

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 OVERNIGHT 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: Budget Phone, Inc.

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 Interexchange Telecommunications Services Within the State of Missouri and five (5) copies of the Interexchange Telecommunications Tariff, along with a Motion of Protective Order.

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
Attorney for Budget Phone, Inc. *by Charlotte Lacey*
with expressed
consent.

Enclosures

cc: Leigh Woodruff
Office of Public Counsel
Office of General Counsel

**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. _____
interexchange telecommunications))
services and to classify such))
services and the company as))
Competitive))

APPLICATION

Budget Phone, Inc., ("Applicant"), 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 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 Cum. Supp. 1992.

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/Facsimile

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 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. A brief description of the qualifications and experience of the key management employees is attached hereto as Exhibit II. Copies of the Applicant's Balance Sheets as of December 31, 1999 & December 31, 2000; Stmt. of Income, Retained Earnings, and Cash Flows for the years ending December 31, 1999 & December 31, 2000; Stmt. of Assets, Liability & Equity for period ended December 31, 2001; and Stmt. of Revenue and Expenses for period ended December 31, 2001 are attached hereto as Exhibit III, contains confidential and proprietary information, and is being submitted under separate cover with a Motion for Protective Order.

5. Applicant's draft Tariff is attached as Exhibit IV. 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.

6. 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.

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:

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 240-30.010(2)(C) Posting exchange rates at central offices.
4 CSR 240-33.030 Inform customers of lowest price
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 as to other interexchange 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. Correspondence or communications pertaining to this Application should be addressed to:

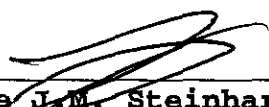
Lance J.M. Steinhart, Esq.
1720 Windward Concourse, Suite 250
Alpharetta, Georgia 30005
(770) 232-9200
(770) 232-9208 (Fax)

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. 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.

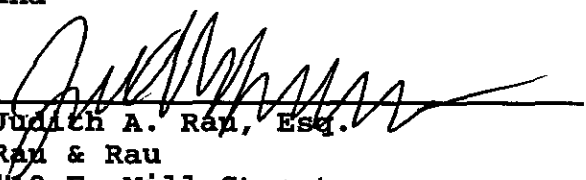
WHEREFORE, Applicant, Budget Phone, Inc., respectfully requests that the Missouri Public Service Commission grant it a certificate of service authority to provide interexchange telecommunications services within the State of Missouri. Applicant also requests classification as a competitive telecommunications 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. Steinhart, Esq.
Attorney at Law
1720 Windward Concourse, Suite 250
Alpharetta, Georgia 30005
(770) 232-9200
Georgia Bar No. 678222

and



Judith A. Rau, Esq.
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
 And Articles of Incorporation
- Exhibit II Executive Officers' Qualifications and Experience
- Exhibit III Financial Information
- Exhibit IV Draft Tariff

Exhibit I
Missouri Secretary of State Authorization
and
Articles of Incorporation

No. F00510923

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

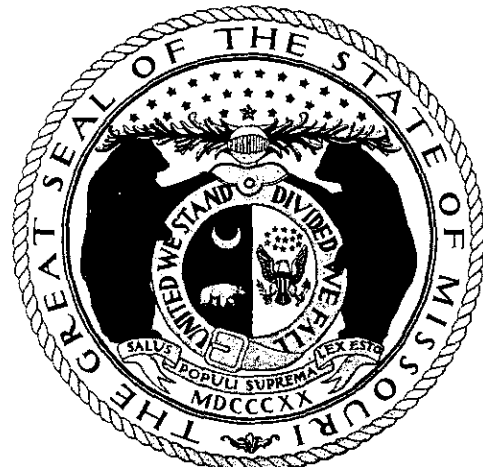
WHEREAS,
BUDGET PHONE, INC.

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.



Matt Blunt

\$155.00

Secretary of State



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)

FILED

JUL 15 2002

(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 _____

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

Director See Attached _____

Director _____

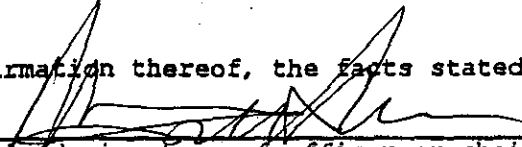
Director _____

Director _____

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

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

In affirmation thereof, the facts stated above are true.



President

7-1-02

(Authorized signature of officer or chairman of the board) (Title) (Date)

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

FILED

JUL 15 2002

Matt Blunt

SECRETARY OF STATE

857

**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



Fox 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.

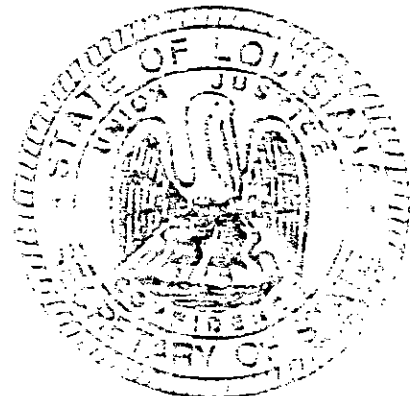
*In testimony whereof, I have hereunto set
my hand and caused the Seal of my Office
to be affixed at the City of Baton Rouge on.*

July 9, 2002

Fox 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:

Bruna C Baker

L. Ed. S.

INCORPORATOR:

JOHN M. FRAZIER

Margaret Carroll
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



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,*

January 2, 2002

Jox McKeithen

CLO 34525907D
Secretary of State



Exhibit II
Executive Officers' Qualifications and Experience

See attached Resumes

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 III
Financial Information

Exhibit IV
Draft Tariff

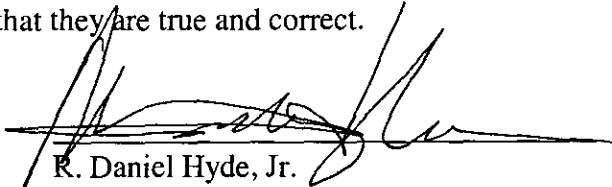
State of Louisiana

County of Caddo Parish


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)
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)

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

TITLE SHEET

MISSOURI INTEREXCHANGE TELECOMMUNICATIONS TARIFF

OF

BUDGET PHONE, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by Budget Phone, Inc. ("Budget Phone"), with principal offices at 6901 W. 70th Street, Shreveport, Louisiana 71129, toll free telephone number (888) 424-5588. 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.

Budget Phone, Inc., 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.

DATE OF ISSUE: July 29, 2002 DATE EFFECTIVE: September 12, 2002
Art Magee, Comptroller
6901 W. 70th Street
Shreveport, Louisiana 71129

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 240-30.010(2)(C) Posting exchange rates at central offices.
 - 4 CSR 240-33.030 Inform customers of lowest price
 - 4 CSR 240-35 Reporting of bypass
 - 4 CSR 240-30.040 Uniform System of Accounts

DATE OF ISSUE: July 29, 2002 DATE EFFECTIVE: September 12, 2002
Art Magee, Comptroller
6901 W. 70th Street
Shreveport, Louisiana 71129

BUDGET PHONE, INC.

P.S.C. MO. TARIFF NO. 1

ORIGINAL SHEET 3

RESERVED FOR FUTURE USE

DATE OF ISSUE: July 29, 2002 DATE EFFECTIVE: September 12, 2002
Art Magee, Comptroller
6901 W. 70th Street
Shreveport, Louisiana 71129

TABLE OF CONTENTS

	Page
Title Sheet.....	1
Waiver of Rules and Regulations.....	2
Reserved For Future Use.....	3
Table of Contents.....	4
Tariff Format.....	5
Symbols.....	6
Section 1 - Technical Terms and Abbreviations.....	7
Section 2 - Rules and Regulations.....	9
2.1 Undertaking of the Company.....	9
2.2 Use of Services.....	10
2.3 Liability of the Company.....	11
2.4 Responsibilities of the Customer.....	13
2.5 Cancellation or Interruption of Service.....	15
2.6 Credit Allowance.....	17
2.7 Restoration of Service.....	18
2.8 Deposit.....	18
2.9 Advance Payments.....	18
2.10 Payment and Billing.....	19
2.11 Reserved for Future Use.....	20
2.12 Taxes.....	20
2.13 Taxes and Fees for Prepaid Calling Cards.....	20
2.14 Returned Check Charge.....	20
2.15 Reconnection Charge.....	20
Section 3 - Description of Service.....	21
3.1 Computation of Charges.....	21
3.2 Customer Complaints and/or Billing Disputes...	22
3.3 Level of Service.....	23
3.4 Service Offerings.....	24
Section 4 - Rates.....	29

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).(1)

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.

Commission - Used throughout this tariff to mean the Missouri Public Service Commission.

Company or Budget Phone - Used throughout this tariff to mean Budget Phone, Inc., a Louisiana Corporation.

Customer - 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.

Dedicated Access - 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.

Prepaid Account - 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 REGULATIONS2.1 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. The Company's services are provided on a statewide basis and are not intended to be limited geographically. The 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.

- 2.1.1 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.

- 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 guarantee;

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.
- 2.10.2 The customer is responsible for payment of 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 call. 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. All calls are rounded up to the next whole increment.

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. If the 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. The 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:

6901 W. 70th Street
Shreveport, Louisiana 71129
(888) 424-5588

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. Where 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**Program (to be determined by distributor)**

A	\$.015	Per Telecom Unit
B	\$.019	Per Telecom Unit
C	\$.025	Per Telecom Unit
D	\$.029	Per Telecom Unit
E	\$.032	Per Telecom Unit
F	\$.035	Per Telecom Unit
G	\$.039	Per Telecom Unit
H	\$.049	Per Telecom Unit
I	\$.05	Per Telecom Unit
J	\$.059	Per Telecom Unit
K	\$.06	Per Telecom Unit
L	\$.08	Per Telecom Unit
M	\$.09	Per Telecom Unit
N	\$.10	Per Telecom Unit
O	\$.11	Per Telecom Unit
P	\$.12	Per Telecom Unit
Q	\$.13	Per Telecom Unit
R	\$.14	Per Telecom Unit
S	\$.15	Per Telecom Unit
T	\$.19	Per Telecom Unit
U	\$.20	Per Telecom Unit
V	\$.25	Per Telecom Unit
W	\$.29	Per Telecom Unit
X	\$.30	Per Telecom Unit
Y	\$.33	Per Telecom Unit
Z	\$.35	Per Telecom Unit
AA	\$.39	Per Telecom Unit
BB	\$.40	Per Telecom Unit
CC	\$.50	Per Telecom Unit
DD	\$.005	Per Telecom Unit
EE	\$.01	Per Telecom Unit
FF	\$.07	Per Telecom Unit

A \$.99 per call service charge applies.

A one-time maintenance fee of \$1.00 applies after the 1st call.

DATE OF ISSUE: July 29, 2002 DATE EFFECTIVE: September 12, 2002

**Art Magee, Comptroller
6901 W. 70th Street
Shreveport, Louisiana 71129**

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 down to the lower 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.

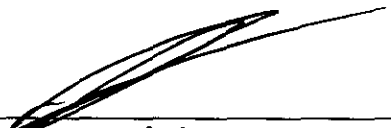
Surcharge Rate \$0.50 per call

**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. _____
interexchange telecommunications))
services 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 the New York State Bar and is admitted to practice before District Courts. He also is on inactive status with the State Bar of 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 St., Waterloo, IL 62298 to serve as our local Missouri counsel in this matter.




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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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

ENTRY OF APPEARANCE

COMES NOW Judith A. Rau of the Law Firm of 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.



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