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September 18, 2003

# **VIA ELECTRONIC DELIVERY**

Mr. Dale Roberts Chief A.L.J./Executive Secretary Missouri Public Service Commission 200 Madison Street, Suite 100 Jefferson City, MO 65102 (573) 751-3234

Re: MG LLC d/b/a SearsConnect

Dear Mr. Roberts:

Enclosed please find for filing an electronically submitted copy of MG LLC d/b/a SearsConnect's Application for Certificate of Service Authority to Provide Interexchange Telecommunications Services Within the State of Missouri and Interexchange Telecommunications Tariff.

Please verify receipt of this filing via a return e-mail. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

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

Respectfully submitted,

Lance J.M. Steinhart

Attorney for MG LLC d/b/a SearsConnect

Enclosures

cc: David Byron

Office of Public Counsel Office of General Counsel

# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the )	1	
Application of )	<b>+</b>	
MG LLC d/b/a SearsConnect )	ı	
for a certificate of service )	ı	
authority to provide )	Case	No.
interexchange telecommunications)		
services and to classify such )	1	
services and the company as )	ı	
Competitive )		

#### APPLICATION

MG LLC d/b/a SearsConnect, ("Applicant"), a Delaware Limited Liability Company, files this verified application respectfully requesting that the Missouri Public Service Commission ("Commission") issue an order that:

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

In support of its request, Applicant states:

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

MG LLC d/b/a SearsConnect
Two Executive Drive, Suite 900
Fort Lee, New Jersey 07024
(201) 461-5665/Phone
(201) 461-1963/Facsimile

A copy of Applicant's authority to transact business in Missouri is attached hereto as Exhibit I.

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

Judith A. Rau, Esq.
Rau & Rau
119 E. Mill Street
Waterloo, Illinois 62298

- 3. Applicant is a reseller of telecommunications services.

  Applicant proposes to provide interexchange telecommunications services within Missouri including direct outbound dialing (1+ and 101XXXX), 800 and 888 (inbound Toll-Free), travel cards, and prepaid calling cards. Applicant respectfully requests authority to provide service to prospective business and residential customers throughout the State of Missouri.
- 4. Applicant has the experience in the telecommunications industry and the technical and financial resources to provide telecommunications services within Missouri.
- 5. Applicant's Tariff is attached as Exhibit II. The proposed tariff contains the rules and regulations applicable to its customers, a description of the services offered, and a list of rates associated with such services.

- Applicant requests classification as a competitive telecommunications company within the State of Missouri, and that its services are classified as competitive. Applicant believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation. Granting of this application is in the public interest as it will allow greater price and service options for telephone users.
- Applicant also respectfully requests, pursuant to Section 392.420 RSMo (Cum. Supp. 1992), that the Commission waive the application of the following rules and statutory provisions as it relates to the regulation of Applicant:

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392.210.2 Establish Uniform System of Accounts for Annual reports
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392.240(1)Setting just and reasonable rates 392.270 Ascertain Property values

392.280 Establish Depreciation accounts

392.290 Issuance of securities

392.300.2 Acquisition of stock

392.310 Issuance of stock and debt

392.320 Stock Dividend Payment

392.330 Issuance of securities, debts and notes

392.340 Reorganization(s)

4 CSR 240-10.020 Depreciation fund income

4 CSR 240-3.545(2)(C) Posting exchange rates at central offices.

4 CSR 240-33.030 Inform customers of lowest price

4 CSR 240-30.040 Uniform System of Accounts

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

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

9. Correspondence or communications pertaining to this Application should be addressed to:

Lance J.M. Steinhart, Esq. Lance J.M. Steinhart, P.C. 1720 Windward Concourse, Suite 250 Alpharetta, Georgia 30005 (770) 232-9200 (770) 232-9208 (Fax)

#### lsteinhart@telecomcounsel.com (Email)

- 10. The Applicant has no pending actions 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 this application. No Commission annual reports or assessment fees are overdue.
- 11. Grant of this Application will further the public interest by expanding the availability of competitive telecommunications services in the State of Missouri. In addition, intrastate offering of these services is in the public interest because the services will provide Missouri customers with access to new technologies and service choices, and can permit customers to achieve increased efficiencies and cost savings. In particular, the public will benefit directly, through the use of the competitive services to be offered by Applicant, and indirectly, because the presence of Applicant in this market will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service.

WHEREFORE, Applicant, MG LLC d/b/a SearsConnect, respectfully requests that the Missouri Public Service Commission grant it a certificate of service authority to provide interexchange telecommunications services within the State of Missouri. Applicant also requests classification as a competitive telecommunications company and that its services be classified as competitive. In addition Applicant requests a waiver of the above-referenced rules and statutory provisions.

Respectfully submitted,

Lance J.M. Sternhart, Esq.
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and

Judith A Rau,

Rau & Rau

119 E. Mill Street

Waterloo, Illinois 62298

(618) 939-7186

Missouri Bar No. 24856

Attorneys for Applicant

# ATTACHED EXHIBITS

Exhibit I Missouri Secretary of State Authorization

Exhibit II Tariff

# Exhibit I Missouri Secretary of State Authorization

STATE OF MISSOURI



# Matt Blunt

Secretary of State CERTIFICATE OF REGISTRATION FOREIGN LIMITED LIABILITY COMPANY

WHEREAS,

MG LLC FL0535368

Using in Missouri the name

MBDG LLC

and existing under the laws of the State of Delaware has filed with this state its Application for Registration and whereas this Application for Registration conforms to the Missouri Limited Company Act.

NOW, THEREFORE, I, MATT BLUNT, Secretary of State of the State of Missouri, by virtue of authority vested in me by law, do hereby certify and declare that on the 11th day of August, 2003, the above Foreign Limited Liability Company is duly authorized to transact business in the State of Missouri and is entitled to any rights granted Limited Liability Companies.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 11th day of August, 2003.







# State of Missouri

Rebecca McDowell Cook, Secretary of State

**Corporations Division** 

File Number: 200323411609 Charter # X00537337 Date Filed: 08/08/2003 09:24 AM **Matt Blunt** 

Secretary of State

# Registration of Fictitious Name (Submit in duplicate with filing fee of \$7)

(Must be typed or printed)

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 person or business from adopting and using the same name. (Chapter 417, RSMo.)

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

Name to be registered	i: SearsConnect	·			
Missouri Business Addres	222 E. Dunklin				
(P.O. Boxes not accepted City, State and Zip Cod	) tofferen Oite	MO	65101		
The parties having an interest	in the business, and the percenta	go they own are (if a bu	siness entity is own	ner, indicate	
siness name and percentage owned.	If all parties are jointly and seve	rally tlable, percentage o	or ownersup need	not be listed):	
Name of Owners,			State	If listed, Percentage of ownership	
Individual or Business Entity	Street and Number	City	and Zip Code	must equal 100%	
G LLC	Two Executive Dr., Ste. 9	00 <u>, Fort Lee, NJ 0702</u>	24		
		***		•	
				•	

Return to: Secretary of State Corporations Division

P.O. Box 778

Jefferson City, Mo. 65102

(Over)

Corp. #56 (5/99)

State of Missouri Fictitous Creation 2 Page(s)

T0323313572

The undersigned, being all the parties owning interest in the above company, being duly sworn, upon their oaths each did say that the statements and matters set forth herein are true. Individual **Owners** Sign Here The undersigned business entity has caused this application to be executed in its name by its Title of Authorized Person month/day/year Iſ **Business Entity** Is oration, President of Vice President) Owner. Authorized Person If corporation, Signature of Secretary or Asst. Secretary Printed Name Title Execute Here (Corporate Scal) If no seal, state "none". State of Missouri

L, Welding Steppel , A Notary Public, do hereby certify that on 7/25/03 month/day/year personally appeared before me David Graff , and being duly sworn by me, acknowledged that he/she signed as his/her 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 or Stamp)

Notary Public

My commission expires

HELAINE S. STEVENS
MOTARY FURILD OF HEW JERREY
Commission Expires 3/3/2005

My County of Commission

Corp. #56 (5/99)

# Exhibit II Tariff

#### TITLE SHEET

#### MISSOURI INTEREXCHANGE TELECOMMUNICATIONS TARIFF

OF

#### MG LLC D/B/A SEARSCONNECT

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by MG LLC d/b/a SearsConnect ("SearsConnect"), with principal offices at Two Executive Drive, Suite 900, Fort Lee, New Jersey 07024, toll free telephone number (888) 484-4999. This tariff applies for services furnished within the State of Missouri for business and residential service. This tariff is on file with the Missouri Public Service Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

MG LLC d/b/a SearsConnect, operates as a competitive telecommunications company as defined by Case No. TO-88-142 within the State of Missouri.

All services will be provided in accordance with Commission rules and regulations.

#### WAIVER OF RULES AND REGULATIONS

392.210.2 Establish Uniform System of Accounts for Annual reports 392.240(1) Setting just and reasonable rates 392.270 Ascertain Property values 392.280 Establish Depreciation accounts 392.290 Issuance of securities 392.300.2 Acquisition of stock 392.310 Issuance of stock and debt 392.320 Stock Dividend Payment 392.330 Issuance of securities, debts and notes 392.340 Reorganization(s) 4 CSR 240-10.020 Depreciation fund income 4 CSR 240-3.545(2)(C) Posting exchange rates at central offices. 4 CSR 240-33.030 Inform customers of lowest price 4 CSR 240-30.040 Uniform System of Accounts

# RESERVED FOR FUTURE USE

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# TARIFF FORMAT

- A. Sheet Numbering: Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between pages 11 and 12 would be page 11.1.
- B. Sheet Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current page version on file with the Commission. For example, 4th Revised Sheet 13 cancels 3rd Revised Sheet 13.
- C. Paragraph Numbering Sequence: There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2. 2.1 2.1.1 2.1.1.A 2.1.1.A.1 2.1.1.A.1.(a) 2.1.1.A.1.(a).I 2.1.1.A.1.(a).I.(i) 2.1.1.A.1.(a).I.(i)

#### SYMBOLS

The following are the only symbols used for the purposes indicated below:

- (C) to signify change in regulation
- (D) to signify a deletion
- (I) to signify a rate increase
- (L) to signify material relocated in the tariff
- (N) to signify a new rate or regulation
- (R) to signify a rate reduction
- (T) to signify a change in text, but no change in rate or regulation

#### SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to location or switching center.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

<u>Commission</u> - Used throughout this tariff to mean the Missouri Public Service Commission.

 $\frac{\text{Company or SearsConnect}}{\text{MG LLC d/b/a SearsConnect}} - \text{Used throughout this tariff to mean MG LLC d/b/a SearsConnect, a Delaware Limited Liability Company.}$ 

<u>Customer</u> - The person, firm, corporation or other legal entity which orders the services of the Company or purchases a Company Prepaid Calling Card and/or originates prepaid calls using such cards, and is responsible for the payment of charges and for compliance with the Company's tariff regulations.

<u>Dedicated Access</u> - The Customer gains entry to the Company's services by a direct path from the Customer's location to the Company's point of presence.

Holiday - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

<u>Prepaid Account</u> - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card.

Prepaid Calling Card - A card issued by the Company, containing an Authorization Code which identifies a specific Prepaid Account of Telecom Units, which enables calls to be processed, account activity to be logged, and balances to be maintained, on a prepayment basis.

Resp. Org - Responsible Organization or entity identified by a Toll-Free service Customer that manages and administers records in the toll free number database and management system.

Switched Access - The Customer gains entry to the Company's services by a transmission line that is switched through the local exchange carrier to reach the Company's point of presence.

Telecom Unit - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of Missouri.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

#### SECTION 2 - RULES AND REGULATIONS

#### 2.1 Undertaking of the Company

This tariff contains the regulations and rates applicable to intrastate interexchange telecommunications services provided by the Company for telecommunications between points within the State of Missouri. Services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff in compliance with limitations set forth in the Commission's rules. Company's services are provided on a statewide basis and are not intended to be limited geographically. Company offers service to all those who desire to purchase service from the Company consistent with all of the provisions of this tariff. Customers interested in the Company's services shall file a service application with the Company which fully identifies the Customer, the services requested and other information requested by the Company. The Company reserves the right to examine the credit record and check the references of all applicants and Customers prior to accepting the service order. The service application shall not in itself obligate the Company to provide services or to continue to provide service. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Customer, to allow connection of a Customer's location to a service provided by the Company. The Customer shall be responsible for all charges due for such service arrangement.

- The services provided by the Company are not part of a joint undertaking with any other entity providing telecommunications channels, facilities, or services, but may involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers subject to the jurisdiction of this Commission.
- 2.1.2 The rates and regulations contained in this tariff apply only to the services furnished by the Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carriers for use in accessing the services of the Company.
- 2.1.3 The Company reserves the right to limit the length of communications, to discontinue furnishing services, or limit the use of service necessitated by conditions beyond its control, including, without limitation: lack of satellite or other transmission medium capacity; or when the use of service becomes or is in violation of the law or the provisions of this tariff.

# 2.2 Use of Services

- 2.2.1 Services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- 2.2.3 The use of services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.

- MG LLC D/B/A SEARSCONNECT
  - 2.2.4 Services are available for use 24 hours per day, seven days per week.
  - 2.2.5 The Company does not transmit messages, but the services may be used for that purpose.
  - 2.2.6 Services may be denied for nonpayment of undisputed charges or for other violations of this tariff, as set forth in Section 2.5.1 of this tariff.
  - 2.2.7 Customers shall not use the service provided under this tariff for any unlawful purpose.
  - 2.2.8 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

# 2.3 Liability of the Company

- 2.3.1 The Company shall not be liable for any claim, loss, expense or damage for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by the Underlying Carrier, an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.3.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.
- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.

- 2.3.4 The Company's liability 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 the charges provided for under this tariff for the long distance call for the period during which the call was affected. No other liability in any event shall attach to the Company.
- 2.3.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others. This provision shall not exempt the Company from liability for the gross negligence, recklessness or intentional acts or omissions of Company, its agents and employees.
- 2.3.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.

2.3.7 The remedies set forth herein are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

#### 2.4 Responsibilities of the Customer

- 2.4.1 The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.
- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by the Company on the Customer's behalf.
- 2.4.3 If required for the provision of services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to the Company.
- 2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to the Company and the Customer when required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of services.
- 2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of equipment to be maintained within the range normally provided for the operation of microcomputers.

- 2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with facilities or services, that the signals emitted into network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, the Company will permit such equipment to be connected with its channels without the use of protective interface devices.
- 2.4.7 The Customer must pay the Company for replacement or repair of damage to the equipment or facilities of the Company caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.
- 2.4.8 The Customer must pay for the loss through theft of any Company equipment installed at Customer's premises.
- 2.4.9 If the Company installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.

2.4.10 The Customer must use the services offered in this tariff in a manner consistent with the terms of this tariff and the policies and regulations of all state, federal and local authorities having jurisdiction over the service.

#### 2.5 Cancellation or Interruption of Services

- 2.5.1 Without incurring liability, upon ten (10) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, the Company may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:
  - 2.5.1.A Nonpayment of a delinquent charge except for basic local exchange service;
  - 2.5.1.B Failure to post a required deposit or quarantee;
  - 2.5.1.C Unauthorized use of telecommunications company equipment in a manner which creates an unsafe condition or creates the possibility of damage or destruction to such equipment;
  - 2.5.1.D Failure to comply with terms of a settlement agreement;
  - 2.5.1.E Refusal after reasonable notice to permit inspection, maintenance or replacement of telecommunications company equipment;
  - 2.5.1.F Material misrepresentation of identity in obtaining telecommunications company service; or
  - 2.5.1.G As provided by state or federal law.

At least 24 hours preceding a discontinuance, the Company shall make reasonable efforts to advise the Customer of the proposed discontinuance.

- 2.5.2 Without incurring liability, the Company may interrupt the provision of services upon reasonable notice in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of Customer and equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 2.5.3 Traffic to certain NXX exchanges, or calls using certain Customer authorization codes, may be blocked when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new authorization code to replace the one that has been deactivated.
- 2.5.4 The Customer may terminate service upon thirty (30) days written or oral notice for the Company's standard month to month contract. Customer will be liable for all usage on any of the Company's service offerings until the Customer actually leaves the service. Customers will continue to have Company usage until the Customer notifies its local exchange carrier and changes its long distance carrier. Until the Customer so notifies its local exchange carrier, it shall continue to generate and be responsible for long distance usage.

# 2.6 Credit Allowance

- 2.6.1 Credit may be given for disputed calls, on a per call basis.
- 2.6.2 Credit shall not be issued for unavailability of long distance services.

Please also see Section 3.2 of this tariff.

# 2.7 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

#### 2.8 Deposit

The Company does not require deposits.

# 2.9 Advance Payments

The Company does not require advance payments.

#### 2.10 Payment and Billing

- 2.10.1 Service is provided and billed on a billing cycle basis, beginning on the date that service becomes effective. A late fee of 1.5% per month will be assessed upon any unpaid amount commencing 30 days after rendition of bills.
- The customer is responsible for payment of 2.10.2 all charges for services furnished to the Customer, as well as to all persons using the Customer's codes, exchange lines, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's Authorization Codes, presubscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, presubscribed exchange lines, or Authorization Codes will be billed to and must be paid by the Customer. Recurring charges and non-recurring charges are billed in advance. Charges based on actual usage during a month and any accrued interest will be billed monthly in arrears.
- 2.10.3 Reserved for Future Use.

#### 2.11 Reserved for Future Use

#### 2.12 Taxes

All federal, state and local taxes, including sales taxes, use taxes, gross receipts taxes, and municipal utilities taxes, are billed as separate line items and are not included in the rates quoted herein. All charges other than taxes and franchise fees shall be submitted to the Commission for prior approval.

# 2.13 Taxes and Fees for Prepaid Calling Cards

The prepaid calling card rate does not include federal excise tax or state and local taxes which are required to be paid at the point of sale. The tariffed rate does include state and local sales taxes, which are required to be paid on usage of the underlying telecommunications service when that service originates and terminates within a particular tax jurisdiction.

#### 2.14 Returned Check Charge

A fee will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.

#### 2.15 Reconnection Charge

A reconnection fee will be charged when service is reestablished for Customers which have been disconnected due to non-payment. Payment of the reconnection fee and any other outstanding amounts will be due in full prior to reconnection of service.

#### SECTION 3 - DESCRIPTION OF SERVICE

# 3.1 Computation of Charges

- 3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. All calls are measured in increments as set forth in the Rates Section of this tariff. Fractions of a billing increment are rounded up to a full billing increment on a per call basis. Fractions of a cent per minute are rounded up to a full cent on a per call basis.
- 3.1.2 Where mileage bands appear in a rate table, rates for all calls are based upon the airline distance between the originating and terminating points of the call, as determined by the vertical and horizontal coordinates associated with the exchange (the area code and three digit central office code) associated with the originating and terminating telephone numbers. Customer obtains access to the Company's network by a dedicated access circuit, that circuit will be assigned an exchange for rating purposes based upon the Customer's main telephone number at the location where the dedicated access circuit terminates. vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.

3.1.3 Timing begins when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. Recognition of answer supervision is the responsibility of the Underlying Carrier. Timing for each call ends when either party hangs up. The Company will not bill for uncompleted calls.

#### 3.2 Customer Complaints and/or Billing Disputes

Customer inquiries or complaints regarding service or accounting may be made in writing, in person, or by telephone to the Company at:

Two Executive Drive, Suite 900 Fort Lee, New Jersey 07024 (888) 484-4999

Any objection to billed charges should be reported promptly to the Company. A dispute must be registered with the Company prior to the delinquent date of the charge, and the Customer must provide the disputed call details and the basis for any requested adjustment. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled. If the Company cannot resolve Customer's complaint, Customer may call the Missouri Public Service Commission, at 1-800-392-4211 to file an informal complaint. If Customer complaint cannot be resolved informally, Customer may file a formal complaint in writing to: Missouri Public Service Commission 200 Madison Street Jefferson City, Mo 65102 Customer may also contact the Missouri Office of Public Counsel, representing the public before the Public Service Commission, at 1-573-751-4857 or in writing to: Missouri Office of Public Counsel 200 Madison Street, 6th floor Jefferson City, Missouri 65102

If a Customer accumulates more than One Dollar of undisputed delinquent Company 800 Service charges, the Company Resp. Org. reserves the right not to honor that Customer's request for a Resp. Org. change until such undisputed charges are paid in full.

# 3.3 Level of Service

A Customer can expect end to end network availability of not less than 99% at all times for all services.

#### 3.4 Service Offerings

#### 3.4.1 1+ Dialing

This service permits Customers to originate calls via switched or dedicated access lines, and to terminate intrastate calls. The Customer dials "1+" followed by "ten digits" or dials "101XXXX" followed by "1+ ten digits".

#### 3.4.2 Travel Cards

The Customer utilizes an 11 digit "toll-free" access number established by the Company to access a terminal. Upon receiving a voice prompt, the Customer uses push button dialing to enter an identification code assigned by the Company, and the ten digit number of the called party.

#### 3.4.3 Toll-Free Service

This service is inbound calling only where an 800, 888 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility.

#### 3.4.4 The Company Prepaid Calling Cards

This service permits use of Prepaid Calling Cards for placing long distance calls. Customers may purchase Company Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. Company Prepaid Calling Cards are available at a variety of face values ranging from five dollars (\$5.00), in one dollar (\$1.00) increments. The rate will be printed on the card or in point of sale materials. Company Prepaid Calling Card service is accessed using the Company toll-free number printed on the card. The caller is prompted by an automated voice response system to enter his/her Authorization Code, and then to enter the terminating telephone number. The Company's processor tracks the call duration on a real time basis to determine the number of Telecom Units consumed. The total consumed Telecom Units and applicable taxes for each call are deducted from the remaining Telecom Unit balance on the Customer's Company Prepaid Calling Card.

All calls must be charged against Prepaid Calling Card that has a sufficient Telecom Unit balance. A Customer's call will be interrupted with an announcement when the balance is about to be depleted.

When the balance is depleted, the Customer can either call the toll-free number on the back of the Company Prepaid Calling Card and "recharge" the balance on the card using a nationally recognized credit card, or the Customer can throw the card away and purchase a new one. Calls in progress will be terminated by the Company if the balance on the Company Prepaid Calling Card is insufficient to continue the call.

A card will expire on the date indicated on the card, or if no date is specified, 6 months from the date of purchase, or the date of last recharge, whichever is later. The Company will not refund unused balances.

A credit allowance for Company Prepaid Calling Card Service is applicable to calls that are interrupted due to poor transmission, one-way transmission, or involuntary disconnection of a call. To receive the proper credit, the Customer must notify the Company at the designated toll-free customer service number printed on the Company Prepaid Calling Card and furnish the called number, the trouble experienced (e.g. cut-off, noisy circuit, etc.), and the approximate time that the call was placed.

When a call charged to a Company Prepaid Calling Card is interrupted due to cut-off, one-way transmission, or poor transmission conditions, the Customer will receive a credit equivalent of one Telecom Unit.

Credit allowances for calls pursuant to the Company Prepaid Card Service do not apply for interruptions not reported promptly to the Company or interruptions that are due to the failure of power, equipment or systems not provided by the Company.

Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company.

The Company will block all calls beginning with the NPA "900" and NXX "976" calls, therefore such calls can not be completed.

3.4.5 Directory Assistance.

Access to long distance directory assistance is obtained by dialing 1 + 555-1212 for listings within the originating area code and 1 + (area code) + 555-1212 for other listings. When more than one number is requested in a single call, a charge will apply for each number requested. A charge will be applicable for each number requested, whether or not the number is listed or published. The company will not provide, nor bill, for operator services.

- 3.4.6 Reserved for Future Use.
- 3.4.7 Emergency Call Handling Procedures

Emergency "911" calls are not routed to company, but are completed through the local network at no charge.

3.4.8 Promotional Offerings

The Company may, upon Commission approval, offer customers specific rate incentives during specified promotional periods. The Company will provide written notice to the Commission at least 7 days prior to the commencement of a promotional program specifying the terms of the promotion, the specific service offered, the location, and the beginning and ending dates of the promotional period.

# SECTION 4 - RATES

# 4.1 1+ & 101XXXX Dialing

\$0.15 per minute

A \$4.95 per month per number service charge applies. Billed in one minute increments

# 4.2 Travel Cards

\$.199 per minute

A \$.25 per call service charge applies. Billed in one minute increments

#### 4.3 Toll Free Service

\$0.15 per minute

A \$10 per month per number service charge applies. Billed in one minute increments

#### 4.4 Prepaid Calling Cards

В

Program (to be determined by distributor)
A \$.015 Per Telecom Unit

\$.019 Per Telecom Unit

```
C
          $.025 Per Telecom Unit
D
          $.029 Per Telecom Unit
Ε
          $.032 Per Telecom Unit
F
          $.035 Per Telecom Unit
G
          $.039 Per Telecom Unit
Η
          $.049 Per Telecom Unit
Ι
          $.05 Per Telecom Unit
J
          $.059 Per Telecom Unit
K
          $.06
                Per Telecom Unit
\mathbf{L}
          $.08
                Per Telecom Unit
Μ
          $.09
                Per Telecom Unit
N
          $.10
                Per Telecom Unit
0
          $.11
                Per Telecom Unit
Ρ
          $.12
                Per Telecom Unit
Q
          $.13
                Per Telecom Unit
R
          $.14
                Per Telecom Unit
S
          $.15
                Per Telecom Unit
Т
          $.19
                Per Telecom Unit
          $.20
U
                Per Telecom Unit
                Per Telecom Unit
V
          $.25
W
          $.29
                Per Telecom Unit
Х
          $.30
                Per Telecom Unit
Υ
          $.33
                Per Telecom Unit
Z
                Per Telecom Unit
          $.35
AA
          $.39
                Per Telecom Unit
BB
          $.40
                Per Telecom Unit
CC
          $.50 Per Telecom Unit
          $.005 Per Telecom Unit
DD
EE
               Per Telecom Unit
          $.01
FF
                Per Telecom Unit
          $.07
A $.99 per call service charge applies.
A one-time maintenance fee of $1.00 applies after the 1st call.
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4.5 Directory Assistance

\$.95

4.6 Returned Check Charge

\$25.00

4.7 Reconnection Charge

\$25.00

#### 4.8 Rate Periods

	Monday - Friday	Sat.	Sun.
8 a.m. to 5 p.m.*	Daytime Rate Period		
5 p.m. to 11 p.m.*	Evening Rate Period		Evening Rate Period
11 p.m. to 8 a.m.*	Night/Weekend Rate	Period	

\* To, but not including

When a message spans more than one rate period, total charges for the minutes in each rate period are calculated and the results for each rate period are totaled to obtain the total message charge. If the calculation results in a fractional charge, the amount will be rounded up to the higher cent.

# 4.9 Payphone Dial Around Surcharge

A surcharge applies on all completed intrastate toll-free and 10XXX/101XXXX access code calls, including any toll free 800/888 or travel card calls, originating from a pay telephone. This surcharge is applied in addition to any other applicable service charges or surcharges. The surcharge does not apply to: calls paid for by inserting coins at the pay telephone; or calls placed from stations other than a pay telephone.

Surcharge Rate

\$0.50 per call

State of	New Jersey
County of _	Bergen

#### **VERIFICATION**

I, David Byron, being duly sworn, declare that I am the Chief Operating Officer of MG LLC d/b/a SearsConnect, the Applicant. I verify that, based upon information and belief, I have knowledge of the statements in the foregoing Application, and I declare that they are true and correct.

David Byron
Chief Operating Officer

X Sworn to before me, the undersigned Notary Public on this ZYW day of JVV , 2003.

Notary Public

Heluine /+elven>
Print or Type Name

My commission expires:

HELAINE S. STEVENS NOTARY PUBLIC OF NEW JERSEY Commission Expires 3/3/2006

#### CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing Application for Certificate of Service Authority to Provide Interexchange Telecommunications Services Within the State of Missouri on the following parties, in accordance with the Commission rules:

Office of the Public Counsel P. O. Box 7800 Jefferson City, MO 65102

General Counsel Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

Dated this

18 day of

2003

Lance M. Steinhart Georgia Bar No. 678222

1720 Windward Concourse Suite 250 Alpharetta, Georgia 30005 (770) 232-9200 (770) 232-9208 (Fax) lsteinhart@telecomcounsel.com (Email)