

Lance J.M. Steinhart, P.C.
Attorney At Law
1720 Windward Concourse
Suite 250
Alpharetta, Georgia 30005

Also Admitted in New York
and Maryland

Telephone: (770) 232-9200
Facsimile: (770) 232-9208

July 26, 2002

VIA FEDERAL EXPRESS

Mr. Dale Roberts
Chief ALJ and Executive Secretary
Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, MO 65102

FILED⁴

JUL 29 2002

Re: Budget Phone, Inc. – LOCAL EXCHANGE

Missouri Public
Service Commission

Dear Mr. Roberts:

Enclosed please find for filing an original and eight (8) copies of Budget Phone, Inc.'s Application for Certificate of Service Authority to Provide Local Exchange Telecommunications Services Within the State of Missouri, along with a Motion for Protective Order for information that is "highly confidential".

The Motion includes one copy of the confidential information in redacted form marked "Non Proprietary Version" and eight (8) copies of the intact confidential information.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self addressed, postage prepaid envelope. 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

Lance J.M. Steinhart
GA Bar No. 678222
Attorney for Budget Phone, Inc.

*by Charlotte Lacey
with expressed
consent*

Enclosures

cc: Leigh Woodruff
Michael Dandino, Office of Public Counsel
General Counsel, Missouri Public Service Commission

FILED⁴

JUL 29 2002

Missouri Public
Service Commission

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the matter of the application)
of Budget Phone, Inc.)

for a certificate of service authority to)
provide resold and facilities-based)
Basic Local Telecommunications Services)
in Portions of the State of Missouri and)
to Classify Such Services and the Company)
as Competitive)

Case No.

APPLICATION

Budget Phone, Inc. ("Applicant" or "Budget Phone"), a Louisiana Corporation, 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 resold and facilities-based Basic Local Telecommunications Services in Portions of the State of Missouri pursuant to Sections 392.455 and 392.420 - .44055 of the Revised Statutes of Missouri (RSMo) 1994 and Sections 392.410 and .450, RSMo Supp. 1996.
- (b) grants competitive status to Applicant pursuant to Section 392.361 RSMo Supp 1996., and classifies the Applicant's services as competitive.
- (c) waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo Cummm. Supp. 1996.

In support of its request, Applicant states:

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

Budget Phone, Inc.
6901 W. 70th Street
Shreveport, Louisiana 71129
(318) 671-5000 (Phone)
(318) 671-5024 (Fax)

A copy of Applicant's Articles of Incorporation, and certificate of authority from the Missouri Secretary of State to transact business in Missouri are 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 proposes to provide resold and facilities-based basic local telecommunications service as a separate and distinct service within portions of the State of Missouri. Applicant is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards, including, but not limited to, billing, quality of service and tariff filing and maintenance. Applicant proposes to provide services to prospective customers in exchanges currently served by Southwestern Bell Telephone Company, Verizon Midwest Inc., United Telephone Company of Missouri d/b/a Sprint, and CenturyTel as set forth in the list of exchanges attached hereto as Exhibit II. Applicant will give consideration to equitable access for all Missourians, regardless of where they might reside or their income, to affordable telecommunications services in the proposed service area as set forth in Exhibit II, in accordance with applicable law.

When it initiates service in Missouri, Budget Phone, Inc., (Budget Phone) proposes initially to provide resold local exchange telecommunications services, and thereafter to provide facilities-based local exchange services through the use of its own facilities and unbundled network elements. Initially, the services Budget Phone intends to offer are likely to be those local exchange telecommunications services offered by incumbent local exchange carriers in the proposed service area. Budget Phone intends to provide local exchange services that may include but are not limited to the following:

- * Basic Residential Exchange Services
- * Residential Custom and Class Features (call waiting, caller ID, call forwarding, call blocking, speed calling, etc.)
- * Basic Business Exchange Services
- * Business Customer Calling and Class Features
- * Adjunct Provided Features (voice messaging, etc.)
- * Business and Residential Ancillary Services (911, E911, 411, Relay Service, directory listing, directory assistance, etc.)
- * Centrex
- * DSL and ISDN
- * DID Trunks and Lines
- * Private Lines

Budget Phone does not initially intend to install any

switching equipment for the provision of local exchange service in the State of Missouri, but will install such equipment in the future.

When Budget Phone installs facilities in Missouri, it will probably use the following or a similar configuration of equipment: Budget Phone will provide voice and high speed data services through a combination of the latest technology switching and transport media comprised of the Lucent Technology 5 ESS Generic 13 switch module, ADSL/SDSL transport and Internet service equipment and the latest Optical multiplexer DAC's configurations. The switching system consists of a central processing and control complex capable of interconnection as a peer to the incumbent as well as competitive local exchange companies. The hub portion of the switch will interconnect with the public switched network on Signaling System 7 ("SS7") or Feature Group D ("FGD") facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in accordance with network standards and specifications. Additionally, these services will be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber and transport networks, as well as via Budget Phone constructed facilities.

4. Applicant has the experience in the telecommunications industry and the technical and financial resources to provide telecommunications services within Missouri. A brief description of the qualifications and experience of the key management employees is attached hereto as Exhibit III, along with a description of the Applicant's telecommunications background. A copy of the financial information to demonstrate Applicant's financial ability to provide service, Exhibit IV, contains confidential and proprietary information, and is being submitted under separate cover with a Motion for Protective Order.

Applicant is currently authorized to provide: 1) Resold and facilities-based (UNE-P) local exchange service in Louisiana, Michigan, Virginia, West Virginia, Oregon, Washington, Delaware, Colorado, Wyoming, Maryland, Pennsylvania, New Mexico, Connecticut, Arizona, California, Nevada, New York, Massachusetts and Ohio; 2) Resold local exchange service in Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Tennessee and Kentucky; and 3) interexchange service in Massachusetts, Ohio and New York. The company's wholly-owned subsidiary, Snappy Phone of Texas, Inc., is currently authorized to provide resold local exchange service in Wisconsin, Illinois, Indiana, Kansas, Missouri, Oklahoma, Arkansas and Texas. The company's wholly-owned subsidiary, Budget Phone of Virginia, Inc., is currently authorized to provide resold and facilities-based

(UNE-P) local exchange service in Virginia.

Applicant is in the process of applying for authorization to provide competitive local exchange and interexchange services in the 48 contiguous states. Applicant has not been denied authority for any of the services for which it seeks authority in this Application. Applicant is currently providing local exchange service in Louisiana, Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Tennessee, Kentucky, Kansas, Missouri, Oklahoma, Arkansas, Texas, Wisconsin, Illinois, Indiana, Oregon, New Mexico and Arizona.

5. Applicant hereby respectfully requests a temporary waiver of 4 CSR 240-2.060 (6) (C) that requires Applicant to file a draft tariff simultaneously with this application until Applicant has executed interconnection agreements with the incumbent LECs and those agreements have been approved by the Commission. Applicant will file its tariff with an effective date of at least 45 days after filing.

6. Applicant hereby respectfully requests classification as a competitive telecommunications company within the State of Missouri and receive a lesser degree of regulation as permitted by Sections 392.361 and 392.420 RSMo. Applicant also requests that its services be 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 will allow greater price and service options for telephone users.

7. 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:

Statutes

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)

Commission Rules

4 CSR 240-10.020 Depreciation fund income
4 CSR 240-30.010(2)C Posting exchange rates at central offices.
4 CSR 240-33.030 Inform customers of lowest price
4 CSR 240-32.030(4)C File Exchange boundary maps with Commission
4 CSR 240-35 Reporting of bypass
4 CSR 240-30.040 Uniform System of Accounts

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

8. 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. All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to this case shall be addressed to:

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

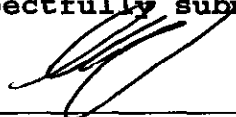
10. The Applicant has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this application. No Commission annual reports or assessment fees are overdue.

11. Budget Phone submits the following arguments to demonstrate that the public interest will be served by the approval of this Application:

The grant of a certificate to provide competitive basic local telecommunications services to the Applicant will serve the public interest. The Applicant's presence in the market will expand customer choice for telecommunications service. The increased competition brought by the Applicant to the market will have the effect of improving the quality of telecommunications services in Missouri and decreasing the cost of such services through increased innovation and efficiency. The result will be beneficial to economic development in Missouri. The granting of a certificate to the Applicant will contribute to the availability of reasonably affordable local exchange services in the State of Missouri.

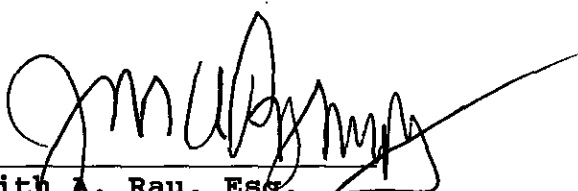
WHEREFORE, Applicant, Budget Phone, Inc., respectfully requests that the Missouri Public Service Commission grant it a certificate of service authority to provide resold and facilities-based Basic Local Telecommunications Services within portions of the State of Missouri. Applicant also respectfully requests classification as a competitive telecommunications company and requests that its services be classified as competitive. In addition, Applicant respectfully requests a waiver of the above-referenced rules and statutory provisions and a temporary waiver of the tariff filing requirement.

Respectfully submitted,



Lance J.M. Steinhart, Esq.
Attorney at Law
1720 Windward Concourse, Suite 250
Alpharetta, Georgia 30005
(770) 232-9200
GA Bar No. 678222

and



Judith A. Rau, Esq.
Rau & Rau
119 E. Mill Street
Waterloo, Illinois 62298
(618) 939-7186
MO Bar No. 24856

Attorneys for Applicant

ATTACHED EXHIBITS

- Exhibit I Missouri Secretary of State Authorization
 Articles of Incorporation
- Exhibit II List of Exchanges
- Exhibit III Executive Officers' Qualifications and Experience
 Company's Telecommunications Background
- Exhibit IV Financial Information

Exhibit I
Missouri Secretary of State Authorization
&
Articles of Incorporation

See Attached

No. F00510923

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS,
BUDGET PHONE, INC.

using in Missouri the name
BUDGET PHONE, INC.

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 LOUISIANA.

NOW, THEREFORE, I, MATT BLUNT, 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 15th day of JULY, 2002.


Secretary of State

\$155.00





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

FILED

JUL 15 2002

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

(1) The corporation's name is BUDGET PHONE, INC.
and it is organized and existing under the laws of Louisiana *M. B. Cook*
SECRETARY OF STATE

(2) The name it will use in Missouri is BUDGET PHONE, INC.

(3) The date of its incorporation was May 1, 1996 (month/day/year),
and the period of its duration is Perpetual

(4) The address of its principal place of business (Address/City/State/Zip)
6901 W. 70th St., Shreveport, LA 71129

(5) The name and address of its registered agent and office in the State of
Missouri is (Name, Address, City/State/Zip)
TCS Corporate Services, Inc. 222 E. Dunklin, Ste. 102, Jefferson City, MO 65101

(6) The specific purpose(s) of its business in Missouri are: _____
Provide Telecommunication Services

(7) The name of its officers and directors and their business addresses are as
follows:

Officers (Name/Address/City/State/Zip)
President See Attached
Vice President _____
Secretary _____
Treasurer _____

**LIST OF OFFICERS & DIRECTORS OF
BUDGET PHONE, INC.**

Officers

| | |
|---------------------|------------------------|
| R. Daniel Hyde, Jr. | President |
| Tony Cason | Manager of Operations |
| R. Daniel Hyde, III | Secretary |
| Stephen Hyde | Regional Sales Manager |

Directors

R. Daniel Hyde, Jr.
Tony Cason
R. Daniel Hyde, III
Stephen Hyde

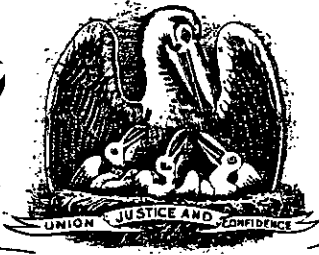
All the above referenced Officers & Directors can be reached at:
6901 W. 70th Street, Shreveport, Louisiana 71129-2309

FILED

JUL 15 2002

Matt Blunt
SECRETARY OF STATE

UNITED STATES OF AMERICA
State of Louisiana



Jox McKeithen

SECRETARY OF STATE

As Secretary of State, of the State of Louisiana, I do hereby Certify that

BUDGET PHONE, INC.

A LOUISIANA corporation domiciled at SHREVEPORT,

Filed charter and qualified to do business in this State on
May 01, 1996,

I further certify that the records of this Office indicate
the corporation has paid all fees due the Secretary of
State, and so far as the Office of the Secretary of State is
concerned is in good standing and is authorized to do
business in this State.

I further certify that this Certificate is not intended to
reflect the financial condition of this corporation since
this information is not available from the records of this
Office.

*In testimony whereof, I have hereunto set
my hand and caused the Seal of my Office
to be affixed at the City of Baton Rouge on,*

July 9, 2002

Jox McKeithen

BME 34525907D

Secretary of State



ARTICLES OF INCORPORATION

OF

BUDGET PHONE, INC.

STATE OF LOUISIANA

PARISH OF CADDO

BE IT KNOWN, on this 30th day of April, 1996, before me, the undersigned Notary Public, personally came and appeared JOHN M. FRAZIER, person of the full age of majority and a resident of Caddo Parish, Louisiana, who declared to me, in the presence of the undersigned competent witnesses, that, availing himself of the provisions of the Louisiana Business Corporations Law (Title 12, Chapter 1, Louisiana Revised Statutes of 1950, as revised and codified by Act 105 of 1968, Legislature of Louisiana, as amended from time to time), do hereby organize BUDGET PHONE, INC., successors and assigns, into a corporation in pursuance of that law, under and in accordance with the following articles of incorporation.

ARTICLE I. NAME

The name of this corporation is BUDGET PHONE, INC.

ARTICLE II. OBJECTS AND PURPOSES

The objects and purposes for which this corporation is organized and the nature of the business to be carried on by it are stated and declared to be as follows:

To enter into any business lawful under the laws of the State of Louisiana, either for its own account, or for the account of others, as agent, and either as agent or principal, to enter into or engage in any kind of business of any nature whatsoever, in which corporations organized under the Louisiana Business Corporations Law may engage; and to the extent not prohibited, to enter into and engage in any kind of business of any nature whatsoever in any other state of the United States of America, any foreign nation, and any territory of any country to the extent permitted by the laws of such other state, nation or territory.

ARTICLE III. DURATION

The duration of this corporation shall be in perpetuity, or such maximum period as may be authorized by the laws of Louisiana.

ARTICLE IV. AUTHORIZED CAPITAL

A. The total authorized capital stock of this corporation is 10,000 shares of no par value common stock.

B. Shareholders shall have pre-emptive rights.

ARTICLE V. DIRECTORS

A. Unless and until otherwise provided in the by-laws, all of the corporate powers of this corporation shall be vested in, and all of the business and affairs of this corporation shall be managed by a board of not less than one nor more than three directors. The number of directors may be increased or decreased within the limits above provided by a majority vote of the directors.

B. The Board of Directors shall have the authority to make and alter by-laws, including the right to make and alter by-laws fixing their qualifications, classifications, or terms of office, or fixing or increasing their compensation, subject to the power of the shareholders to change or repeal the by-laws so made.

C. The Board shall further have the authority to exercise all such other powers and to do all such other lawful acts and things which this corporation or its shareholders might do, unless prohibited from so doing by applicable law, or by the articles of incorporation, or by the by-laws of the corporation.

D. The general annual meeting of the stockholders for the election of Board shall be held within five months from the close of the Corporation's fiscal year unless and until otherwise provided in the By-Laws.

E. The number, classification, qualifications, term of office, manner of election, time and place of meeting, whether within or outside the State of Louisiana, and the powers and duties

of the directors, may from time to time be fixed, changed, increased or reduced by the by-laws.

F. Until otherwise provided in the by-laws, any director absent from a meeting may be represented by any other director, who may cast the vote of the absent director according to the written instructions, general or special, of the absent director according to the written instructions, general or special, of the absent director, filed with the Secretary.

G. Upon the written request of stockholders holding a majority of the voting stock of this corporation issued and outstanding, any member of the Board of Directors of this corporation, whether or not his term of office shall have expired, may be replaced by a director designated by such stockholder in writing, at any time.

ARTICLE VI. INCORPORATOR

The name and post office address of the incorporator is as follows:

John M. Frazier
Peatross, Greer and Frazier
P. O. Box 404
Shreveport, LA 71162-0404

ARTICLE VII. PURCHASE AND REDEMPTION OF SHARES

The corporation may purchase or redeem its own shares in the manner and on the conditions permitted and provided in Section 55 of the Business Corporations Law or other applicable law, and as

may be authorized by the Board of Directors. Shares so purchased shall be considered treasury shares, and may be cancelled and the capital stock reduced, as the Board of Directors may, from time to time, determine in accordance with law.

ARTICLE VIII. CONVERTIBLE SECURITIES AND STOCK PURCHASE RIGHTS

The corporation may issue convertible securities and rights to convert shares or obligations of the corporation into shares of any authorized class of stock, and the right or option to purchase shares of any authorized class of stock in the manner and on the conditions permitted and provided in Section 56 of the Business Corporations Law or other applicable law, and as may be authorized by the Board of Directors.

ARTICLE IX. CAPITAL SURPLUS AND DIVIDENDS

The Board of Directors shall have such power and authority with respect to capital, surplus and dividends, including allocation, increases, reduction, utilization, distribution and payment, as it permitted and provided in Sections 61, 62 and 63 of the Business Corporations Law or other applicable law.

ARTICLE X. AMENDMENTS TO ARTICLES OF INCORPORATION

Changes in the rights of holders of shares of any class shall be made by a majority vote or written consent, of the shareholders.

given voting power by these articles; and in addition, by a majority vote or written consent, of the class or classes of shareholders affected, whether they are otherwise entitled to vote or not.

Any other amendment for which a larger vote is not specifically made mandatory by the Business Corporations Law of Louisiana, may be made upon the majority vote or written consent, of the shareholders entitled to vote under these articles, including an increase or reduction of capital stock.

ARTICLE XI. SALES AND OTHER TRANSFER OF STOCK

Restrictions against, and regulation of, the sale and any other transfer of stock in this corporation may be prescribed in the by-laws or by shareholder agreements as permitted and provided in Sections 29 and 58 of the Business Corporations Law of Louisiana, or other applicable law.

THUS DONE AND SIGNED at my office in the Parish and State aforesaid, on the day, month and year set forth above, in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

WITNESSES:

Brenda C Baker

[Signature]

INCORPORATOR:

[Signature]

JOHN M. FRAZIER

[Signature]

NOTARY PUBLIC in and for the
Parish of Caddo, State of
Louisiana

UNITED STATES OF AMERICA
State of Louisiana



Jox McKeithen
SECRETARY OF STATE

As Secretary of State of the State of Louisiana, I do hereby Certify that

the Articles of Incorporation of

BUDGET PHONE, INC.

Domiciled at SHREVEPORT, LOUISIANA,

Were filed in this Office and a Certificate of Incorporation was issued on May 01, 1996,

I further certify that no Certificate of Dissolution has been issued.

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on.

October 15, 1998
Jox McKeithen

CBU Secretary of State



This page conforms with the duplicate original filed with the Secretary of State.

UNITED STATES OF AMERICA
State of Louisiana



Box McKeithen

SECRETARY OF STATE

As Secretary of State, of the State of Louisiana, I do hereby Certify that

BUDGET PHONE, INC.

A LOUISIANA corporation domiciled at SHREVEPORT,

Filed charter and qualified to do business in this State on
May 01, 1996,

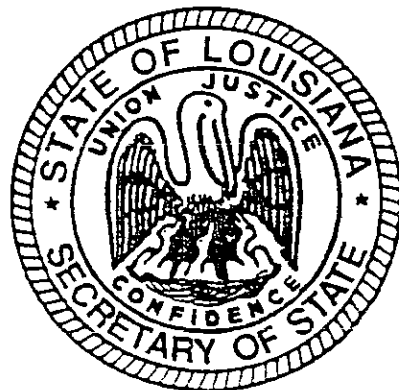
I further certify that the records of this Office indicate
the corporation has paid all fees due the Secretary of
State, and so far as the Office of the Secretary of State is
concerned is in good standing and is authorized to do
business in this State.

I further certify that this Certificate is not intended to
reflect the financial condition of this corporation since
this information is not available from the records of this
Office.

*In testimony whereof, I have hereunto set
my hand and caused the Seal of my Office
to be affixed at the City of Baton Rouge on.*

January 2, 2002

Box McKeithen



CLO 34525907D
Secretary of State

Exhibit II
List of Exchanges

See Attached

Southwestern Bell Service Areas:

RATE GROUP A

| | | |
|------------------|----------------------|--------------|
| Adrian | Greenwood | Smithville |
| Advance | Hayti | Stanberry |
| Agency | Herculaneum-Pevely | Trenton |
| Altenburg-Frohna | Higbee | Tuscumbia |
| Antonia | Hillsboro | Versailles |
| Archie | Holcomb | Vienna |
| Argyle | Hornersville | Walnut Grove |
| Armstrong | Jasper | Wardell |
| Ash Grove | Knob Noster | Ware |
| Beaufort | Lamar | Wellsville |
| Bell City | LaMonte | Westphalia |
| Benton | Lancaster | Wyatt |
| Billings | Leadwood | |
| Bismarck | Lilbourne | |
| Bloomfield | Linn | |
| Bloomsdale | Lockwood | |
| Bonne Terre | Louisiana | |
| Boonville | Macks Creek | |
| Bowling Green | Malden | |
| Brookfield | Marble Hill | |
| Campbell | Marceline | |
| Cardwell | Marionville | |
| Carl Junction | Marston | |
| Carrollton | Meta | |
| Caruthersville | Montgomery City | |
| Center | Mourehouse | |
| Chaffee | New Franklin | |
| Charleston | New Madrid | |
| Clarksville | Oak Ridge | |
| Clever | Old Appleton | |
| Climax Springs | Oran | |
| Deering | Patton | |
| DeKalb | Paynesville | |
| Delta | Pierce City | |
| Downing | Pocohontas-New Wells | |
| East Prairie | Portage Des Sioux | |
| Edina | Portageville | |
| Elsberry | Puxico | |
| Essex | Qulin | |
| Eureka | Richmond | |
| Farley | Richwoods | |
| Fayette | Risco | |
| Fisk | Rushville | |
| Frankford | Ste. Genevieve | |
| Freeburg | St. Marys | |
| Gideon | San Antonio | |
| Glasgow | Scott City | |
| Grain Valley | Senath | |
| Gray Summit | Slater | |

Southwestern Bell Service Areas (Continued):

RATE GROUP B

Camdenton
Cape Girardeau
Cantbage
Cedar Hill
Chesterfield
Chillicothe
DeSoto
Dexter
Eldon
Excelsior Springs
Farmington
Fenton
Festus-Crystal City
Flat River
Fredericktown
Fulton
Gravois Mills
Hannibal
Harvester
High Ridge
Imperial
Jackson
Joplin
Kennett
Kirksville
Lake Ozark-Osage Beach
Manchester
Marshall
Maxville
Mexico
Monett
Moberly
Neosho
Nevada
Pacific
Perryville
Pond
Poplar Bluff
St. Charles
St. Clair
St. Joseph
Sedalia
Sikeston
Union
Valley Park
Washington
Webb City

Verizon Service Areas:

Alton
Ashland
Augusta
Ava
Belle
Bland
Blue Eye
Bourbon
Bradleyville
Branson
Branson West
Buffalo
Cabool
Cape Fair
Cassville
Caulfield
Cedar Creek
Centralia
Chamois
Clark
Columbia
Conway
Crane
Cross Timbers
Cuba
Dardenne
Defiance
Dora
Elkland
Exeter
Foley
Fordland
Foristell
Forsyth
Gainesville
Galena
Hallsville
Hawk Point
Hermann
Hermitage
High Hill

Highlandville
Holstein
Hurley
Jamestown
Jenkins
Jonesburg
Kimberling City
Koshkonong
Leasburg
Louisburg
Mano
Mansfield
Marshfield
Marthasville
Morrison
Moscow Mills
Mount Sterling
Mountain View
New Melle
Niangua
O'Fallon
Old Monroe
Ozark
Pittsburg
Prairie Home
Preston
Protem
Reeds Spring
Rocheport
Rockaway Beach
Safe
Saint James
Saint Peters
Seymour
Shell Knob
Sparta
Sturgeon
Summersville
Thayer
Theodosia
Thomasville

Troy
Truxton
Urbana
Vichy
Warrenton
Washburn
Wasola
Wentzville
West Plains
Wheatland
Willow Springs
Winfield
Wooldridge
Wright City

Sprint/United Service Areas:

Appleton City
Calhoun
Chilhowee
Dearborn
Fairfax
Holt
King City
Malta Bend
Newburg
Pickering
Strasburg
Tarkio
Wellington

Blackburn
Camden Point
Clarksburg
Deepwater
Green Ridge
Hopkins
Kingsville
Missouri City
Norborne
Sweet Springs

Blairstown
Centertown
Coal
Edgerton
Hardin
Houstonia
Leeton
Montrose
Orrick
St. Thomas
Syracuse
Urich

Brazito
Centerview
Craig
Eugene
Henrietta
Ionia
Lincoln
New Bloomfield
Otterville
Smithton
Taos
Waverly

Buckner
Holden
Lone Jack
Pleasant Hill
Tipton

Butler
Kearney
Mound City
Richland
Waynesville

California
Lake Lotawana
Russellville
Weston

Cole Camp
Lexington
Platte City
St. Robert
Windsor

Clinton
Lebanon
Rolla

Ferrelview
Maryville
Salem

Ft. Leonard Wood
Oak Grove
Warrensburg

Harrisonville
Odessa
Warsaw

Jefferson City

CenturyTel Service Areas:

Amazonia
Annapolis
Arcola
Aurora
Avenue City
Avilla
Belgrade
Belleview
Birch Tree
Bolckow
Boss
Braymer
Bronaugh
Brunswick-Triplett
Bunker
Caledonia
Cameron
Canton
Centerville
Clarence
Clarksdale
Collins
Concordia
Cosby
Dadeville
Dalton
Easton
Edgar Springs
El Dorado Springs
Ellsinore
Elmer
Eminence
Everton
Ewing
Fillmore
Freemont
Golden City
Gorin
Gower
Greenfield
Grove Spring
Hamilton
Hartville
Helena
Houston
Humansville
Hunnewell
Irondale
Ironton

Jericho Springs
Kahoka
Keytesville
Kidder
Kingston
La Belle
La Plata
Laddonia
Lagrange
Lawson
Lesterville
Lewiston
Licking
Lowry City
Macon
Manes
Maysville
Milo
Monroe City
Montauk
Monticello
Mount Vernon
Mountain Grove
Nebo
Norwood
Oates
Osborn
Osceola
Palmyra
Paris
Perry
Plattsburg
Potosi
Raymondville
Revere
Roby
Rockville
Rosendale
Santa Fe
Sarcoxie
Savannah
Schell City
Shelbina
Shelbyville
Sheldon
Stewartsville
Stoutsville
Timbers
Trimble

Turney
Van Buren
Vanzant
Walker
Wayland
Weaubleau
West Quincy
Whitesville
Winona

Exhibit III
Executive Officers' Qualifications and Experience

Company's Telecommunications Background

See Attached

Resumes of Key Personnel

R. Daniel (Smokey) Hyde, Jr., Chairman of the Board

R. Daniel Hyde, Jr. 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. He operated these stations for 15 years and developed the No. 1 billing and No. 1 rated radio stations in the area for 15 years. When the stations were sold in 1985, it was the largest radio transaction in the history of the state at \$5.5 million dollars. Hyde divested himself of radio stations in Flagstaff, Arizona, Reno, Nevada, and Shreveport, Louisiana and entered the paging business in 1988. He started with zero subscribers and in 10 years developed a subscriber base of 40,000. The company grew to a total of nine retail outlets where prepaid paging, prepaid cellular, prepaid home phone, and prepaid long distance were marketed. The system grew from three towers and transmitters to 26 towers and transmitters, serving all of Louisiana north of Opelousas with statewide coverage. The paging company was sold on May 1, 1998 and Mr. Hyde now devotes full time effort to Budget Phone, Inc. and Snappy Phone of Texas, Inc.

Jerry W. Black, President

Jerry W. Black is a native of El Paso, Texas and attended Tarleton State University in Stephenville, Texas. He became a resident of Louisiana in December 1971 when he and Mr. Hyde purchased KRMD Radio in Shreveport. As a partner in this company, his primary job was General Sales Manager. This included the supervision of five sales representatives, the tracking of all commercials, and the production of those commercials in addition to overseeing the day-to-day operations of the station. After the station was sold in 1985, Mr. Black was offered and accepted a position with the CBS television affiliate in Shreveport to manage their sales department. He remained there for five years. In 1991, he moved to an independent cable-advertising firm, J.B. CableAds where he became familiar with a subscriber-based industry. He served as president and responsibilities included the supervision of all sales and production of the commercials. J.B. CableAds operated in North Carolina, South Carolina, Indiana, Kansas, Arkansas, and Louisiana. From 1997 to 2001, he owned a successful prepaid cellular phone, paging, and home phone-based business in Marshall, Texas. At the same time, Mr. Black was the retail manager for two successful retail stores that sold telecommunication products and services in Longview and Tyler, Texas for Budget Phone, Inc.

Tony M. Cason, Operations Manager

Tony M. Cason has extensive expertise in telecommunications, system design, and a managerial background. In 1989, Mr. Cason entered in to the cellular wireless industry where he owned and operated a successful cellular retail store. Within eight years, Mr. Cason's subscriber base had grown to over 10,000. In November 1996, Mr. Cason joined Budget Phone Inc. as Operations Manager where he designed, organized, staffed, and successfully developed a prepaid cellular switching system in East and Central Texas and in South Louisiana.

Experience of:

Gary L. Honeycutt
405 N. Jodie St.
Shreveport, LA 71107

I have 34 years experience in the computer industry. I have a major in Computer Science from Louisiana State University and Vendors schools ranging from IBM 360 Computer mainframe, to Seimens Four Wire Telephone Switching center. Novel and Windows NT training are the most recent schools I have attended.

I have installed a frame relay circuit from Snappy Phone's headquarters in Shreveport, to Ameritech's main computer center in Chicago for the sole purpose of LEX access. I have also installed a frame relay circuit to Southwestern Bell's Computer center in Dallas to access Lex and Toolbar applications from SBC. Both of these circuits flow through one of our Cisco Routers into a single cloud for final routing to the Ameritech and SBC destinations. A similar circuit handles communications with Bell South.

I have been instrumental in the design and implementation of an automated system for processing telephone applications electronically using interconnected computers with Bell South, Verizon, Sprint, Southwestern Bell and Ameritech. Present capacity of the system is sufficient to handle upwards of 200,000 subscribers. The system consists of 150 workstations and 10 servers.

Ronald Munn Jr.

Responsibilities

Interact with various ILEC's in order to implement policies and procedures used by Budget Phone in the day-to-day operation of the Provisioning and Customer Service Departments while forging a "partnership" between Budget Phone and the Incumbent Carriers. Measure and report performance standards to the Public Service Commissions of each state.

Experience

1996- Present Budget Phone, Inc. Shreveport, LA

Manager, Carrier Relations and Procedures

- 1996 thru 1998 - Managed Budget Phone's retail operation in Texas including Budget Phone's cellular interconnection switching system.
- 1998 - Received CLEC Certification from BellSouth specializing in ordering implementation guidelines, maintenance and repair.
- 1998 - Developed, staffed and trained Budget Phone's Order Provisioning and Customer Service Department's.
- 1999 - Received Certification necessary to allowing Budget Phone to develop software designed to interface with BellSouth's OSS Telecommunications Access Gateway (TAG).
- 1999 - Certified in BellSouth's Trouble Analysis Facilitation Interface (TAFI) allowing Budget Phone to become licensed to use the trouble reporting and bonding program in house.
- 1999 - Developed provisioning guidelines to allow ordering in all 9 BellSouth states.
- 1999 - Certified by Southwestern Bell in all areas of CLEC operation including ordering and provisioning, electronic trouble analysis and reporting, and maintenance and repair. Incorporated existing procedures to allow provisioning in all 5 SWBT States.
- 2000 - Implemented performance measurement standards and reporting procedures for the commissions in the various states of operation.
- 2001 - Received certification from Sprint in all areas of CLEC operation. Worked with Sprint to successfully incorporate existing policies with Budget Phones ordering and customer service.
- 2001 - Certified by Verizon in all areas of resale operation as a Competitive Local Exchange Carrier.
- 2001 - Ameritech Certification received allowing development of ordering and customer service guidelines for all of the Ameritech states.

Education

1975-1977 Northeast Louisiana University Monroe, LA

1994-1996 Bossier Parish Comm. College Bossier LA

Earned 75 hours in Business Administration and related studies.

Germaine Bell
Director of Training
Budget Phone, Inc
germaineb@budgetphone.com

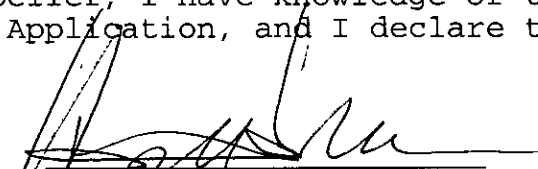
As Director of Training my goal is to provide a trained employee to work proficiently and effectively in provisioning orders. All new hires are informed on company policies and department procedures in a classroom setting. I lecture, demonstrate and test on materials covered. The training class introduces the new hires with hands-on experience to provision orders in LEX, BellSouth, Verizon, Southwestern Bell and Sprint systems. I have attended several classes to assist me in learning to use the LEX application to process orders.

Exhibit IV
Financial Information
"PROPRIETARY INFORMATION"

State of Louisiana)
)
County of Caddo Parish)
_____)

VERIFICATION

I, R. Daniel Hyde, Jr., being duly sworn, declare that I am the President of Budget Phone, Inc., 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.



R. Daniel Hyde, Jr.
President

Sworn to before me, the undersigned Notary Public on this
1st day of July, 2002.

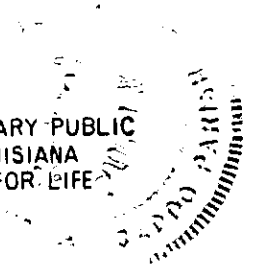


Notary Public

LINDA R. DAVIDSON, NOTARY PUBLIC
CADDO PARISH, LOUISIANA
MY COMMISSION IS FOR LIFE

Print or Type Name

My commission expires:
Life

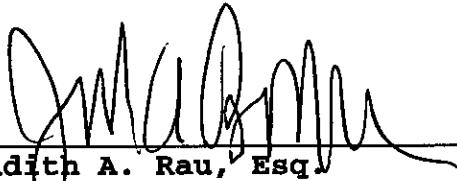


BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the application of)
Budget Phone, Inc., for a)
certificate of service authority to provide) Case No. _____
resold and facilities-based Basic Local)
telecommunications services)
in Portions of the State of Missouri and to)
Classify such services and the company)
As Competitive)

ENTRY OF APPEARANCE

COMES NOW Judith A. Rau of the law firm Rau & Rau, and
pursuant to rule 4 CSR 240-2.040, herewith files her Entry of
Appearance as local Missouri counsel on behalf of Applicant
Budget Phone, Inc., in connection with the above-styled
proceeding.



Judith A. Rau, Esq.
Rau & Rau
119 E. Mill Street
Waterloo, IL 62298
(618) 939-7186
Missouri Bar No. 24856

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Budget Phone, Inc., for a)
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resold and facilities-based Basic Local)
telecommunications services)
in Portions of the State of Missouri and to)
Classify such services and the company)
As Competitive)

ENTRY OF APPEARANCE

COMES NOW Lance J. M. Steinhart, Attorney at Law and pursuant to rule 4 CSR 240-2.040 herewith files his Entry of Appearance on behalf of Applicant, Budget Phone, Inc., in connection with the above-styled proceeding. With respect to his entry, Mr. Steinhart hereby advises the Commission that he is a member in good standing of the State Bar of Georgia and is admitted to practice before District Courts. He also is on inactive status with the State Bars of New York and Maryland. Neither the undersigned nor any member of his firm is disqualified to appear in any court. I also hereby designate Judith A. Rau, of the law firm of Rau & Rau, 119 E. Mill Street, Waterloo, Illinois 62298 to serve as our local Missouri counsel in this matter.

Lance J. M. Steinhart

Lance J.M. Steinhart, Esq.
Attorney at Law
1720 Windward Concourse, Suite 250
Alpharetta, Georgia 30005
(770) 232-9200
(770) 232-9208 (Fax)
Georgia Bar No. 678222

*by Charlotte
Dacey
with expressed
consent*

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing Application upon the following parties, listed below, in accordance with Commission rules.

Dated this 26th day of July, 2002.

Lance J. M. Steinhart
Lance J.M. Steinhart
Georgia Bar No. 678222
by Charlotte Lacey
with expressed
consent

Counsel for

Budget Phone, Inc.

Office of the Public Counsel

PO Box 7800

Jefferson City, MO 65102

General Counsel

Missouri Public Service Commission

PO Box 360

Jefferson City, MO 65102