

Law Offices of
William M. Wunderlich & Associates

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Medical/Legal Consultant
Eileen R. Kurtz, R.N.

*Also admitted in Illinois

December 16, 1999

FILED

DEC 28 1999

Mr. Dale Hardy Roberts
Public Service Commission
301 West High Street, Suite 530
Jefferson City, MO 65101

**Missouri Public
Service Commission**

**Re: In the Matter of the Application of Newsouth
Communications for a Certificate of Service Authority
to Provide Resold Interexchange Telecommunications
Services in the State of Missouri and to Classify Said
Services and the Company as Competitive.**

Our File No.: 343

TA- 2000-389

Dear Sir or Madam:

Enclosed please find an original and fourteen (14) copies of an Application regarding the above-referenced corporation. Please file these applications accordingly. I am enclosing two extra copies of the Application for return in the enclosed self-addressed, stamped envelopes.

Additionally, please be advised that a copy of the Application has been sent to the Office of Public Counsel.

Thank you for your cooperation and assistance in this regard.

Sincerely,

Sharon Marlow

Sharon Marlow
Legal Assistant

sm
Enclosures
cc: Office of Public Counsel
(w/Enclosures)
Monica Borne

200000593
mk

FILED

DEC 28 1999

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

IN THE MATTER OF THE APPLICATION OF)
NEWSOUTH COMMUNICATIONS CORP.)
FOR A CERTIFICATE OF SERVICE AUTHORITY)
TO PROVIDE RESOLD INTEREXCHANGE)
TELECOMMUNICATIONS SERVICES IN THE)
STATE OF MISSOURI AND TO CLASSIFY)
SAID SERVICES AND THE COMPANY AS)
COMPETITIVE)

Case No. TA-2000-389

APPLICATION FOR CERTIFICATE OF SERVICE AUTHORITY
AND FOR COMPETITIVE CLASSIFICATION

Comes now **NewSouth Communications Corp.** by its undersigned counsel, and hereby applies pursuant to Sections 392.361 and 392.410 through 392.455 RSMo 1994, and the Federal Telecommunications Act of 1996, for authority to provide resold interexchange telecommunications service in the State of Missouri, and to classify said services and the company as competitive. In support of its applications, the Company states as follows:

1. Applicant is a corporation duly organized and existing under and by virtue of the laws of the State of Delaware. (Articles of Incorporation attached as **Exhibit A.**) The Company is authorized to conduct business within Missouri as evidenced by its certificate of authority issued by the Missouri Secretary of State which is attached hereto as **Exhibit B.**

2. All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to the case should be addressed to:

Monica R. Borne
Nowalsky, Bronston & Gothard
3500 N. Causeway Blvd.
Suite 1442
Metairie, Louisiana 70002
Phone: (504) 832-1984
Fax: (504) 831-0892

with copies to local counsel:

William M. Wunderlich
Wunderlich & Associates
1504 Gravois
High Ridge, MO 63049
Phone: (314) 677-5669

All general correspondence from the Commission should be forwarded to the Company at its principal address as follows:

Kevin Hendricks
NewSouth Communications Corp.
130 Industrial Drive
Greenville, SC 29607
Phone: Ph. (864) 672-5000

3. Applicant proposes to provide resold long distance interexchange service to residential and business customers on a statewide basis. The Company will not offer operator service.
4. The Company possesses the technical and managerial expertise and experience necessary to provide the services it proposes. Profiles of the Company's management team experience and expertise, are attached hereto as **Exhibit C**.

5. The Applicant also possesses the necessary financial resources as evidenced by its most current financial statements attached hereto as **Exhibit D**. Applicant will comply with the reasonable requests for financial and operating data to allow the Commission to monitor the intralata toll market.
6. In accordance with 4 CSR 240-2.060(4)(H), which requires that an application for a certificate of service authority to provide interexchange service shall include a proposed tariff with a forty-five day effective date, the Applicant has attached its tariff as **Exhibit E**. The Company requests that the Commission approve MOP.S.C. Tariff No. 1 simultaneously with a granting of authority in this Case. Applicant agrees to comply with notice requirements for filing new or amended Tariffs.
7. Applicant will not unjustly discriminate amongst its customers as is prohibited under Section 392.200 RSMo.
8. Applicant is a competitive reseller of long distance telecommunications services and thus requests a competitive classification pursuant to Section 392.361 RSMo. and as set forth in the Commission Report and Order in its Case No. TO-88-142; Further, when granted the Certificate requested herein, Applicant will be competing with other telecommunications companies in Missouri offering the same or similar services as Applicant.

9. Applicant is willing to comply with all applicable Commission rules, except those which are specifically waived by the Commission. Consistent with the Commission's treatment of other certificated competitive telecommunications companies, Applicant requests that the following statutes and regulations be waived for Applicant and its interexchange service offerings:

Statutes:

- 392.240(1) - ratemaking
- 392.270 - valuation of property (ratemaking)
- 392.280 - depreciation accounts
- 392.290 - issuance of securities
- 392.310 - stock and debt issuance
- 392.320 - stock dividend payment
- 392.330 - issuance of securities, debt and notes
- 392.340 - reorganization(s)

Missouri Public Service Commission Rules:

- 4 CSR 240-10.020 - depreciation fund income
- 4 CSR 240-30.010(2)(C) - rate schedules
- 4 CSR 240-30.040 - Uniform System of Accounts
- 4 CSR 240-32.030(1)(B) - exchange boundary maps
- 4 CSR 240-32.030(1)(C) - record keeping
- 4 CSR 240-32.030(2) - in-state record keeping
- 4 CSR 240-32.050(3) - local office record keeping
- 4 CSR 240-32.050(4) - telephone directories
- 4 CSR 240-32.050(5) - call intercept
- 4 CSR 240-32.050(6) - telephone number changes
- 4 CSR 240-32.070(4) - public coin telephone
- 4 CSR 240-33.030 - minimum charges rule
- 4 CSR 240-33.040(5) - financing fees

10. Applicant is willing to comply with all applicable Commission rules now in effect or hereinafter enacted, and is willing to meet all relevant service standards, including, but not limited to, quality of service, billing, and tariff filing and maintenance.

11. Applicant submits that the public interest will be served by Commission approval of this application because Applicant's proposed services will create and enhance competition and expand customer service options, and offer service options consistent with the legislative goals set forth in the federal Telecommunications Act of 1996 and Chapter 392 RSMo. Prompt approval of this application also will expand the availability of innovative, high quality, and reliable telecommunications services within the State of Missouri.
12. Applicant, if required, will file Missouri specific annual reports pursuant to Section 392.210 RSMo. Applicant, if required, will submit Percentage of Interstate Use Reports including the percentage of interstate use and percentage of intrastate use, on a quarterly basis to the local exchange companies. In addition, if required, Applicant will submit to the Commission Staff on a quarterly basis reports showing the percentage of intralata use.
13. The Company will not resell its services to other telecommunications companies.

WHEREFORE, Applicant, **NewSouth Communications Corp.** respectfully requests that the Commission (i) grant it a certificate of service authority to provide interexchange telecommunications services as requested herein; (ii) classify the Company and its proposed services as competitive; (iii) grant waivers of certain statutes and regulations as they apply to the Company; and (iv) approve its tariff submitted with this Application.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "William M. Wunderlich", is written over a horizontal line.

William M. Wunderlich
Bar No. 23302
Wunderlich & Associates
1504 Gravois
High Ridge, MO 63049
Phone: (314) 677-5669

Local Counsel for Applicant

VERIFICATION OF APPLICANT

STATE OF South Carolina
COUNTY OF Greenville) ss:

I, Michael L. LaFrance being first duly sworn, state that I am the President & CEO
(Name of Officer) (Title)
of NewSouth Communications Corp., the Applicant herein; that I am authorized to sign this
Verification on its behalf; that I have reviewed the matters set forth in the Application and Exhibits;
and that the statements contained therein are true to the best of my knowledge, except as to those
matters which are stated on information or belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 16th day of September, 1999.

NewSouth Communications Corp.

M. L. LaFrance
(Signature)

Sworn to and subscribed before me this 16th day of September, 1999.

Matthew W. Berry
Notary Public

My Commission Expires July 8, 2008

EXHIBIT A

ARTICLES OF INCORPORATION

State of Delaware
Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "NEWSOUTH COMMUNICATIONS, INC.", CHANGING ITS NAME FROM "NEWSOUTH COMMUNICATIONS, INC." TO "NEWSOUTH COMMUNICATIONS CORP.", FILED IN THIS OFFICE ON THE TWENTY-NINTH DAY OF JULY, A.D. 1998, AT 12 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



A handwritten signature in cursive script, reading "Edward J. Freel", is written over a horizontal line.

Edward J. Freel, Secretary of State

2922894 8100

981295012

AUTHENTICATION: 9223193

DATE: 07-29-98

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION OF
NEWSOUTH COMMUNICATIONS, INC.

NewSouth Communications, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "DGCL"), does hereby certify:

FIRST: That the Sole Director of the Corporation has adopted resolutions proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Corporation:

RESOLVED, that the Certificate of Incorporation of the Corporation be amended by deleting Article I in its entirety and substituting therefor:

"ARTICLE I

The name of this corporation is NewSouth Communications Corp. (the "Corporation")."

SECOND: That thereafter, pursuant to resolution of the Sole Director of the Corporation, the sole stockholder of the Corporation voted in favor of such amendment.

THIRD: That the aforesaid amendment was duly adopted in accordance with the provisions of Section 242 of the DGCL.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be signed by its duly authorized officer this 29th day of July, 1998.

NEWSOUTH COMMUNICATIONS, INC.

By: KAH
K.A. Hendricks, Secretary

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "NEWSOUTH COMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE TWENTY-FIRST DAY OF JULY, A.D. 1998, AT 10:30 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



A handwritten signature in cursive script, reading "Edward J. Freel".

Edward J. Freel, Secretary of State

2922894 8100

981282081

AUTHENTICATION:

DATE:

9209176

07-22-98

**CERTIFICATE OF INCORPORATION
OF
NEWSOUTH COMMUNICATIONS, INC.
A Delaware corporation**

ARTICLE I

The name of this corporation is NewSouth Communications, Inc. (the "Corporation").

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801, and its registered agent at such address is THE CORPORATION TRUST COMPANY.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which the Corporation may be organized under the General Corporation Law of the State of Delaware.

The purpose specified in the foregoing paragraph shall in no way be limited or restricted by the reference to, or inference from, the terms of any provision in this Certificate of Incorporation.

The Corporation shall possess and may exercise all powers and privileges necessary or convenient to effect the foregoing purpose, including the general powers now or hereafter conferred by the laws of the State of Delaware upon corporations formed under the General Corporation Law of the State of Delaware.

ARTICLE IV

The aggregate number of shares of capital stock which the Corporation shall have authority to issue is 1,000 shares of Common Stock, \$.01 par value.

ARTICLE V

The Corporation is to have perpetual existence.

ARTICLE VI

The private property of the stockholders of the Corporation shall not be subject to the payment of the corporate debts to any extent whatsoever.

ARTICLE VII

The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the directors and stockholders:

(1) The number of directors of the Corporation shall be as specified in the bylaws. Election of directors need not be by written ballot unless the bylaws of the Corporation so provide.

(2) The Board of Directors shall have power without the assent or vote of the stockholders:

(a) To make, alter, amend, change, add to or repeal the bylaws of the Corporation; to determine the use and disposition of any surplus or net profits; and subject to such vote of the stockholders as may be required hereunder or under any stockholders agreement to fix the times for the declaration and payment of dividends; and

(b) To determine from time to time whether, and to what extent, and at what time and place, and under what conditions and regulation, the accounts and books of the Corporation (other than the stock ledger), or any of them, shall be open to the inspection of the stockholders.

(3) In addition to the powers and authorities herein before or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and to do all such acts and things as may be exercised or done by the Corporation; subject, nevertheless, to the provisions of the General Corporation Law of Delaware, of this Certificate of Incorporation, and to any bylaws from time to time adopted by the stockholders; provided, however, that no bylaw so adopted shall invalidate any prior act of the directors which would have been valid if such bylaw had not been made.

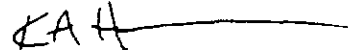
ARTICLE VIII

The Corporation shall, to the fullest extent permitted by the provisions of the General Corporation Law of Delaware, as now or hereafter in effect, indemnify all officers and directors of the Corporation and officers, directors and limited liability company managers of its subsidiaries. The indemnification provided by this Article VIII shall not limit or exclude any rights, indemnities or limitations of liability to which any such person may be entitled, whether as a matter of law, under the bylaws of the Corporation, by agreement, vote of the stockholders or disinterested directors of the Corporation or others. The personal liability of the directors of the Corporation is hereby eliminated to the fullest extent permitted by paragraph (7) of subsection (b) of Section 102 of the General Corporation Law of the State of Delaware as the same may be amended or supplemented. Except as specifically required by the Delaware General Corporation Law as the same exists or may hereafter be amended, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as a director. No amendment to or repeal of this provision shall apply to or have any effect on the liability or alleged liability of any director for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

ARTICLE IX

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation in the manner now or hereafter prescribed by statute, and all rights and powers conferred upon stockholders, directors, and officers herein are granted subject to this reservation.

IN WITNESS WHEREOF, this Certificate of Incorporation has been signed by the undersigned as its sole incorporator this 20th day of July, 1998.



K.A. Hendricks
130 Industrial Drive
Greenville, SC 29607

EXHIBIT B

MISSOURI SECRETARY OF STATE CERTIFICATE OF AUTHORITY

The Company's Application for Certificate of Authority has been filed and is pending (See Application attached).
Actual certification documents will be submitted for Exhibit B as soon as they are available.

STATE OF MISSOURI



Rebecca McDowell Cook
Secretary of State

CORPORATION DIVISION – CERTIFICATE OF AUTHORITY

WHEREAS,
NEWSOUTH COMMUNICATIONS CORP.

USING IN MISSOURI THE NAME
NEWSOUTH COMMUNICATIONS CORP.

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

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

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

Rebecca McDowell Cook
Secretary of State



\$155.00



State of Missouri

Rebecca McDowell Cook, Secretary of State
P.O. Box 778, Jefferson City, Mo. 65102

Corporation Division

FILED

AND CERTIFICATE OF
AUTHORITY ISSUED

Application for Foreign Corporation For a Certificate of Authority

DEC 13 1999

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

Rebecca McDowell Cook
SECRETARY OF STATE

- (1) The corporation's name is NEWSOUTH COMMUNICATIONS CORP.
and it is organized and existing under the laws of DELAWARE
- (2) The name it will use in Missouri is NEWSOUTH COMMUNICATIONS CORP.
- (3) The date of its incorporation was 7/21/98, and the period of its duration is PERPETUAL
month/day/year
- (4) The address of its principal place of business 130 INDUSTRIAL DR., GREENVILLE, SC 29607
Address City/State/Zip
- (5) The name and address of its registered agent and office in the State of Missouri is
National Registered Agents, Inc. 300-B East High Street, Jefferson City, MO
Name Address City/State/Zip 65101
- (6) The specific purpose(s) of its business in Missouri are:
THE SALE OF TELECOMMUNICATIONS SERVICES.
- (7) The name of its officers and directors and their business addresses are as follows:

(Officers)	Name	Address	City/State/Zip
President	Michael LaFrance,	130 Industrial Drive,	Greenville, SC 29607
Vice President			
Secretary	Kevin Hendricks,	130 Industrial Drive,	Greenville, SC 29607
Treasurer			

(Board of Directors)

Director	Michael LaFrance,	130 Industrial Drive,	Greenville, SC 29607
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: upon acceptance of this application
(Date may not be more than 90 days after the filing date in this office)

In affirmation thereof, the facts stated above are true.

[Signature]
(Authorized signature of officer or chairman of the board)

SECRETARY

(Title)

12/8/99

(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.

State of Delaware
Office of the Secretary of State

PAGE 1

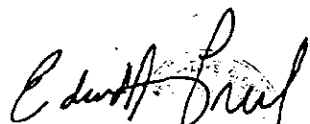
I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "NEWSOUTH COMMUNICATIONS CORP." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE EIGHTH DAY OF DECEMBER, A.D. 1999.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "NEWSOUTH COMMUNICATIONS CORP." WAS INCORPORATED ON THE TWENTY-FIRST DAY OF JULY, A.D. 1998.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.




Edward J. Freel, Secretary of State

2922894 8300

AUTHENTICATION: 0126661

991525580

DATE: 12-08-99



State of Missouri

Rebecca McDowell Cook, Secretary of State

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

Corporation Division

Application for Foreign Corporation For a Certificate of Authority

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

- (1) The corporation's name is NEWSOUTH COMMUNICATIONS CORP.
and it is organized and existing under the laws of DELAWARE
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Address City/State/Zip
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Name Address City/State/Zip 65101
- (6) The specific purpose(s) of its business in Missouri are:
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- (7) The name of its officers and directors and their business addresses are as follows:

(Officers)	Name	Address	City/State/Zip
------------	------	---------	----------------

President Michael LaFrance, 130 Industrial Drive, Greenville, SC 29607

Vice President _____

Secretary Kevin Hendricks, 130 Industrial Drive, Greenville, SC 29607

Treasurer _____

(Board of Directors)

Director Michael LaFrance, 130 Industrial Drive, Greenville, SC 29607

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: upon acceptance of this application

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

In affirmation thereof, the facts stated above are true.

[Signature]
(Authorized signature of officer or chairman of the board)

SECRETARY

(Title)

12/8/99

(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.

State of Delaware
Office of the Secretary of State

PAGE 1


I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "NEWSOUTH COMMUNICATIONS CORP." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE EIGHTH DAY OF DECEMBER, A.D. 1999.

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Edward J. Freel, Secretary of State

2922894 8300

AUTHENTICATION: 0126661

991525580

DATE: 12-08-99

EXHIBIT C

MANAGEMENT PROFILES ATTACHED

and

TECHNICAL CAPABILITY

The Company will provide service on a resale basis. Therefore, its technical capability is reliant on that of its underlying carrier(s) whose technical capability has been proven to this Commission. The Company will utilize the services of only Commission certificated carriers.

In addition, the Company is currently certified to provide local exchange and interexchange services in the following states: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, and South Carolina.

NewSouth Communications

NewSouth Communications
355 Woodruff Road, Suite 104
Greenville, SC 29607
Voice: 864-627-5050
Fax: 864-627-5055

where he was recognized for strategically managing both the top line revenue and SG&A expenses of the company. During Mr. LaFrance's tenure at ACC, the company as a whole grew from \$106MM to over \$360MM in revenue and in which time he served in numerous capacities including:

- President of ACC Long Distance Corp., (ACC's United States long distance subsidiary)
- President of ACC National Telecom Corp. (ACC's local telephone service subsidiary)
- President of ACC Global Corp. (ACC's international subsidiary)
- Executive Vice-President of ACC Corp. (the publicly traded holding company of ACC)

In these positions, Mr. LaFrance was responsible for all aspects of the each companies' day-to-day operations and long-term strategic planning. At ACC's parent level, Mr. LaFrance was responsible for worldwide merger & acquisition coordination, strategic planning and corporate development.

Under Mr. LaFrance's leadership, ACC became one of the first competitive entrants in the local service market and subsequently became the first profitable competitive local exchange carrier ("CLEC") in the United States.

Before joining ACC, Mr. LaFrance served as Executive Vice President and General Manager of Axxess USA Corp. (a designer, manufacturer and builder of proprietary wireless and paging equipment and networks worldwide in conjunction with the Matsushita Corporation of Japan and its consumer electronics subsidiary, Panasonic) and Axxess USA Communications Corp. from 1992-1994. Mr. LaFrance was

also an equity owner and served on the Boards of Directors of both companies.

Prior to joining Axxess, Mr. LaFrance served as Director of Administration and Director of Regulatory Affairs for LDDS Communications (currently known as "WorldCom" - the nation's 4th largest long distance carrier) where his duties included:

- Management of all network cost (the largest single expense of the corporation)
- Merger activity
- Due diligence
- State and federal governmental affairs

Prior to LDDS, Mr. LaFrance served as Senior Vice President of Comtel Long Distance, which he packaged and sold to LDDS Communications. Mr. LaFrance began his career in the telecommunications industry as President of Communications Management Corp., a telecommunications service and consulting group.

Mr. LaFrance holds a Bachelor of Science degree in Economics from the University of Southwestern Louisiana where he graduated cum laude with special notation for outstanding achievement in the field of economics.

Mr. LaFrance is a member of many telecommunications industry organizations including Comptel, ACTA and TRA and has served on the Executive Board of the ACCA. Mr. LaFrance has recently served on the Averill Council of the Memorial Art Gallery, the George Eastman Council, and the United Way of Rochester, New York. Mr. LaFrance is a lifetime

Management

President & CEO

Michael L. LaFrance, 38, has over 12 years experience in the telecommunications industry. Mr. LaFrance has served in various senior executive capacities at ACC Corp. and several of its domestic and international subsidiaries. Mr. LaFrance has also served in senior or ownership positions with Axxess USA Corp., LDDS Communications (currently known as "WorldCom" - the nation's 4th largest long distance carrier), Comtel-TMC, Comtel of New Orleans, and Communications Management Corp.

From 1994 to 1997 Mr. LaFrance served in various capacities with ACC Corp., a publicly traded global telecommunications holding company

member of Who's Who of American Business Leaders.

EVP – Network & Engineering

Tracy J. Cooper, 38, has more than 16 years of experience as a founder, owner, manager and director of telephony, paging and network engineering companies.

Since 1991, Mr. Cooper has held the position of President and Owner of Telecommunications Resources, Inc. ("TRI"), an international telecommunications consulting, equipment brokerage and installation company specializing in digital switching, transmission and power equipment. Started in 1991, TRI's revenues have experienced an average internal growth rate of over 30% each year. TRI's 1997 revenues will exceed \$2.5M. TRI's customers include such recognized industry leaders as WorldCom, ACC Corp., Kallback International Telecom Ltd., Anserphone Systems, Pacific Gateway, Radiofone, Cellular One, Time Warner Communications, Star Teocommunications, ACSI, Answer Network and Axxess Global.

Prior to founding TRI, Mr. Cooper held such positions as:

- Director of Telecommunications for Axxess USA Communications Corp. (a designer, manufacturer and builder of proprietary wireless equipment and networks worldwide in conjunction with the Matsushita Corporation of Japan and its consumer electronics subsidiary, Panasonic) where he was responsible for all engineering, development and provisioning of multi-national RBDS alphanumeric paging, wireless and satellite data systems
- Regional Network Manager for LDDS Communications (currently known as "WorldCom" - the nation's 4th largest long distance carrier) where he managed all

switch sites, POPs and associated switch personnel in a three (3) state region

- Manager of Engineering & Facilities for Comtel/TMC of Louisiana, Inc. (a switch based regional long distance company) where he was responsible for all engineering, design and implementation of digital voice and data networks
- President of Comtel of New Orleans (a switch based regional long distance company) where he was responsible for all day-to-day operations and administration including management of sales, customer service, collections, switching and field services
- Vice President of and founder of Communications Management Corporation (a telecommunications consulting firm)
- President and founder of Omni Tech Corporation (a large South Central United States regional interconnect company)

Mr. Cooper has built a national reputation for his telephony and technology accomplishments including:

- Development of new audio and video teleconferencing products as well as custom data transmission and distribution applications
- Design and construction of state-of-the-art network control centers and switching facilities
- Engineering and installing the first multi-state RBDS paging system in the United States
- Developing wireless credit card validation systems, wireless emergency alert systems and wireless bulk data transfer systems

Mr. Cooper holds extensive certifications from Bellcore, Digital Switch Corporation ("DSC"), Siemens Stromberg Carlson, Space 2000 Satellite Communications (VSAT), Business Communications Review (X.25) and Mitel Corporation.

EVP – Sales & Marketing

David K. Hudson, 35, has more than 14 years of experience as entrepreneur, sales and marketing manager, and Vice President of Sales and Marketing in the telecommunications industry. Mr. Hudson has served in various capacities with long distance telecommunications companies, including Tel/Man, Inc.; SoutherNet, Inc.; Telecom USA, Corporate Telemanagement Group, and most recently, LCI International.

Upon graduation from The Citadel, the Military College of South Carolina, Mr. Hudson began his telecom career with Tel/Man, Inc. from 1984-1988 holding various positions in sales and marketing management. Mr. Hudson was instrumental in starting and growing the North Carolina market for Tel/Man and instrumental in Tel/Man's merger with SoutherNet, Inc., which later became Telecom USA. Telecom USA was subsequently sold to MCI for \$1.2 Billion. In 1988 Mr. Hudson founded Visual Marketing Group, a Greenville, SC based advertising and marketing company.

In late 1989, Mr. Hudson became a founding partner and investor in Corporate Telemanagement Group, Inc. ("CTG"), a Greenville, SC based long distance and data communications company with a national marketing strategy. As Vice President of Sales and Marketing, Mr. Hudson was instrumental in building the company's direct sales and 3rd party dealer sales channels. Under Mr. Hudson's sales and marketing leadership, annual sales revenue grew from \$0, in late 1989, to over \$100MM in 1996, with an average internal growth rate of over 30% each year. Mr. Hudson was also instrumental in the successful due diligence and integration of the nine (9) corporate acquisitions by CTG which were aggregately valued at over \$200MM.

In September 1995, CTG was sold to LCI International, the nation's sixth largest long distance company, for over \$180MM. This value was

approximately 18 times monthly revenues which, to this day, is one of the highest multiples ever paid for a long distance reseller in the US. Mr. Hudson remained as Regional Vice President for LCI until September of 1996.

EVP - Finance & Development

Neal L. Nodvin, 41, has over 23 years of business experience as a hands-on manager in start-up and growth-oriented companies. Mr. Neal Nodvin earned his status in the business community with a respectable foundation of over 18 years experience in mortgage, commercial, and investment banking, as well as a vast hands-on history in the dynamic telecommunications industry.

Mr. Nodvin has been the founder and/or co-founder of four privately held companies and the creator and/or manager of five new business ventures at First Union National Bank. In each of these positions, Nodvin has been recognized as a leader in his ability to both determine the value of companies and create additional value in companies - especially as internal company value relates to industry strategy and growth.

From 1996 to most recently, Mr. Nodvin acted as the Chief Operating Officer of Atlas Communications, Ltd., a 20 month old telecommunications company currently generating an annual revenue run rate of over \$150MM. Mr. Nodvin is credited with generating over 60% of Atlas' revenues and was responsible for all new product development, strategic planning, joint venture creation, mergers/acquisitions and financial development.

Prior to joining Atlas, Nodvin was the founder, President and CEO of Receivables Funding Corporation ("RFC_{na}"), the first specialty finance company dedicated exclusively to the telecommunications industry which currently funds over \$350MM of

telecommunications receivables annually. Mr. Nodvin designed RFC_{na} to provide rapidly-growing telecommunications companies (with services including long distance, local, cellular, PCS, paging and ISP) the power of non-recourse asset securitization of their Account Receivables. RFC_{na} has maintained a customer/client base of telecommunications companies (from start-ups to those with revenues of over \$4 Billion) by providing them virtually unlimited receivables based capital and thus the ability to affirm a competitive advantage within their marketplace.

In guiding RFC_{na} to provide sound funding without taking inordinate risks, Mr. Nodvin has consulted literally hundreds of successful telecommunications-oriented companies (including both facilities and non-facilities based IXCs and retail carriers, LEC and direct billing companies, enhanced service providers, third-party verifiers, and collection companies) and analyzed their internal structure.

Prior to founding Receivables Funding Corporation, Mr. Nodvin managed numerous other high-growth businesses and held positions including:

- Chief Operating Officer of Stein World, Inc. where he helped restructure and turn-around this privately-held furniture importer and distributor
- Managing Partner and Co-Founder of Integrated Benefits Group, Inc. which he built into one of the nation's largest employee-paid benefits firms
- Director of Corporate Finance of Williams, Benjamin, Benator & Libby (an Atlanta-based regional accounting firm) where he oversaw all merger & acquisitions activity
- Managing Partner and Co-Founder of 23 GENERAL (a Charlotte-based merger & acquisition consulting firm)

Prior to founding 23 GENERAL, Mr. Nodvin spent 10 years with First Union National. During his tenure at First Union, Mr. Nodvin held positions as:

- Mortgage Banker (where he gave birth to packaged financing for which he was named "Rookie-of-the-Year" in 1979)
- Bond Trader and Money Manager, with the primary responsibility of jointly overseeing annual joint syndication in excess of \$10 Billion and a risk portfolio of over \$50MM
- Equity/Syndication Manager of First Union Leasing where he designed and initiated the lease brokerage division and personally generated over \$250MM in new loans and leases over a 2 1/2 year period
- Vice President/Investment Banker of First Union's Funds Management Division where he designed and managed the sales and marketing efforts private placement debt and asset-backed securities.

As an active business leader, Mr. Nodvin founded and held the position of President of the Metrolina Entrepreneurial Council, a Charlotte, NC based business organization with a membership of over 350 business owners, bankers, lawyers, accountants, venture capitalists, and other professionals dedicated to helping create and promote high-growth businesses.

Mr. Nodvin earned his Bachelors of Business Administration from the University of Georgia and his Masters in Business Administration from Wake Forest University. Mr. Nodvin was a past member of the National Association of Securities Dealers (NASD), the Municipal Securities Rulemaking Board (MSRB), a past recipient of Who's Who in Finance, a lifetime recipient of Who's Who Worldwide and a current Board

Member of Receivables Funding Corporation.

EVP – Operations

J. Edward Terrell, 35, has more than 13 years experience as a Sales Manager, Director and Vice President of Operations in the telecommunications industry. Mr. Terrell served in various capacities with Tel/Man, Inc., SoutherNet, Inc., Telecom USA, Inc., Corporate Telemanagement Group, Inc., ("CTG") and, most recently, as Director of Operations for LCI International.

Mr. Terrell joined CTG in March 1990, shortly after the founding of the company. After serving as a Regional Sales Director, Mr. Terrell was named Director of Operations in July 1991. This unique opportunity proved to be very successful for CTG as Mr. Terrell brought a salesperson's perspective to telecommunications operations. As a result, CTG became an industry leader in Order Entry, Customer Activation, Provisioning, and Customer Service for long distance resellers and ultimately, as a switch-based carrier.

Under Mr. Terrell's operational leadership, CTG became:

- The first switchless reseller to secure a Dedicated Account Team from Sprint and other major carriers for Account Management and Customer Service and
- A leader in the development of on-line customer activation with BellSouth and other Regional Bell Operating Companies, (RBOCs), to activate long distance service with a local carrier.

In the process of nine (9) acquisitions with CTG, aggregately valued at over \$200MM, Mr. Terrell was responsible for the operational due diligence for all acquisition candidates. Additionally, Mr. Terrell managed the operational and customer service teams of the acquired companies and was responsible for the

customer conversion of over \$20MM in annual billings.

Mr. Terrell serves on the Business Advisory Council for The Greenville Urban League and The Consulting Group for Greenville National Bank and holds a B. A. from The Citadel, The Military College of South Carolina.

EXHIBIT D

FINANCIAL STATEMENTS



Balance Sheet
July 31, 1999

ASSETS

Cash/Investments	\$1,271,241.01
Accounts Receivable	2,793,003.70
Other Current Assets	1,371,066.34
Fixed Assets	25,941,021.42
Other Assets	1,446,730.11

TOTAL ASSETS

32,823,062.58

LIABILITIES & EQUITY

Liabilities

Accounts Payable	7,637,485.37
Accrued Expenses	2,329,318.55
Notes Payable	15,376,175.15
	<u>25,342,979.07</u>

Equity

Common Stock	20.00
Additional Paid-In Capital	19,999,980.00
Accumulated Deficit	(12,519,916.49)
	<u>7,480,083.51</u>

TOTAL LIABILITIES & EQUITY

32,823,062.58



NewSouth
communications™

Statement of Income and Operations
For the Seven Months Ending July 31, 1999

Total Revenue	\$11,140,368.22
Total Cost of Services	4,921,044.87
Gross Margin	<u>6,219,323.35</u>
Selling, General & Administrative Expenses	11,704,136.64
Depreciation and Amortization	1,134,551.41
Interest and Taxes	<u>372,633.37</u>
Net Income (Loss)	<u><u>(6,991,998.07)</u></u>