or to offer customer specific pricing, similarly situated subscribers located within the listed exchanges will receive services on equal terms and conditions as set forth in Applicant's tariffs.

4. Pursuant to this application Snappy Phone seeks to offer and provide all forms of basic local telecommunications service and interexchange telecommunications services.

5. The Applicant possesses the technical experience and financial resources necessary to provide telecommunications service

to the residents and businesses of Missouri. Applicant's affiliates are certificated to provide similar telecommunication services in other states. Applicant's technical staff with personal experience is set forth in **Exhibit B**. Applicant's financial statements are attached hereto as **Exhibit C**. Applicant's performance bond is attached hereto as **Exhibit D**.

6. Applicant intends to offer its services in accord with its tariffs, which shall be filed in accordance with Commission rules.

7. Applicant agrees that:

- A. It will file and maintain basic local exchange service tariff(s) with the Commission in the same manner and form as the Commission requires of incumbent local exchange telecommunications companies with which applicant will compete;
- B. It will meet the minimum basic local service standards, including quality of service and billing standards, as the Commission may require of the incumbent local exchange telecommunications companies with which it will compete;
- C. It will offer basic local telecommunications service as a separate and distinct service and will offer basic service within the exchange boundaries of the incumbent local companies unless authorized by this Commission, or any other agency having jurisdiction to offer and provide service in areas smaller than an

exchange pursuant to Section 392.200.4 RSMo, or other applicable law, and

D. In accord with state and federal law, and with Commission rules and regulations on the issue, but without waiver of applicant's right to appear in any rulemaking proceeding or other proceeding regarding the same. Applicant will provide equitable access to subscribers within the area proposed to be served. See Section 392.455.(5), RSMo.

8. Applicant requests classification as a competitive telecommunications company within the State of Missouri. Applicant believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation. Granting of this application will allow greater price and service options for telephone users.

9. Applicant also requests, pursuant to Section 392.420 RSMo (Cum. Supp. 1992), that the Commission waive the application of the following rules and statutory provisions as it relates to the regulation of the Applicant. The following list identifies Commission rules and statutes previously waived by the Missouri Public Service Commission for other competitive telecommunications companies.

**STATUTES**

392.210.2  
392.270  
393.280  
392.290.1  
382.300.2

**REGULATIONS**

4 CSR 240-10.020  
4 CSR 240-30.040  
4 CSR 240.35

392.310  
392.320  
392.330  
392.340

Applicant also requests waiver of 4 CSR 240-2.060(4)(H) requiring a proposed tariff with a forty-five (45)-day effective date.

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

10. Pursuant to Section 386.570, (Cumm. Supp. 1992), Applicant will comply with all applicable Commission rules except those which are specifically waived by the Commission pursuant to a request filed by the Applicant.

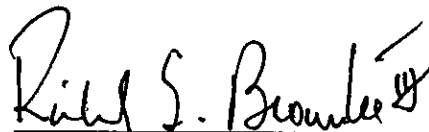
11. Applicant states that considerations of the public interest and particularly equitable access for potential subscribers to service who reside in the area sought to be certificated warrant the granting of this application in that Applicant will extend the benefits of competition into the intrastate interexchange market, increase the diversity of choice and supply of telecommunications services and products in exchanges in which it will offer service and shall increase consumer access to competitive and affordable telecommunications services.

12. Pursuant to 4 CSR 240-2.060(L), applicant states it has no outstanding assessment fees or annual reports due the Commission since it is a new company seeking authority with the present application. Pursuant to 4 CSR 240-2.060(1)(K), Applicant states it has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court

which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of the application.

WHEREFORE, Snappy Phone, respectfully requests that the Public Service Commission of Missouri grant it a Certificate of Service which authorizes the Applicant to provide basic local exchange and interexchange telecommunications services within the State of Missouri. In addition, Applicant requests classification as a competitive telecommunications company in the State of Missouri. Finally, Applicant requests a waiver of the above-referenced rules and statutory provisions. The Application for Authority in this case is restricted to service in exchanges currently served by United and GTE.

Respectfully submitted,



---

Richard S. Brownlee, III  
MO Bar #22422  
Hendren and Andrea, L.L.C.  
221 Bolivar St., P.O. Box 1069  
Jefferson City, MO 65102  
(573) 636-8135  
(573) 686-4905 (Facsimile)

ATTORNEY FOR Snappy Phone

CERTIFICATE OF SERVICE

Comes now Applicant, and states that two copies of this application was hand delivered to the Office of Public Counsel on the 23rd day of MAY, 2000.

Richard S. Brownlee III

Richard S. Brownlee, III



BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

In the Matter of the Application of )  
Snappy Phone )  
for a Certificate of Authority to )  
Provide Interexchange )  
Telecommunications Services in )  
portions of the State of Missouri )

Case No. \_\_\_\_\_

STATE OF MISSOURI )  
 ) ss  
COUNTY OF COLE )

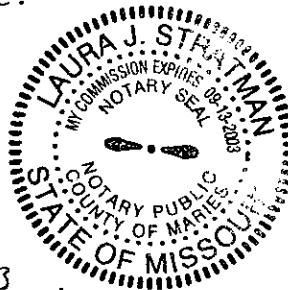
VERIFICATION BY ATTORNEY

Now, on this 19 day of May, 2000, appears before me  
Richard S. Brownlee, III, attorney for applicant and states that  
the information contained in the attached Application is true and  
accurate to his best information and belief.

Richard S. Brownlee III  
Richard S. Brownlee, III

Subscribed and sworn to before me.

Laura J. Stratman  
Notary Public



My Commission Expires: 9-13-2003

I hereby certify that the information contained in the foregoing Application is true and correct.

Jerry W. Black  
Jerry W. Black, President  
Snappy Phone

STATE OF LOUISIANA )  
 )  
PARISH OF )

Sworn to and subscribed before me, the undersigned Notary Public, by Jerry W. Black, President, Snappy Phone, on this the 22 day of May 2000.

Billie J. Davis  
Notary Public  
BILLIE J. DAVIS, Notary Pub  
Bossier Parish, Louisiana  
My Commission is for Life

My Commission Expires: Life

BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

In the Matter of the Application of )  
Snappy Phone )  
for a Certificate of Authority )  
to Provide Interexchange )  
Telecommunications Services in )  
portions of the State of Missouri )

Case No. **TA 2000-783**

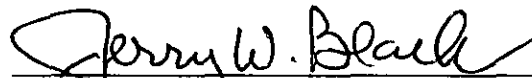
STATE OF LOUISIANA )

) ss

PARISH OF )

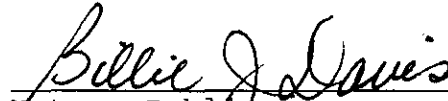
**AFFIDAVIT**

I Jerry W. Black, President, Snappy Phone, hereby authorize Richard S. Brownlee, III, or any member of the law firm of Hendren and Andrae, L.L.C., 221 Bolivar Street, P.O. Box 1069, Jefferson City, Missouri 65102, to sign all pleadings and documents necessary to receive the approval of the Missouri Public Service Commission for the Application in the above captioned matter.



Jerry W. Black, President  
Snappy Phone

Subscribed and sworn to before me, a Notary Public, in and for the State of Louisiana, this 22 day of May, 2000.



Notary Public  
BILLIE J. DAVIS, Notary Public  
Bossier Parish, Louisiana  
My Commission is for Life



Commission Expires

EXHIBIT A  
CERTIFICATE OF AUTHORITY  
FOR APPLICANT

# STATE OF MISSOURI



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

CORPORATION DIVISION  
CERTIFICATE OF CORPORATE RECORDS

SNAPPY PHONE OF TEXAS, INC.

USING IN MISSOURI THE NAME

SNAPPY PHONE OF TEXAS, INC.

I, REBECCA McDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI AND KEEPER OF THE GREAT SEAL THEREOF, DO HEREBY CERTIFY THAT THE ANNEXED PAGES CONTAIN A FULL, TRUE AND COMPLETE COPY OF THE ORIGINAL DOCUMENTS ON FILE AND OF RECORD IN THIS OFFICE.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 27TH DAY OF OCTOBER, 1999.

*Rebecca McDowell Cook*  
Secretary of State



EXHIBIT

A

The undersigned, being all the parties owning interest in the above company, being duly sworn, upon their oaths each did say that the statement and matters set forth herein are true.

Individual  
Owners  
Sign Here

{

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The undersigned corporation has caused this application to be executed in its name by its President or Vice-President and its Secretary or Assistant Secretary, this 26<sup>th</sup> day of October, 19 99

If  
Corporation  
Is Owner,  
Corporate  
Officers  
Execute  
Here

Snappy Phone of Texas, Inc.

(Exact Corporate Title)

By:

Jerry W. Black

Its President or Vice-President

By:

Arthur L. Magee

Its Secretary or Assistant Secretary

(Corporate Seal)

If no seal, state "none".

State of Louisiana

County of Caddo } ss.  
Parish

I, Margaret J. Black, A Notary Public, do hereby certify that on the 26th day of October, 19 99, personally appeared before me Jerry W. Black, and being first duly sworn by me, acknowledged that \_\_\_\_\_ he signed as his own free act and deed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

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

(Notarial Seal)

Margaret J. Black  
Notary Public

My commission expires

MARGARET J. BLACK, Notary Public  
Caddo Parish, Louisiana  
My Commission is for Life

OCT-22-1999 10:57

CT CORPORATION

214 754 0922 P.02/03



# State of Missouri

No. X 363736

Rebecca McDowell Cook, Secretary of State  
Corporation Division

## Registration of Fictitious Name

(Submit in duplicate with a filing fee of \$7)

This information is for the use of the public and gives no protection to the name. There is no provision in this Chapter to keep another company or corporation from adopting and using the same name. (RSMo 417)

We, the undersigned, are doing business under the following name, and at the following address:

Name to be registered: Snappy Phone

Missouri Business Address: 6901 West 70th Street  
(P. O. Boxes not accepted)

City, State, and Zip Code: Shreveport, LA 71129

The parties having an interest in the business, and the percentage they own are (if corporation is owner, indicate corporation name and percentage owned). If all parties are jointly and severally liable, percentage of ownership need not be listed:

Name of Owners, Individual or Corporate	Street and Number	City	State and Zip Code	If listed, Percentage of ownership must equal 100%
<u>Snappy Phone of Texas, Inc.</u>	<u>6901 West 70th Street</u>	<u>Shreveport</u>	<u>LA</u>	<u>100</u> %
			<u>71129</u>	%
				%
				%
				%
				%

(Must be typed or printed)

Return to: Secretary of State  
Corporation Division  
P.O. Box 778  
Jefferson City, Mo. 65102

FILED

NOV 03 1999

*Rebecca McDowell Cook*  
SECRETARY OF STATE

(Over)



# State of Missouri

Rebecca McDowell Cook, Secretary of State

P.O. Box 778, Jefferson City, Mo. 65102

Corporation Division

RECEIVED

## Application for Foreign Corporation For a Certificate of Authority

OCT 26 1999

(Submit in duplicate with filing fee of \$155.00)

*Rebecca McDowell Cook*  
SECRETARY OF STATE

- (1) The corporation's name is Snappy Phone of Texas, Inc.  
and it is organized and existing under the laws of Texas
- (2) The name it will use in Missouri is Snappy Phone
- (3) The date of its incorporation was 11/24/98, and the period of its duration is perpetual  
month/day/year
- (4) The address of its principal place of business 6901 W. 70th St., P.O. Box 29620, Shreveport,  
Address LA 71149  
City/State/Zip
- (5) The name and address of its registered agent and office in the State of Missouri is  
Richard S. Brownlee, III, Hendren & Andrae, 221 Bolivar, Jefferson City, MO  
Name Address City/State/Zip 65101
- (6) The specific purpose(s) of its business in Missouri are: Telecommunications and all other  
lawful acts or activities for which corporations may be organized  
to do business under the laws of the State of Missouri.
- (7) The name of its officers and directors and their business addresses are as follows:
- | (Officers)           | Name                       | Address                  | City/State/Zip              |
|----------------------|----------------------------|--------------------------|-----------------------------|
| President            | <u>Jerry W. Black</u>      | <u>7214 Beaufort Way</u> | <u>Shreveport, LA 71129</u> |
| Vice President       | <u></u>                    |                          |                             |
| Secretary            | <u>Arthur L. Magee</u>     | <u>9501 Overcross</u>    | <u>Shreveport, LA 71129</u> |
| Treasurer            | <u></u>                    |                          |                             |
| (Board of Directors) |                            |                          |                             |
| Director             | <u>Robert D. Hyde, Jr.</u> | <u>5709 Shoreline</u>    | <u>Shreveport, LA 71129</u> |
| Director             | <u></u>                    |                          |                             |
| Director             | <u></u>                    |                          |                             |
| Director             | <u></u>                    |                          |                             |
- 8) The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless you indicate a future date, as follows:

(Date may not be more than 90 days after the filing date in this office)

In affirmation thereof, the facts stated above are true.

*Arthur L. Magee*  
(Authorized signature of officer or chairman of the board)

Secretary  
(Title)

10/12/99  
(Date of Signature)

Note: You must have a current certificate of good standing or certificate of existence with this application. This may be obtained from the Secretary of State or other authority that issues corporate charters.



Treasurer N/A

Board of Directors (Name/Address/City/State/Zip)

Director Robert D. Hyde 5709 Shareline Shreveport, LA 71119

Director \_\_\_\_\_

Director \_\_\_\_\_

Director \_\_\_\_\_

(8) The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless you indicate a future date, as follows:

\_\_\_\_\_  
(Date may not be more than 90 days after the filing date in this office)

In affirmation thereof, the facts stated above are true.

Arthur L. Magee Secretary 10/6/99  
(Authorized signature of officer or chairman of the board) (Title) (Date)

Note: You must have a current certificate of good standing or certificate of existence with this application. This may be obtained from the Secretary of State or other authority that issues corporate charters.

FILED  
AND INDEXED  
OCT 11 1999

OCT 22 1999

Rebecca McDowell Cook  
SECRETARY OF STATE



# The State of Texas

## SECRETARY OF STATE

IT IS HEREBY CERTIFIED that  
Articles of Incorporation of

SNAPPY PHONE OF TEXAS, INC.  
File No. 1513449

were filed in this office and a certificate of incorporation was issued to this corporation,  
and no certificate of dissolution is in effect and the corporation is currently in existence.



*IN TESTIMONY WHEREOF, I have hereunto  
signed my name officially and caused to be  
impressed hereon the Seal of State at my office in  
the City of Austin, on August 27, 1999.*

Elton Bomer  
Secretary of State

BAM

EXHIBIT B  
TECHNICAL STAFF OF  
APPLICANT

## EXHIBIT B

R. Daniel (Smokey) Hyde, Jr. CEO Mr. Hyde, 61, is a native of El Paso, Texas and a graduate of Texas A&M University. He became a resident of Louisiana in December of 1971 when he purchased KRMD AM/FM Radio in Shreveport, LA. He operated these stations for 15 years. His partner for those 15 years as Sales Manager, was the same Jerry W. Black aforementioned in this application. When the stations were sold in 1985, the sale was the largest radio transaction in the history of the state at \$5.5 million. Mr. Hyde divested himself of radio stations in Flagstaff, Arizona, Reno, Nevada and Shreveport, Louisiana, and entered the paging business in 1988 when he formed Stay in Touch. When that business was sold in 1998, it had a subscriber base of 40,000 with a total of nine (9) retail outlets where paging, prepaid cellular and prepaid home phone service were marketed. The business' system grew from three towers and transmitters to 26 towers and transmitters, serving all of Louisiana and East Texas. Since selling Stay in Touch, Mr. Hyde has devoted his full-time efforts to the development of Budget Phone, Inc. and Snappy Phone of Texas, Inc.

Jerry W. Black. President & General Manager. Mr. Black, 61, is a native of El Paso, Texas and attended Tarleton State University in Stephenville, Texas. He became a resident of Louisiana in December of 1971 when he and Mr. Hyde purchased KRMD Radio in Shreveport. As a partner in this company, his primary job was General Sales Manager and included the supervision of five sales representatives, the trafficking of all commercials, and the production of those commercials. Other duties included the day-to-day operations of the station. After the stations were sold in 1985, Mr. Black was offered and accepted a position with the CBS television affiliate in Shreveport to head up their sales department and remained there for five years. In 1991, he moved to an independent cable rep firm, J. B. CableAds (where he became familiar with the subscriber based industry) and became President of that company. At J. B. CableAds, he was in charge of the total operation which included the supervision of all sales, all commercial television production and all corporate business. J.B.CableAds operated in North Carolina, South Carolina, Indiana, Kansas, Arkansas and Louisiana. In 1997, Mr. Black opened a retail store, Snappy Phone, in Marshall, Texas. Snappy Phone is a prepaid cellular phone, paging and home phone based business. In March of 1999, Snappy Phone will complete its second year of operation. In addition to Snappy Phone, Mr. Black is now the Retail Manager for Budget Phone's two successful retail stores in Longview and Tyler.

Gary Honeycutt. Technical Director, is a Shreveport native and attended Louisiana State University, majoring in Computer Science. He has worked in the computer industry since 1968 and started his own consulting company in 1977. He served as CEO of Digital Electronics for 15 years. Since that time he has worked as an independent consultant throughout North America specializing in networks.

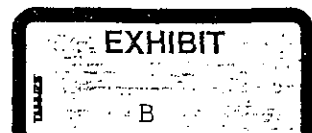


EXHIBIT C  
FINANCIAL STATEMENTS OF  
APPLICANT

3:30P  
12/14/1999

SNAPPY PHONE OF TEXAS, INC.  
SNAPPY PHONE, INC.  
STM OF ASSETS, LIAB./EQUITY 11/30/99

Page 1  
(11) 11/30/1999

TS

ENT ASSETS

ST LOUISIANA-PAYROLL	\$2,580.58
BANK OF AMERICA	6,409.42
BANK ONE	14,678.06
FFERSON HERITAGE BANK	782.73
POSIT GUARANTY-OPERATING	30,040.91
ST NATIONAL BANK	173.67
RIOR FEDERAL	258.36
COUNTY BANK	100.00
PLANTERS	1,579.96
UNTS RECEIVABLE	12,783.16

-----  
L CURRENTS ASSETS \$69,386.85

D ASSETS

ICE FURNITURE & FIXTURES	\$18,464.11
ASED EQUIPMENT	4,388.35
CHINERY & EQUIPMENT	138,503.37
ASEHOLD IMPROVEMENTS	19,160.53

-----  
L FIXED ASSETS \$180,516.36

R ASSETS

-----  
L OTHER ASSETS \$0.00

-----  
L ASSETS \$249,903.21  
=====

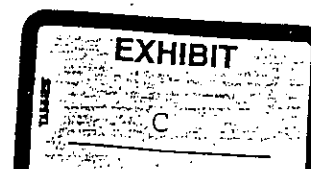
ILITIES & STOCKHOLDER'S EQUITY

ENT LIABILITIES

TXAS STATE SALES TAX PAYABLE	\$2,205.79
KANSAS ST. SALES TAX PAYABLE	162.00
FEDERAL EXCISE TAX PAYABLE	2,060.46
AYROLL TAXES PAYABLES	1,528.79
ATE TAXES WITHHELD	1,438.68
ITA TAX PAYABLE	1.91
ITA TAX PAYABLE	233.66

-----  
ENT LIABILITIES \$7,631.29

STATEMET IS PREPAIRED USING INCOME TAX BASIS  
DITED, COMPILED BY SNAPPY PHONE, INC.



LONG TERM LIABILITIES  
LOAN FROM SHAREHOLDER

=====

\$350,000.00

LONG TERM LIABILITIES

-----

\$350,000.00

TOTAL LIABILITIES

-----

\$357,631.29

STOCKHOLDER'S EQUITY  
CURRENT PERIOD PROFIT (LOSS)

-----

(\$107,728.08)

TOTAL STOCKHOLDER'S EQUITY

-----

(\$107,728.08)

TOTAL LIABILITIES & STOCKHOLDER'S EQUITY

=====

\$249,903.21

un: 3:34P  
12/14/1999

SNAPPY PHONE OF TEXAS, INC.  
SNAPPY PHONE STM OF REVENUE AND EXPENSES  
FOR PERIOD ENDED 11/30/99

Page 1  
(11) 11/30/1999

	Year-to-Date	%
REVENUES		
HOME PHONE RECURRING-EAST TX	\$76,341.16	111.50
HOME PONE RECURRING-HOUSTON	338.50	0.49
HOME PHONE RECURRING-SA	340.00	0.50
HOME PHONE RECURRING-DALLAS	1,013.99	1.48
HOME PHONE RECURRING-ARKANSAS	2,866.39	4.19
RETURN AND REFUNDS, HOME PHONE	(692.25)	-1.01
LATEFEES	2,360.00	3.45
BAD DEBT	(12,377.84)	-18.08
	-----	-----
TOTAL REVENUES	\$70,189.95	102.52
COST OF SALES		
COS-LINES	\$15,097.42	22.05
COS-SWBT	21,473.93	31.36
COMMISSIONS PAID-EAST TEXAS	8,250.00	12.05
COMMISSIONS PAID-REP EAST TX	1,650.00	2.41
COMMISSIONS PAID-HOUSTON	30.00	0.04
COMMISSIONS PAID-REP HOUSTON	6.00	0.01
COMMISSIONS PAID-DALLAS	60.00	0.09
COMMISSIONS PAID-REP DALLAS	12.00	0.02
COMMISSIONS PAID-SAN ANTONIO	40.00	0.06
COMMISSIONS PAID-REP SAN ANTON	8.00	0.01
COMMISSIONS PAID -ARKANSAS	230.00	0.34
COMMISSIONS PAID-REP ARKANSAS	46.00	0.07
	-----	-----
TOTAL COST OF SALES	\$46,903.35	68.50
GROSS PROFIT		
	\$23,286.60	34.01
OPERATING EXPENSES		
SALES-MATERIALS	\$5,399.12	7.89
ADVERTISING-GENERAL	405.00	0.59
BANK SERVICE CHARGE	553.69	0.81
DEPOSIT CORRECTION FROM BANK	55.67	0.08
COMPUTER EXPENSE	12,439.90	18.17
CONTRACT LABOR-MAIN OFFICE	8,856.78	12.94
CONTINUING EDUCATION EXPENSE	390.00	0.57
MEALS/TRAVEL-HOME OFFICE	5,971.38	8.72
INSURANCE GENERAL	3,750.31	5.48
INSURANCE GROUP	(472.48)	-0.69
PRINTING EXPENSES	4,864.92	7.11

THIS STATEMENT PREPARED USING INCOME TAX BASIS  
UNAUDITED, COMPILED BY SNAPPY PHONE, INC.



un: 3:34P  
12/14/1999

SNAPPY PHONE OF TEXAS, INC.  
SNAPPY PHONE STM OF REVENUE AND EXPENSES  
FOR PERIOD ENDED 11/30/99

Page 2  
(11) 11/30/1999

	Year-to-Date	%
JANITORIAL SERVICES	\$2,470.00	3.61
MAINTENANCE & REPIARS-GENERAL	2,851.28	4.16
POSTAGE/MAILING-HOME OFFICE	1,338.75	1.96
PROFESSIONAL FEES	3,216.16	4.70
RENT	9,618.90	14.05
SALARIES-HOME PHONE /MAIN OFF	53,203.27	77.71
SUPPLIES-GENERAL	3,983.71	5.82
TAXES AND LICENSE	2,601.00	3.80
TAXES, PAYROLL	4,659.90	6.81
TELEPHONE-HOME OFFICE	4,857.42	7.09
-----	-----	-----
OTAL OPERATING EXPENSES	\$131,014.68	191.35
-----	-----	-----
ET INCOME (LOSS) FROM OPERATIONS	(\$107,728.08)	-157.34
-----	-----	-----
OTHER REVENUES AND (EXPENSES)		
-----	-----	-----
OTAL OTHER REVENUES(EXPENSES)	\$0.00	0.00
-----	-----	-----
ET INCOME (LOSS)	(\$107,728.08)	-157.34

HIS STATEMENT PREPARED USING INCOME TAX BASIS  
AUDITED, COMPILED BY SNAPPY PHONE, INC.

EXHIBIT D  
PERFORMANCE BOND

# Fidelity and Deposit Company

HOME OFFICE

OF MARYLAND

BALTIMORE, MD. 21201

FILED<sup>3</sup>  
APR 07 2000

## LICENSE AND/OR PERMIT BOND

KNOWN ALL MEN BY THESE PRESENTS:

That we, Snappy Phone of Texas, Inc. and R. Daniel Hyde, Jr. as Principal, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, incorporated under the laws of the State of Maryland, with principal office in Baltimore, Maryland, as Surety, are held and firmly bound unto The Missouri Public Service Commission, as Obligee, in penal sum of One hundred Thousand (\$100,000.00) Dollars, Lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly, by these presents.

WHEREAS, the above bounden Principal has obtained or is about to obtain from the said Obligee a license or permit for a Basic Local Telecommunications Company, and the term of said license or permit is as indicated opposite the block checked below:

Beginning the \_\_\_\_\_ day of \_\_\_\_\_ 2000, and ending the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

XX Continuous, beginning the 4th day of April, 2000.

WHEREAS, the Principal, in establishing compliance with Section 392.455, RSMO, Supp. 1999, is filing with the Missouri Public Service Commission a bond for the above indicated term and conditioned as hereinafter set forth.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal as such licensee or permittee shall indemnify said Obligee against all loss, costs, expenses of damage to the Principal's end-user customers and carriers of last resort caused by said Principal's non-compliance with or breach of obligations that the Principal hereby undertakes, to protect its end-user customers as is stated in Appendix A hereto to apply to "any basic local telecommunication company with less than a two hundred fifty thousand dollars (\$250,000) net book value in telephone plant and/or telephone facilities located in Missouri or of any laws, statutes, ordinances, rules or regulations pertaining to such license or permit issued to the Principal, which said breach or non-compliance shall occur during the term of this bond, then this obligation

**Power of Attorney**  
**FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

HOME OFFICE: BALTIMORE, MD.

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by C. M. PECOT, JR., Vice-President, and C. W. ROBBINS, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which reads as follows:

Sec. 2. The President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgments, decrees, mortgages and instruments in the nature of mortgages, and also all other instruments and documents which the business of the Company may require, and to affix the seal of the Company thereto.

does hereby nominate, constitute and appoint George W. Rogers of Shreveport, Louisiana

its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings.

And the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of George W. Rogers, dated, June 13, 1977.

The said Assistant Secretary does hereby certify that the foregoing is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 8th day of April, A.D. 19 80.



ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

C W Robbins

Assistant Secretary

By

C M Pecot Jr

Vice-President

STATE OF MARYLAND  
CITY OF BALTIMORE

SS:

On this 8th day of April, A.D. 19 80, before the subscriber, a Notary Public of the State of Maryland, in and for the City of Baltimore, duly commissioned and qualified, came the above-named Vice-President and Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself deposeth and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the City of Baltimore, the day and year first above written.



Barry J. Fisher  
Notary Public Commission Expires July 1, 1982

**CERTIFICATE**

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2 of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 16th day of July, 1969.

RESOLVED: "That the facsimile or mechanically reproduced signature of any Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company, this

4th day of April, 1980.

[Signature]  
Assistant Secretary