

NEW APPLICATION
ORIGINAL
TELECOM
IFI
PROFESSIONALS, INC.



0000013642

Judith A. Riley, J.D.

2912 Lakeside Drive, Suite 100
Oklahoma City, OK 73120

Arizona Corporation Commission
DOCKETED

December 13, 2004

DEC 15 2004

Overnight Delivery

DOCKETED BY	
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AZ CORP COMMISSION
DOCUMENT CONTROL

2004 DEC 15 A 8:51

RECEIVED

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

T-04296A-04-0897

RE: Application of Red River Networks, LLC for Approval of Authority to Offer Interexchange Telecommunications Services to the Public in the State of Arizona.

Red River Networks, LLC hereby submits the enclosed Application, seeking authority to offer interexchange telecommunications services to the public in the state of Arizona. An original and thirteen (13) copies are provided.

Please date stamp the extra transmittal letter enclosed for this purpose and return it in the postage paid envelope provided.

Should there be any questions or additional information required, please do not hesitate to contact me at (405) 755-8177.

Sincerely,

Judith A. Riley
Regulatory Consultant

Enclosure

ARIZONA CORPORATION COMMISSION

Application and Petition for Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services

Mail original plus 13 copies of completed application to:

For Docket Control Only: (Please Stamp Here)

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending in Arizona as an Interexchange reseller, AOS provider, or as the provider of other telecommunication services.

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and answer the appropriate numbered items:

- Resold Long Distance Telecommunications Services (Answer Sections A, B).
Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
Alternative Operator Services Telecommunications Services (Answer Sections A, B)
Other (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

Red River Networks, LLC, 201 Robert S. Kerr, Suite 500, Oklahoma City, OK 73102, (405) 236-2099 Voice, (405) 236-2118 Fax, woody@rriver.net, and www.rriver.net.

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

N/A

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

James W. Bannister, 201 Robert S. Kerr, Suite 500, Oklahoma City, OK 73102, (405) 236-2099 Voice, (405) 236-2118 Fax, and woody@rriver.net.

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

Judith A. Riley, Regulatory Consultant, 2912 Lakeside Drive, Oklahoma City, OK 73120, (405) 755-8177 Voice, (405) 755-8377 Fax.

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), E-mail address of the Applicant's Complaint Contact Person:

James W. Bannister, 201 Robert S. Kerr, Suite 500, Oklahoma City, OK 73102, (405) 236-2099 Voice, (405) 236-2118 Fax, and woody@rriver.net.

(A-7) What type of legal entity is the Applicant?

- Sole proprietorship
- Partnership: _____ Limited, _____ General, _____ Arizona, _____ Foreign
- Limited Liability Company: _____ Arizona, X Foreign
- Corporation: _____ "S", _____ "C", _____ Non-profit
- Other, specify: _____

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in the State of Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership of each person listed in A-8.2.

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number). **Pgs. 31-39**
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number). **Pgs. 31-39**
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
Pgs. 23-26
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number). **Pg. 15**
5. The proposed fee that will be charged for returned checks (reference by Tariff page number). **Pg. 19**

(A-10) Indicate the geographic market to be served: **Exhibit E**

- Statewide. (Applicant adopts statewide map of Arizona provided with this application).
- Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency. **Applicant currently is not and has never been involved in any formal or informal complaint.**

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Applicant currently is not and has never been involved in any civil or criminal investigation and has not been convicted of any criminal acts.

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

Yes

No

(A-14) Is applicant willing to post a Performance Bond? Please check appropriate box(s).

For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

Yes

No

If "No", continue to question (A-15).

For Local Exchange Resellers, a \$25,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If No to any of the above, provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the applicant's superior financial position limits any risk to Arizona consumers.

We request that no bond be required due to the strength of our financials. Red River Networks, LLC is an established company with an established track record.

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in the State of Arizona:

Yes

No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

Global Crossing

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona:

Colorado, Florida, Iowa, Louisiana, Mississippi, Missouri, New York, North Carolina, Ohio, Oklahoma Texas, Arkansas, Kentucky, Utah, and New Jersey.

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address. N/A

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona.

Colorado, Florida, Iowa, Louisiana, Mississippi, Missouri, New York, North Carolina, Ohio, Oklahoma Texas, Arkansas, Kentucky, Utah, and New Jersey.

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry. N/A

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

N/A

B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.

Yes

No

If "No," explain why and give the date on which the Applicant began operations.

Operations began December 3, 2002

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

N/A

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.
2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.
3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.
4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

(1) Company expects to generate approximately \$25,000.00 during the first twelve months of providing service.

(2) Cost of Sales and expenses average 96% of Revenue.

(3) Projected value of assets is zero in all Arizona jurisdictions.

(4) N/A

(5) N/A

C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(C-1) Indicate if the Applicant has a resale agreement in operation,

Yes No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

N/A

D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in the State of Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N: N/A

Yes No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services for the State of Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in the State of Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in the State of Arizona:

(D-2) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- Decision # 64178 Resold Long Distance
- Decision # 64178 Resold LEC
- Decision # 64178 Facilities Based Long Distance
- Decision # 64178 Facilities Based LEC

E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421: N/A

- Yes No

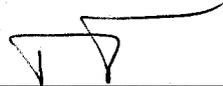
(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service: N/A

- Yes No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A): N/A

- Yes No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.



(Signature of Authorized Representative)

12-13-04

(Date)

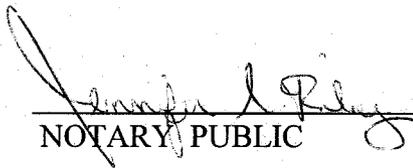
James W. Bannister

(Print Name of Authorized Representative)

President

(Title)

SUBSCRIBED AND SWORN to before me this 13 day of December, 2004



NOTARY PUBLIC

My Commission Expires 11-9-08

ATTACHMENT A

CERTIFICATE OF GOOD STANDING

**LIMITED LIABILITY MEMBER
CONTACT AND OWNERSHIP INFORMATION**

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Secretary of the Arizona Corporation Commission, do hereby certify that

*****RED RIVER NETWORKS LLC*****

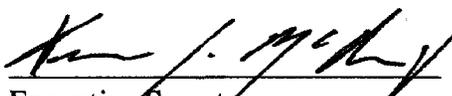
a foreign limited liability company organized under the laws of the jurisdiction of Oklahoma did obtain a Certificate of Registration in Arizona on the 2nd day of June 2003.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said limited liability company has not had its Certificate of Registration revoked for failure to comply with the provisions of A.R.S. section 29-601 et seq., the Arizona Limited Liability Company Act; and that the said limited liability company has not filed a Certificate of Cancellation as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 23rd Day of June, 2004, A. D.




Executive Secretary

By Pam Bedard

A&M Investment LLC
A Single Member LLC – State of Oklahoma
Manager – James W Bannister
3110 72nd Street SE
Norman, OK 73026
405-236-2099
Federal ID# 46-0481177
Ownership – 26.67%

TRD Investment LLC
A Single Member LLC – State of Oklahoma
Manager – Chad Dobbins
4901 Clipper Crossing
Edmond, OK 73013
405-236-2099
Federal ID# 03-0441037
Ownership – 26.67%

GrayJack Investment LP
General Partner of the Limited Partnership – State of Oklahoma
Federal ID# 02-0600020
GrayJack Investment LLC
A Single Member LLC – State of Texas
Manager Danny Bannister
703 Squire Court
Allen, Texas 75002
214-725-3383
Federal ID# 01-0688196
Ownership – 26.66%

Individuals

Timothy and Susan Schafer
1628 280th Street
Adair, IA 50002
641-742-5296
Ownership – 10%

Diane Schafer
803 4th Street
Adair, IA 5002
641-742-5296
Ownership – 10%

ATTACHMENT B
PROPOSED TARIFF

TITLE SHEET

ARIZONA

INTEREXCHANGE TELECOMMUNICATIONS RESELLER TARIFF

OF

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102
405-236-2099
800-860-9505

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

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Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

CHECK SHEET

Pages listed below of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised pages as named below comprise all changes from the original tariff and are currently in effect as of the date of the bottom of these pages.

<u>PAGE</u>	<u>REVISION</u>
1	Original
2	Original
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4	Original
5	Original
6	Original
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11	Original
12	Original
13	Original
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15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

CHECK SHEET - CONTINUED

<u>PAGE</u>	<u>REVISION</u>
23	Original
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33	Original
34	Original
35	Original
36	Original
37	Original
38	Original
39	Original
40	Original
41	Original
42	Original

NOTE: Future revisions to these original tariff pages shall include an updated Check Sheet. Such Check Sheet shall include an (*) beside the applicable page number and the caption "Revision No. __".

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

SYMBOLS

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

- (C) To signify changed term or condition
- (D) To signify discontinued material
- (I) To signify rate increase
- (M) To signify material moved from or to another part of the tariff with no change, unless there is another change symbol present
- (N) To signify new material
- (R) To signify rate reduction
- (T) To signify a change in text but no change in rate, term or condition

In addition to symbols for changes, each provision or rate element changed will contain a vertical line which will clearly show the exact number of lines being changed.

Issued:

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James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

TARIFF FORMAT

- A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 4 and 5 would be 4.1.
- B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised Page 4 cancels the 3rd revised Page 4.
- C. Paragraph Numbering Sequence - There are five 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
- D. Check Sheets - When a tariff filing is made with the Commission, an updated check sheet accompanies the tariff filing. The check sheet lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision.

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

APPLICABILITY OF TARIFF

This tariff contains the description of the services offered, the terms and conditions under which each of the services are provided and all effective rates and charges applicable to the furnishing of interexchange telecommunications services of the Company within the State of Arizona.

ACCESSIBILITY OF TARIFF

This tariff is on file with the Arizona Corporation Commission and the Company's principal place of business:

Red River Networks LLC
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

These tariffs are available for viewing, during normal business hours, at the Commission or the Company's principal place of business. Additionally, copies are available upon request, free of charge, by contacting the Company at 800-860-9505.

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

SECTION 1 - TERMS AND ABBREVIATIONS

"Access" as used in this tariff means an arrangement which connects the Customer's or Subscriber's telecommunications service to the Underlying Carrier's designated point of presence or network switching center.

"Authorization Code" is a numerical code, one or more of which are available to a Customer to enable him/her to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the Customer for billing purposes.

"Commission" means the Arizona Corporation Commission.

"Company" means the Reseller referred to on the title page of this tariff, unless otherwise indicated by the context

"Customer" means any person, firm, partnership, cooperative corporation, corporation, or lawful entity that receives regulated telecommunications services provided by an entity reselling intrastate telecommunications services.

"Delinquent" means a payment for a billing for services provided, which is not in dispute, where payment is not received on or before the due date as posted on the bill.

"Disconnection of service" means an arrangement made by the end-user or reseller for permanently discontinuing service by terminating the contract and/or removing the telephone service from the end-user's premises.

"End-user" means the customer to whom a telephone number is assigned.

"IXC" means interexchange carrier or interexchange company which is a carrier or company authorized by the Commission to provide long distance communications services, but not local exchange services, within the State of Arizona borders.

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James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

"Initial Tariffs" means the first tariffs approved after, or in conjunction with, the granting of a Certificate of Convenience and Necessity.

"InterLATA call" means any call which is originated in one LATA and terminated in another LATA.

"Interstate call" means any call which is originated in one state and terminated within the boundaries of another state.

"IntraLATA call" means any call which is originated and terminated within the boundaries of the same LATA, regardless of whether such call crosses LATA boundaries prior to reaching its termination point.

"Intrastate call" means any call which is originated and terminated within the boundaries of the State of Arizona, regardless of whether such call crosses state boundaries prior to reaching its termination point.

"LATA" means Local Access and Transport Area as defined in the Code of Federal Regulations, Title 47 Part 53.3.

"Letter of Agency" ("LOA") means the written authorization that gives permission to change the customer's telecommunications services and/or the customer's provider or to share that customer's network information with representatives or associates of the telecommunication company.

"Arizona Corporation Commission (or "Commission")" means the regulatory body authorized by the laws of the State of Arizona to regulate certain public utilities.

"Point of presence ("POP")" means the location where an IXC has transmission equipment in a service area that serves as, or relays calls to, the interexchange network.

Issued:

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James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

“Prepaid Account” is 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” is 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.

“Reseller” means any person, partnership, cooperative corporation, corporation, or lawful entity that offers telecommunications services to the public through the use of the transmission facilities of other carriers or a combination of its own facilities and the transmission facilities of other carriers for resale to the public for profit.

“Service” means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used. Service shall not include the provision of non telecommunications services, including but not limited to the printing, distribution, or sale of advertising in telephone directories, maintenance of inside wire, customer premises equipment and billing and collection, nor does it include the provision of mobile telephone service, enhanced services and other services which are not-regulated.

“Service provider” means any entity that offers a product or service to a customer, the charge for which appears on the bill of the billing agent. This definition shall include only providers that have continuing relationships with the end-user that will result in periodic charges on the end-user’s bill, unless the service is subsequently canceled.

“Suspension of service” means an arrangement made at the initiative of the reseller for temporarily discontinuing service without terminating the contract or removing the telephone service from the customer’s premises.

“Telecom Unit” is a measurement of telecommunications service equivalent to one minute of usage between any two points within the State of Arizona.

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

"Telecommunications company" or "Telecommunications carrier" means a reseller.

"Telecommunications service" means service provided by a reseller including voice, data, and all other types of communications services, under the reseller's tariffs on file with the Commission.

"Territory" means the reseller's area of operation which may include the entire State of Arizona or some specified portion thereof.

"Underlying carrier(s)" means the provider of facilities utilized by a reseller in the provisioning of its interexchange service to its customers

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

SECTION 2 - RULES AND REGULATIONS

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James W. Bannister, President
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Oklahoma City, OK 73102

Effective:

2.1 - UNDERTAKING OF COMPANY

- 2.1.1 The Company's services are furnished for telecommunications originating and terminating within the State of Arizona under terms of this tariff.
- 2.1.2 The Company installs, operates, and maintains the telecommunications services provided herein under the accordance with the terms and conditions set forth under this tariff. 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 the Company's network. The Customer shall be responsible for all charges due for such service arrangement.
- 2.1.3 The Company's services are provided on a monthly basis, and are available twenty-four (24) hours per day, seven (7) days per week.

2.2 - LIMITATIONS

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.4 The Company does not offer services for resale by Customers unless such Customer has been granted a Certificate of Convenience and Necessity by the Commission to provide such services in the State of Arizona.
- 2.2.5 All facilities provided under this tariff are directly or indirectly controlled by the Company and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company.

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2.3 - TRANSFER OR ASSIGNMENT

- 2.3.1 Any permitted transfer or assignment of the Company's service will not relieve or discharge any Customer from remaining jointly and severally liable with the new Customer for any obligations existing at the time of transfer or assignment.
- 2.3.2 All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.4 - USE OF SERVICE

- 2.4.1 The Company's service(s) may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of such service(s).
- 2.4.2 The use of the Company's service(s) 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.
- 2.4.3 The use of the Company's service(s) without payment for service(s) or attempting to avoid payment for service(s) by fraudulent means or devices, schemes, false or invalid numbers, false credit cards or false Phone Cards of the Company's or false numbers of such cards, is prohibited.
- 2.4.4 Resale of the Company's service(s) by Customers is prohibited unless and until the Customer has provided the Company with proof that the Customer has been granted a Certificate of Public Convenience and Necessity to provide such service(s) in the State of Arizona.
- 2.4.5 The Company's service is available for use twenty-four (24) hours per day, seven days per week.
- 2.4.6 The Company does not transmit messages pursuant to the tariff, but its services may be used for that purpose.
- 2.4.7 The Company's service(s) may be denied for nonpayment of charges or for other violations of this tariff.

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2.5 - LIABILITIES OF THE COMPANY

- 2.5.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors or defects in transmission which occur in the course of furnishing service(s) or facilities in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.5.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by an underlying carrier, by an Act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the company's direct control.
- 2.5.3 The Company will make no refund of overpayment by a Customer unless the claim for overpayment, together with proper evidence, is submitted within one (1) year from the date of alleged overpayment unless billing records prepared by the Company can be produced which would justify a credit beyond one year.
- 2.5.4 The Company shall not be liable for any claim, loss, or refund as a result of loss or theft of Customer-specific identifying codes issued for use with the Company's services.
- 2.5.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service(s) which is not the direct result of the Company's negligence.

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2.6 - DEPOSITS

- 2.6.1 The Company may, in order to safeguard its interests, require Customer to make a cash security deposit, irrevocable letter of credit or other means prior to or any time after the provision of Services to Customer (collectively called "Deposit"). The Deposit, to be held by the Company as a guarantee or security for the payment of charges incurred, may be drawn upon by the Company for any and all past due amounts, and may be increased at any time upon the Company's request and in its sole discretion. The Company's obligation to provide Services is contingent upon an initial and continuing credit approval by the Company. Additional Deposit amounts may be required after Services commence pending continuing review of issues which include but are not limited to Customer's monthly revenue, payment history, financial condition and as security against disputed amounts.

2.7 - BILLING AND BILLING DISPUTES

- 2.7.1 Bills to end-users shall be issued monthly, unless the Company's approved terms and conditions of service prescribe a different interval. Bills may be issued on a billing cycle. All end-users shall receive their bills via the United States mail, unless the end-user agrees with the Company to receive a bill through different means, such as electronically via the Internet.
- 2.7.2 The Customer is responsible for all charges including all calls placed from the Customer's location or by use of the Customer's authorization code(s).
- 2.7.3 Unless otherwise authorized by the Commission, bills shall be payable immediately upon receipt and past due twelve (12) days after the date of the Company mailing or after any deferred payment date previously established either by oral or written agreement between an end-user and the Company. The date after which the bill is past due shall be stated on the bill.
- 2.7.4 If a Customer's bill is not paid by the due date printed on the bill, the Company may impose a late charge of 1.5% per month on the delinquent amount.

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2.7.5 Any objection to billed charges should be reported to the Company as soon as possible. Questions regarding the Company's services or charges assessed to a Customer's bill may be directed to the Company's Customer Service Department toll-free at 800-860-9505. The Company shall investigate the particular case and report the results to the Customer. During the period that the disputed amount is under investigation, the Company shall not pursue any collection procedures or assess late fees with regard to the disputed amount. The Customer shall be required to pay the undisputed part of the bill, and if not paid, the Company may discontinue service. In the event the disputed charges are not resolved, the Company shall inform the Customer that the Customer may utilize the complaint procedures set forth by the Arizona Corporation Commission.

2.8 (RESERVED FOR FUTURE USE)

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2.9 – TAXES

The Customer is responsible for payment of any sales, use, gross receipts, excise or other local, state and federal taxes, charges or assessments, however designated (excluding taxes on the Company's net income) imposed on or based upon the provision, sale or use of the Company's services.

- 2.9.1 All state and local sales taxes are listed as separate line items on the Customer's bill and are not included in the quoted rate(s).
- 2.9.2 Other taxes, charges and the regulatory assessment shall be identified in the aggregate on the Customer's bill and shall not be included in the quoted rate(s).
- 2.9.3 Such taxes, charges, and assessments shall be billed to the Customers receiving service(s) within the territorial limits of such state, county, city or other taxing authority. Such billing shall allocate the tax, charge and/or assessment among Customers uniformly on the basis of each Customer's monthly charges for the types of service made subject to such tax, charge and/or assessment.

2.10 - EQUIPMENT

- 2.10.1 The Company's facilities and service(s) may be used with or terminated in Customer-provided terminal equipment or Customer-provided telecommunications systems, such as a telephone set, PBX or key system. Such terminal equipment shall be furnished and maintained at the expense of the Customer. The Customer is responsible for all costs at its premises, including personnel, wiring, electrical power, and the like, incurred in the use of the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission

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2.11 - PAYMENT FOR SERVICE

2.11.1 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, subscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, subscribed 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.

2.11.2 Adjustments to the Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

2.12 - RETURNED CHECK CHARGE

2.12.1 If a check offered by a Customer for payment of service provided is dishonored, a returned check charge shall be applied in the amount of \$15.00.

2.13 - CANCELLATION OF SERVICE BY CUSTOMER

2.13.1 A Customer may cancel service by providing written or verbal notice to the Company.

2.14 - INTEREXCHANGE INTERCONNECTION FOR RESALE

2.14.1 Service(s) furnished by the Company may be connected with the services or facilities of an underlying carrier. Such service(s) or facilities, if used, are provided under the terms, rates and conditions of the underlying carrier. The Customer is responsible for all charges billed by the underlying carrier(s) for use in connection with the Company's service. Any special interface equipment or facilities necessary to achieve compatibility between carriers is the responsibility of the Customer.

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2.15 - DENIAL OR TERMINATION OF SERVICE

2.15.1 Service may be refused or terminated for any of the following reasons:

- (A) Nonpayment of a bill within the period prescribed in the Company's tariff.
- (B) Failure to make a security deposit.
- (C) Violation of or noncompliance with any provision of law, Commission rules and regulations or the Company's approved tariffs.
- (D) Excessive or improper use of telecommunications services, or used in such manner as to interfere with reasonable service to other Customers.

2.15.2 The Company shall provide documentation to the prospective Customer or current Customer stating the reason(s) for denial or termination of service.

2.16 - DISCONNECTION AND NOTICE

2.16.1 When service to an end-user is disconnected for nonpayment of a bill for service after service has been suspended or failure to make a security deposit after a reasonable time, the Company shall give at least ten (10) days written notice to the end-user of the Company's intent to discontinue service. Notice shall be mailed by the Company to the end-user's address. Notice will be deemed given to the end-user three (3) days after mailing by the Company.

2.16.2 The Company shall not be required to give the written notice provided for in situations where the Company has evidence of fraudulent or illegal use of the Company's services, which if allowed to continue, would present a high risk of financial loss to the company.

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2.17 - REFUNDS OR CREDITS FOR INTERRUPTION OF SERVICE

- 2.17.1 The Customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the service affected for each hour or major fraction thereof that the interruption continues. Calculations of the credit shall be made in accordance with the following formula:

$$\text{Credit} = \frac{A \times B}{720}$$

"A" = outage time in hours

"B" = total monthly charge for affected facility, where applicable

2.18 - INSPECTION, TESTING AND ADJUSTMENT

- 2.18.1 Upon reasonable notice, the facilities/equipment provided by the Underlying Carrier or the Company shall be made available to the Underlying Carrier or the Company for tests and adjustments as may be deemed necessary by the Underlying Carrier or the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.19 - CUSTOMER SERVICE

- 2.19.1 The Company shall maintain a toll-free number to enable Customers to contact the Company regarding, but not limited to, inquiries related to billing, making customer trouble reports, making oral cancellation of service, etc.

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SECTION 3 – TERMS AND CONDITIONS

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3.1 - GENERAL

- 3.1.1 Rates and timing of calls may vary by product type, time of day, day of week, call mileage, access method, terminating area, or call duration. Calls are billed individually and on a monthly basis. Usage is billed in arrears.
- 3.1.2 Intrastate services are offered in conjunction with interstate services.

3.2 - TIMING OF CALLS

- 3.2.1 Billing for calls placed over the network is based in part on the duration of the call as follows, unless otherwise specified in this tariff:
- (A) Call timing begins when the called party answers the call (i.e., when two-way communications are established). Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.
 - (B) Chargeable time for calls ends when one of the parties disconnects from the call.
 - (C) Minimum call duration periods for billing purposes vary by service option.
 - (D) For billing purposes, usage after the initial period varies by service and is specified by service in this tariff.
 - (E) The Company will not bill for unanswered calls. When a Customer indicates that he/she was billed for an incomplete call, the Company will reasonably issue credit for the call.

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3.3 - CALCULATION OF DISTANCE ("V&H")

Usage charges for all mileage-sensitive products are based on the airline distance between serving wire centers associated with the originating and terminating points of the call.

The service wire centers of a call are determined by the area codes and exchanges of the origination and destination points.

The distance between the wire center of the Customer's equipment and that of the destination point is calculated by using the vertical ("V") and horizontal ("H") coordinates found in Bellcore's V&H Tape and NECA FCC Tariff No. 4.

Step 1 - Obtain the "V" and "H" coordinates for the wire centers serving the Customer and the destination point.

Step 2 - Obtain the difference between the "V" coordinate of each of the wire centers. Obtain the difference between the "H" coordinates.

Step 3 - Square the differences obtained in Step 2.

Step 4 - Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5. - Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the wire centers.

Formula:

$$\text{Mileage} = \sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

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3.4 - TIME OF DAY RATE PERIODS

3.4.1 The following rate periods apply to all service offerings and, unless otherwise specified, applicable rate periods (Day, Evening, Night/Weekend) are indicated in the chart below:

	MON	TUE	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*	DAYTIME RATE PERIOD						
5:00 PM TO 11:00 PM*	EVENING RATE PERIOD (Non-Day)						EVE
11:00 PM TO 8:00 AM*	NIGHT/WEEKEND RATE PERIOD (Non-Day)						

* Up to, but not including

3.4.2 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.

3.5 - HOLIDAYS AND RATES

Company recognized holidays include 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.

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3.6 - PROMOTIONAL OFFERINGS

The company may from time to time engage in special promotional offerings limited to certain dates, times or locations designed to attract new subscribers or increase subscriber usage. The company will not have special promotional offerings for more than 90 days in any 12 month period. Promotions will be made a part of this tariff.

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SECTION 4 – DESCRIPTION OF SERVICES AND RATES AND CHARGES

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4.1 – SERVICE OFFERINGS

- 4.1.1 “1 Plus” Long Distance Service
This service permits Customer to originate calls via switched or dedicated access lines, and to terminate intrastate calls. The customer dials “1+” followed by “ten digits” or dials “10xxxx” followed by “1+ ten digits”. The Company provides both retail and wholesale “1Plus” Services. Wholesale services are billed for each “leg” of the call and are routed through the Company’s own switch.
- 4.1.2 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. The Company provides both retail and wholesale Travel Cards.
- 4.1.3 Prepaid “1 Plus” Long Distance Service
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.
- 4.1.4 800 Service (Toll Free)
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.

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4.1.5 Prepaid Calling Cards

This service permits use of Prepaid Calling Cards for placing long distance calls. Customers may purchase Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. Prepaid Calling Cards are available at a variety of face values. 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 for each call is deducted from the remaining Telecom Unit balance on the Customer's Prepaid Calling Card.

All calls must be charged against a 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.

In order to continue the call, the Customer can either call the toll-free number on the back of the 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 Prepaid Calling Card is insufficient to continue the call and the Customer fails to enter the number of another valid Prepaid Calling Card prior to termination.

A card will expire on the date indicated on the card, or if no date is specified, 12 months from the date of first usage, or the date of the last recharge, which ever is later. The Company will not refund unused balances.

A credit allowance for 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 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.

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When a call charged to a 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 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.

4.1.6 MeetMe Conference Calling

This service permits callers from several diverse locations to be connected together or a conference call by simply dialing a special phone number which automatically connects them into the conference.

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Effective:

4.2 - RATES

4.2.1 "1 Plus" Long Distance Services

4.2.1.1 Retail "1 Plus"

Inbound \$0.1390 per minute

Outbound \$0.1390 per minute

A \$0.50 per call completion charge applies.

A Directory Assistance charge of \$0.75 applies.

Billed an initial thirty seconds and at six second increments thereafter.

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4.2.1.2 Pseudo CIC "1 Plus"

Inbound Tier A (Origination from an RBOC location)		\$0.0473
Inbound Tier B (Origination from a dominant carrier location)		\$0.1347
Inbound Tier C (Origination from all other locations)		\$0.0902
Outbound	RBOC	ITC
to Lata 666	\$0.0148 per minute	\$0.0280 per minute
to Lata 668	\$0.0125 per minute	\$0.0479 per minute
to Lata 980	\$0.0461 per minute	\$0.0548 per minute

A Directory Assistance charge of \$0.43 applies.

Billed in six second increments.

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Effective:

4.2.1.3 Prepaid Pseudo CIC "1 Plus"

Inbound Tier A (Origination from an RBOC location)		\$0.0503
Inbound Tier B (Origination from a dominant carrier location)		\$0.1377
Inbound Tier C (Origination from all other locations)		\$0.0932
Outbound	RBOC	ITC
to Lata 666	\$0.0148 per minute	\$0.0280 per minute
to Lata 668	\$0.0125 per minute	\$0.0479 per minute
to Lata 980	\$0.0461 per minute	\$0.0548 per minute

A Directory Assistance charge of \$0.43 applies.

Billed in six second increments.

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Effective:

4.2.2 Travel Cards

4.2.2.1 Retail Travel Cards

Inbound \$0.099 per minute

Outbound \$0.099 per minute

A \$0.50 per call completion charge applies.

A Directory Assistance charge of \$0.75 applies.

A \$0.10 per call connection fee applies.

Billed in sixty second increments.

4.2.2.2 Wholesale Travel Cards

Outbound \$0.0725 per minute

A Directory Assistance charge of \$0.43 applies.

Billed in sixty second increments.

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Effective:

4.2.3 Prepaid "1 Plus" Long Distance Service

Inbound \$0.0575 per minute

Outbound	RBOC	ITC
to Lata 666	\$0.0148 per minute	\$0.0280 per minute
to Lata 668	\$0.0125 per minute	\$0.0479 per minute
to Lata 980	\$0.0461 per minute	\$0.0548 per minute

A Directory Assistance charge of \$0.43 applies.

Inbound leg is billed in sixty second increments.

Outbound leg is billed in six second increments.

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4.2.4 800 Service (Toll Free)

Inbound

from Lata 666	\$0.0250 per minute
from Lata 668	\$0.0250 per minute
from Lata 980	\$0.0782 per minute

Outbound

	RBOC	ITC
to Lata 666	\$0.0148 per minute	\$0.0280 per minute
to Lata 668	\$0.0125 per minute	\$0.0479 per minute
to Lata 980	\$0.0461 per minute	\$0.0548 per minute

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Effective:

4.2.5 Prepaid Calling Cards

4.2.5.1 Pennytime Card

\$.01 Per Telecom Unit.

\$.49 Connectivity Fee.

\$.15 Bong Charge after first five minutes and at each three minute interval thereafter.

\$.05 Disconnect Fee.

Billed in one minute increments.

4.2.5.2 Nickeltime Card

\$.049 Per Telecom Unit.

\$.035 Bong Charge after first seven minutes and at each one minute interval thereafter.

\$.05 Disconnect Fee.

Billed in one minute increments.

4.2.5.3 Amchoice 10 Card

\$.10 Per Telecom Unit.

Billed in one minute increments.

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Effective:

4.2.6 MeetMe Conference Calling

4.2.6.1 RCC250 Plan

Conference Call Setup Fee	\$1.99
Rate Per Minute	\$0.25

Billed in sixty second increments.

4.2.6.2 RRC220 Plan

Conference Call Setup Fee	\$2.99
Rate Per Minute	\$0.22

Billed in sixty second increments.

4.2.6.3 RRC200 Plan

Conference Call Setup Fee	\$3.99
Rate Per Minute	\$0.20

Billed in sixty second increments.

4.2.6.4 RRC180 Plan

Conference Call Setup Fee	\$5.99
Rate Per Minute	\$0.18

Billed in sixty second increments.

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4.3 – DIRECTORY ASSISTANCE

A long distance directory assistance charge applies when the caller accesses the Company's network by dialing 1 + Area Code + 555-1212 to place a request for a telephone number. A caller may request one telephone number per directory assistance call. The charge applies to each inquiry regardless of whether the directory assistance bureau is able to supply a listed number. A credit will be issued for any directory assistance charge for which the Customer experiences poor transmission quality, is cut off, receives an incorrect telephone number, or misdials.

Per Inquiry

Directory Assistance Charge (Unless otherwise indicated) -	\$0.95
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Effective:

4.4 – SPECIAL RATES

4.4.1 Discount for Hearing Impaired Customers:

A telephone toll message which is communicated using a telecommunications device for the deaf (TDD) by properly certified hearing or speech impaired persons or properly certified business establishments for individuals equipped with TDDs for communicating with hearing or speech impaired persons will receive, upon request, a discount for calls placed between TDDs. The credit to be given on a subsequent bill for such calls placed between TDDs will result in the application of the evening rate for calls made during daytime hours and night rates for calls made during evening and night hours. Discounts do not apply to surcharges or per call add on charges for operator service when the call is placed by a method that would normally incur the surcharge.

4.4.2 Operator Assistance for Handicapped Persons:

Operator station surcharges will not be charged by the Company for operator assistance provided to a caller who identified him or herself as being handicapped and unable to dial the call because of a handicap.

4.4.3 Directory Assistance for Handicapped Persons:

There is no charge for Directory Assistance calls from handicapped persons. Such persons must contact the Company for credit on their directory assistance calls.

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

4.4.4 Discount for Telecommunications Relay Service Intrastate Toll Calls

Intrastate toll telecommunications relay service calls will be discounted by 50 percent off of the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call will be discounted 60 percent off the otherwise applicable rate for a voice nonrelay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges or surcharges.

4.4.5 Customized Service Packages

Customized service packages and competitive pricing packages may be furnished at negotiated rates on a case-by-case basis in response to requests by Customers to the Company for proposals or for competitive bids. Service offered under this tariff provision will be provided to Customers pursuant to contract. Unless otherwise specified, the regulations for such arrangements are in addition to the applicable regulations and prices in other sections of the tariff. Specialized rates or charges will be made available to similarly situated Customers on a non-discriminatory basis. All specialized pricing arrangements are subject to Commission review.

4.5 – PAYPHONE USE SURCHARGE

An undiscountable payphone use surcharge of \$.59 shall apply to each coinless call which the Company can identify as being placed from a domestic payphone by or to the Customer or its permitted user. This includes, but is not limited to, calls placed with a Company calling card, collect calls and calls placed to 800 numbers. This charge is in addition to standard tariffed usage charges and is for the use of the payphone instrument to access Company's service.

4.6 – FINANCE CHARGE

A finance charge in the amount of 1.5% monthly will be charged on any past due balances.

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

4.7 – RECONNECTION CHARGE

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for Customers who had been disconnected for non-payment. Payment of the reconnection fee and any other outstanding amounts will be due in full prior to reconnection of service.

Issued:

Red River Networks LLC
James W. Bannister, President
201 Robert S. Kerr, Suite 500
Oklahoma City, OK 73102

Effective:

ATTACHMENT C
AFFIDAVIT OF PUBLICATION

TO BE FILED ONCE DOCKET NUMBER RECEIVED.

NOTICE OF APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE RESOLD INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY RED RIVER NETWORKS, LLC (“Applicant”)

Red River Networks, LLC (“Applicant”) has filed with the Arizona Corporation Commission (“Commission”) an application for a Certificate of Convenience and Necessity (“Certificate”) to provide competitive resold interexchange telecommunications services in the State of Arizona. Applicant will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission.

A.R.S. § 40-282 provides that the Commission may act on an application for a Certificate to provide resold telecommunications services without a hearing, or with a hearing, if one is requested by any party. Applicant or any other party must request a hearing within twenty (20) days of the date of this notice, or the Commission will rule on the application without a hearing.

The application, report of the Commission’s Utilities Division Staff, and any written exceptions to the Staff report prepared by the applicant are available for inspection during regular business hours at the offices of the Commission location at 1200 West Washington Street, Phoenix, Arizona, 85007, and at Applicant, 201 Robert S. Kerr, Suite 500, Oklahoma City, OK, 73102.

Under appropriate circumstances, interested parties may intervene in the proceedings, and participate as a party. Intervention shall be in accordance with the A.A.C. R 14-3-104, except that all motions to intervene must be filed on or within twenty (20) days of the date of this notice. You may have the right to intervene in the proceedings, or you may make a statement for the record. If you have any comments mail them to:

The Arizona Corporation Commission
Attention Docket Control
Re: Red River Networks, LLC
Docket No. _____
1200 West Washington Street
Phoenix, Arizona 85007

All Comments should be received within twenty (20) days of the date of this notice.

If you have any questions about this application or have any objections to its approval, you may contact Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007, or call 1-800-222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request reasonable accommodations such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shelley Hood, ADA Coordinator, voice phone number (602) 542-3931, E-mail shood@cc.state.az.us. Requests should be made as early as possible to allow time to arrange the accommodation.

ATTACHMENT D
FINANCIAL STATEMENTS

Red River Networks LLC-Current
Balance Sheet
June 30, 2004

ASSETS

Current Assets	
Cash - BOK Depository	\$ 13,980.95
Cash - BOK Payroll	<131.00>
Cash - BOK Carrier	83.33
Cash - Customer Deposit	3,827.59
Cash - ESB Depository	7,177.95
Cash - ESB Depository (Old)	5,421.46
Cash - ESB Cellular Acct	6.00
Cash - Tax Escrow	83.00
A/R - Trade - OKC	1,352,074.26
A/R - Trucking/Public	<20.00>
A/R-Blue Sky Telecommunication	13,059.51
A/R - Carrier Disputes (MCI)	252,389.48
Prepaid Expenses - Other	5,000.00
Prepaid Insurance - GL	931.10
	<hr/>
Total Current Assets	1,653,883.63
Property and Equipment	
Office/Computer Equipment	3,591.00
Software	1,345.00
Switching Equipment	339,884.45
Accumulated Depreciation	<11,633.27>
	<hr/>
Total Property and Equipment	333,187.18
Other Assets	
Zenex Customer List	27,666.67
Software Development Costs	73,158.57
Accumulated Amortization	<8,004.98>
Deposits	5,395.00
Suspense/Clearing Account	750.00
	<hr/>
Total Other Assets	98,965.26
	<hr/>
Total Assets	\$ <u><u>2,086,036.07</u></u>

LIABILITIES AND CAPITAL

Current Liabilities	
Accounts Payable	\$ 1,425,096.13
Accounts Payable - Iowa	41,568.04
Accounts Payable - MCI	846,354.51
Accounts Payable - Other	693.86
A/P-Carrier Disputes(Novatel)	35,817.29
A/P - Carrier Disputes (MCI)	90,957.54
Accrued Expenses	153,089.57
A/P - Time Advisors, LP	23,443.56
Accrued Salaries	24,161.71
Accrued Payroll Taxes	10,506.61
Accrued Federal Excise Tax	10,050.15
Accrued Federal TRS Tax	238.63
Accrued State/Local Sales Tax	65,717.20
Accrued Insurance- W. Comp	220.45
Customer Deposits	20,735.00
N/P - A&M Investments, LLC	17,155.75
N/P - TRD Investments, LLC	24,604.62

Unaudited - For Management Purposes Only

Red River Networks LLC-Current
Balance Sheet
June 30, 2004

N/P - Grayjack, L.P.	<u>2,847.71</u>	
Total Current Liabilities		2,793,258.33
Long-Term Liabilities	<u> </u>	
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		2,793,258.33
Capital		
Capital - A&M Investments, LLC	20,736.67	
Capital - TRD Investments, LLC	20,736.67	
Capital - GrayJack, L.P.	20,736.66	
Retained Earnings - 2002	<1,102,119.60>	
Net Income	<u>332,687.34</u>	
Total Capital		<u><707,222.26></u>
Total Liabilities & Capital	\$	<u><u>2,086,036.07</u></u>

Unaudited - For Management Purposes Only

Red River Networks LLC-Current
Income Statement
June 30, 2004

	Current Month		Year to Date	
Revenues				
Sales - First Use Calling Card	\$ 19,789.56	3.00	\$ 206,144.82	5.37
Sales - Platform Usage	20,428.36	3.09	160,052.91	4.17
Sales - Prepaid Calling Card	0.00	0.00	200.00	0.01
Sales - CLEC	366,045.78	55.40	2,276,356.47	59.27
Sales - Dedicated	30,154.69	4.56	101,048.48	2.63
Sales - Dial Around	22,649.50	3.43	117,527.60	3.06
Sales - PICC Fees	<1,509.79>	<0.23>	13,282.21	0.35
Sales - One Plus/Switched	29,805.03	4.51	46,286.29	1.21
Sales - Pin Recharges	52.00	0.01	392.00	0.01
Sales - Respong Services	0.00	0.00	690.96	0.02
Sales - Voice Mail	18,478.66	2.80	92,545.55	2.41
Sales - Unlimited Program	190,726.66	28.87	1,024,234.70	26.67
Sales - Iowa Revenue	598.78	0.09	25,818.60	0.67
TOTAL Gross Revenue	697,219.23	105.53	4,064,580.58	105.83
Less:				
Sales Discounts				
Returns and Allowances	0.00	0.00	<424.54>	<0.01>
R & A - Customer Disputes(MCI)	<26,251.61>	<3.97>	<138,171.91>	<3.60>
Discounts	<10,276.30>	<1.56>	<109,229.00>	<2.84>
TOTAL Sales Discounts	<36,527.91>	<5.53>	<247,825.45>	<6.45>
TOTAL Net Revenue	660,691.32	100.00	3,816,755.13	99.38
Cost of Sales				
Carrier Cost - Broadvox	0.00	0.00	6,155.84	0.16
Carrier Cost-MCI Worldcom	471,578.44	71.38	2,369,287.55	61.69
Carrier Volume Discount-MCI	0.00	0.00	<0.85>	0.00
Circuit - Illuminet/SS7	2,741.00	0.41	16,446.00	0.43
Lerg Expense	1,158.75	0.18	6,952.50	0.18
Loop Cost - Cox Communications	0.00	0.00	13,975.46	0.36
Loop Cost - Grande	0.00	0.00	3,250.00	0.08
Loop Expense - Indian Nations	0.00	0.00	1,000.00	0.03
Loop Cost - LayerOne	0.00	0.00	383.74	0.01
Loop Cost - MCI	2,960.01	0.45	20,493.51	0.53
Loop Cost - MCI (Inet)	728.88	0.11	4,997.55	0.13
PICC Fees - MCI	1,895.05	0.29	4,097.81	0.11
Respong - SMS/800	821.10	0.12	4,067.89	0.11
Payphone Surcharges	5,804.24	0.88	82,982.96	2.16
PIC Fee Conversion	0.00	0.00	689.76	0.02
Prepaid Cell Cards	0.00	0.00	24,173.24	0.63
Other Charges - MCI	150.00	0.02	4,248.10	0.11
TOTAL Cost of Sales	487,837.47	73.84	2,563,201.06	66.74
Gross Profit	172,853.85	26.16	1,253,554.07	32.64
Labor				
Wages-Finance & Administration	22,842.96	3.46	104,050.73	2.71
Wages - Operations/IT	24,108.32	3.65	132,293.85	3.44
Wages - Sales	16,016.68	2.42	93,003.68	2.42
Wages - Tax & Benefits	5,205.82	0.79	28,714.95	0.75
TOTAL Labor	68,173.78	10.32	358,063.21	9.32
For Management Purposes Only				

Red River Networks LLC-Current
Income Statement
June 30, 2004

	Current Month		Year to Date	
Operating Expenses				
Accounting Fees	600.00	0.09	2,050.00	0.05
Advertising	140.00	0.02	140.00	0.00
Answering Service	75.00	0.01	3,469.21	0.09
Automobile Allowance	500.00	0.08	2,750.00	0.07
Bank Charges	250.81	0.04	4,380.98	0.11
Billing Fees	6,276.24	0.95	37,874.26	0.99
Chargebacks	0.00	0.00	715.55	0.02
Collection Service Fees	0.00	0.00	5,408.71	0.14
Commission Fees	6,195.28	0.94	30,870.80	0.80
Consulting Services	4,250.00	0.64	10,569.17	0.28
Contract Labor	4,370.80	0.66	41,143.07	1.07
Credit Card Fees	35.50	0.01	21,073.40	0.55
Credit Service Bureau	32.00	0.00	439.20	0.01
Customer Relations	0.00	0.00	1,416.02	0.04
Dues - Clubs	462.25	0.07	2,773.50	0.07
Dues and Subscriptions	0.00	0.00	229.00	0.01
Entertainment and Meals	169.09	0.03	2,053.87	0.05
Equipment - Minor	0.00	0.00	1,909.66	0.05
Gifts/Donations	0.00	0.00	373.10	0.01
Insurance - Health & Misc.	8,433.76	1.28	43,689.05	1.14
Insurance - GL & Property	949.08	0.14	5,766.64	0.15
Insurance - Workers Comp	456.43	0.07	2,622.54	0.07
Internet & Cable Services	55.38	0.01	1,010.02	0.03
Lease - Equipment	6,417.94	0.97	38,507.64	1.00
Legal Fees	604.70	0.09	8,631.76	0.22
Licenses and Fees	1,066.97	0.16	1,266.97	0.03
Maintenance & Repairs - Other	70.00	0.01	865.73	0.02
Maintenance & Repairs - Switch	0.00	0.00	144.80	0.00
Miscellaneous	0.00	0.00	4.28	0.00
Office Supplies	249.98	0.04	4,665.64	0.12
Overage/Shortage-Customer Acct	0.00	0.00	1.01	0.00
Parking and Tolls	1,653.25	0.25	8,811.25	0.23
Payroll Processing Fees	320.30	0.05	1,606.35	0.04
Postage and Freight	260.24	0.04	9,177.21	0.24
Printing and Reprod:Outside	0.00	0.00	257.49	0.01
Recruiting Fees	475.00	0.07	14,175.00	0.37
Rent - Building	6,899.48	1.04	44,313.00	1.15
Rent - Other	1,600.00	0.24	9,365.22	0.24
Rent - Storage	0.00	0.00	1,800.00	0.05
Tariff Consulting	338.46	0.05	2,844.38	0.07
Telephone - Office	912.32	0.14	5,206.53	0.14
Telephones - Cell	4,037.33	0.61	21,174.92	0.55
Travel/Airlines/Hotels	0.00	0.00	4,357.10	0.11
Travel/Auto Expense	82.71	0.01	386.81	0.01
Travel - Meals	24.00	0.00	335.18	0.01
Utilities	338.28	0.05	1,651.61	0.04
TOTAL Operating Expenses	58,602.58	8.87	402,277.63	10.47
Net Income from Operations	46,077.49	6.97	493,213.23	12.84
Other Income & Expenses				
Income - Commissions	0.00	0.00	<21,198.84>	<0.55>
Income - Interest	<2.19>	0.00	<8.69>	0.00
Income - Other	0.00	0.00	<2,720.28>	<0.07>
Amortization	1,373.01	0.21	6,160.56	0.16
Depreciation	2,832.37	0.43	8,497.11	0.22

For Management Purposes Only

Red River Networks LLC-Current
Income Statement
June 30, 2004

	Current Month		Year to Date	
Depreciation	29.93	0.00	1,482.24	0.04
Bad Debt	2,765.88	0.42	2,847.88	0.07
Finance Charges/Late Fees	605.61	0.09	1,156.31	0.03
Interest Expense	0.00	0.00	3,434.60	0.09
Management Fee Expense	30,000.00	4.54	160,875.00	4.19
TOTAL Other Income & Expenses	37,604.61	5.69	160,525.89	4.18
Net Income (Loss)	8,472.88	1.28	332,687.34	8.66

For Management Purposes Only

Red River Networks LLC-Current
Balance Sheet
December 31, 2003

ASSETS

Current Assets		
Cash - BOK Depository	\$	<39,622.54>
Cash - BOK Payroll		<417.58>
Cash - BOK Carrier		2.16
Cash - Customer Deposit		88.90
Cash - BOK Cellular		88.60
Cash - ESB Depository		7,353.59
Cash - ESB Depository (Old)		5,421.46
Cash - ESB Cellular Acct		6.00
A/R - Trade - OKC		386,973.87
A/R - Returned Checks		5,228.90
A/R - PIC Fee Conversion (MCI)		140,167.99
Prepaid Expenses - Other		5,000.00
Prepaid Insurance - GL		1,039.24
		<hr/>
Total Current Assets		511,330.59
Property and Equipment		
Office/Computer Equipment		3,591.00
Switching Equipment		339,884.45
Accumulated Depreciation		<3,498.34>
		<hr/>
Total Property and Equipment		339,977.11
Other Assets		
Zenex Customer List		27,666.67
Deposits		4,395.00
Suspense/Clearing Account		750.00
		<hr/>
Total Other Assets		32,811.67
		<hr/>
Total Assets	\$	<u>884,119.37</u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	1,589,496.54
Accounts Payable - Other		416.66
A/P - Carrier Disputes		69,005.43
Accrued Expenses		142,182.62
A/P - Time Advisors, LP		23,443.56
Accrued Salaries		22,860.92
Accrued Payroll Taxes		8,687.57
Accrued Insurance- W. Comp		195.37
Customer Deposits		18,485.00
N/P - A&M Investments, LLC		17,655.75
N/P - TRD Investments, LLC		25,354.62
N/P - GRAYJACK, L.P.		4,655.75
		<hr/>
Total Current Liabilities		1,922,439.79
Long-Term Liabilities		
		<hr/>
Total Long-Term Liabilities		0.00
		<hr/>
Total Liabilities		1,922,439.79

Unaudited - For Management Purposes Only

Red River Networks LLC-Current
Balance Sheet
December 31, 2003

Capital		
Capital - A&M Investments, LLC	20,736.67	
Capital - TRD Investments, LLC	20,736.67	
Capital - GrayJack, L.P.	20,736.66	
Retained Earnings - 2002	<100,094.22>	
Net Income	<1,000,436.20>	
	<hr/>	
Total Capital		<1,038,320.42>
		<hr/>
Total Liabilities & Capital	\$	884,119.37
		<hr/> <hr/>

Unaudited - For Management Purposes Only

Red River Networks LLC
Income Statement
December 31, 2003

	Current Month		Year to Date	
Revenues				
Sales - First Use Calling Card	\$ 72,327.95	13.33	\$ 930,092.94	8.64
Sales - Platform Usage	77,217.07	14.23	1,282,097.04	11.91
Sales - Prepaid Calling Card	619.63	0.11	719,391.86	6.69
Sales - Prepaid Cell Cards	9,350.06	1.72	94,785.82	0.88
Sales - Prepaid Pins	-	0.00	24,452.95	0.23
Sales - Point of Sale	-	0.00	442.00	0.00
Sales - POS Prepaid C.Card	424.15	0.08	169,041.98	1.57
Sales - POS Prepaid Pins	-	0.00	225.00	0.00
Sales - CLEC	313,659.52	57.80	2,437,738.74	22.66
Sales - Dedicated	21,178.95	3.90	436,362.05	4.06
Sales - Dial Around	16,489.60	3.04	221,340.46	2.06
Sales - PICC Fees	7,243.54	1.33	80,589.23	0.75
Sales - One Plus/Switched	12,179.66	2.24	111,445.51	1.04
Sales - Pin Recharges	4,545.03	0.84	112,455.47	1.04
Sales - Respong Services	345.48	0.06	1,236.44	0.01
Sales - Voice Mail	429.02	0.08	6,328.29	0.06
Sales - Unlimited Program	24,229.82	4.46	79,213.82	0.74
Sales - Commission Revenue	-	0.00	49.38	0.00
Sales - Customer Service	-	0.00	2,614.23	0.02
Sales - Iowa Revenue	20,450.23	3.77	4,099,133.75	38.10
Reconnect Fees	15.00	0.00	15.00	0.00
	<u>580,704.72</u>	107.01	<u>10,809,051.96</u>	100.47
TOTAL Gross Revenue				
Less:				
Sales Discounts				
Returns and Allowances	(1,781.20)	<0.33>	(15,903.56)	-0.15
Discounts	(36,293.50)	<6.69>	(748,845.06)	-6.96
	<u>(38,074.70)</u>	<7.02>	<u>(764,748.62)</u>	<7.11>
TOTAL Sales Discounts				
	<u>542,630.02</u>	99.99	<u>10,044,303.34</u>	93.36
TOTAL Net Revenue				
Cost of Sales				
Carrier Cost - Broadvox	8,713.77	1.61	381,383.21	3.54
Carrier Cost - IDT	8,805.87	1.62	814,904.16	7.57
Carrier Cost - Global Crossing	59,674.97	11.00	2,902,090.09	26.97
Carrier Cost - Grande	704.56	0.13	86,123.23	0.80
Carrier Cost - Heritage	-	0.00	144,735.06	1.35
Carrier Cost - Linq	-	0.00	70,492.68	0.66
Carrier Cost - Novatel	(1,000.00)	<0.18>	829,153.78	7.71
Carrier Cost - Telefyne	2,103.96	0.39	2,103.96	0.02
Carrier Cost - Transcom	(8,000.00)	<1.47>	150,802.81	1.40
Carrier Cost-MCI Worldcom	234,883.50	43.28	632,955.58	5.88
Carrier Volume Discount-MCI	(0.03)	0.00	(7,339.52)	<0.07>
Circuit - Illuminet/SS7	2,741.00	0.51	32,147.00	0.30
Co-Locate - Grande	500.00	0.09	5,428.57	0.05

Unaudited - For Management Purposes Only

Red River Networks LLC
Income Statement
December 31, 2003

Lerg Expense	-	0.00	2,317.50	0.02
Loop Cost - Cox Communications	8,465.50	1.56	91,894.58	0.85
Loop Cost - Global Crossing	13,250.70	2.44	121,578.32	1.13
Loop Cost - Grande	2,750.00	0.51	25,392.86	0.24
Loop Cost - IDT/Winstar	5,000.00	0.92	50,000.00	0.46
Loop Expense - Indian Nations	1,000.00	0.18	11,000.00	0.10
Loop Cost - LayerOne	-	0.00	11,515.43	0.11
Loop Cost - MCI	5,087.00	0.94	8,897.00	0.08
Resporq - ATL	-	0.00	10,372.18	0.10
Resporq - SMS/800	2,250.76	0.41	6,197.42	0.06
Prepaid Calling Cards	-	0.00	17,172.26	0.16
Cost of Cards - Printing	-	0.00	57,882.97	0.54
Payphone Surcharges	27,204.99	5.01	421,855.32	3.92
Prepaid Cell Cards	5,680.39	1.05	466,529.38	4.33
Cell PIN Transaction Fees	-	0.00	4,137.05	0.04
POS Transaction Fee	657.13	0.12	50,932.21	0.47
Point of Sales - Terminals	-	0.00	14,898.80	0.14
Point of Sale - Other	-	0.00	1,624.89	0.02
Other Charges-Global Crossing	740.46	0.14	7,478.20	0.07
Other Charges - MCI	150.00	0.03	300.00	0.00
TOTAL Cost of Sales	381,364.53	70.28	7,426,956.98	69.03
Gross Profit	161,265.49	29.72	2,617,346.36	24.33
Labor				
Wages - Management	-	0.00	127,083.40	1.18
Wages-Finance & Administration	14,234.00	2.62	199,868.45	1.86
Wages - Customer Service	11,366.68	2.09	193,939.14	1.81
Wages - Operations/IT	32,149.68	5.92	386,981.52	3.60
Wages - Sales	2,900.00	0.53	101,262.33	0.94
Wages - Shipping	-	0.00	17,751.73	0.17
Wages - Janitorial	-	0.00	6,767.10	0.06
Wages - Staff Bonus	-	0.00	250.00	0.00
Wages - Tax & Benefits	3,314.95	0.61	91,658.65	0.85
TOTAL Labor	63,965.31	11.79	1,125,562.32	10.46
Operating Expenses				
Accounting Fees	1,400.00	0.26	6,368.00	0.05
Advertising	-	0.00	50,572.50	0.47
Answering Service	225.02	0.01	2,025.77	0.02
Automobile Allowance	-	0.00	3,744.00	0.03
Automobile Expense	-	0.00	1,061.55	0.01
Automobile Maintenance/Repairs	-	0.00	505.82	0.00
Bank Charges	1,655.39	0.31	20,472.00	0.19
Billing Fees	6,295.87	1.16	66,778.20	0.62
Chargebacks	300.00	0.06	597.93	0.01
Collection Service Fees	-	0.00	1,040.02	0.01
Commission Fees	16,530.02	3.05	268,391.56	2.49

Unaudited - For Management Purposes Only

Red River Networks LLC
Income Statement
December 31, 2003

Consulting Services	1,839.16	0.34	63,835.04	0.59
Contract Labor	10,738.88	1.97	312,608.05	2.91
Credit Card Fees	5,377.75	0.99	27,506.77	0.25
Credit Service Bureau	-	0.00	5,742.65	0.05
Dues - Clubs	-	0.00	3,723.00	0.03
Dues and Subscriptions	-	0.00	525.00	0.00
Entertainment and Meals	528.40	0.10	4,553.24	0.04
Equipment - Minor	-	0.00	3,729.93	0.03
Filing Fees	-	0.00	2,548.00	0.02
Gifts/Donations	-	0.00	287.38	0.00
Installation/Set-up Fees	-	0.00	1,500.00	0.01
Insurance - Health & Misc.	8,144.21	1.50	138,060.27	1.29
Insurance - GL & Property	1,039.16	0.19	11,982.35	0.11
Insurance - Workers Comp	390.74	0.07	5,781.36	0.05
Internet & Cable Services	-	0.00	2,039.53	0.02
Lease - Equipment	6,417.94	1.18	57,742.77	0.54
Lease - Vehicles	-	0.00	5,400.00	0.05
Legal Fees	2,621.00	0.48	117,050.98	1.09
Maintenance & Repairs - Other	-	0.00	7,776.61	0.08
Maintenance & Repairs-Support	-	0.00	7,653.42	0.07
Maintenance & Repairs - Switch	-	0.00	1,246.28	0.01
Marketing and Promotional	1,502.78	0.28	8,408.82	0.08
Miscellaneous	-	0.00	36.18	0.00
Office Supplies	506.40	0.09	18,980.23	0.17
Operating Supplies	-	0.00	429.51	0.00
Parking and Tolls	1,285.00	0.24	13,789.71	0.12
Payroll Processing Fees	201.00	0.04	3,372.37	0.03
Postage and Freight	2,752.87	0.50	34,455.45	0.31
Printing and Copy Service	-	0.00	132.91	0.00
Printing and Reprod:Outside	-	0.00	12,194.11	0.11
Printing and Reprod:Supplies	-	0.00	898.43	0.01
Professional Fees	-	0.00	704.00	0.01
Recruiting Fees	-	0.00	1,956.34	0.02
Relocation	-	0.00	225.00	0.00
Rent - Building	6,250.19	1.15	108,829.92	1.01
Rent - Equipment	45.70	0.01	2,033.22	0.02
Rent - Other	2,526.00	0.46	11,914.62	0.12
Rent - Storage	707.00	0.13	4,267.00	0.04
Tariff Consulting	62.04	0.01	41,223.61	0.38
Telephone - Office	1,778.01	0.33	44,149.49	0.41
Telephones - Cell	5,210.83	0.96	46,858.46	0.43
Telephones - Loops (C.Service)	-	0.00	15,423.82	0.14
Travel/Airlines/Hotels	-	0.00	28,907.14	0.27
Travel/Auto Expense	500.00	0.09	6,613.95	0.06
Travel - Meals	-	0.00	3,101.26	0.03
Utilities	1,072.13	0.20	13,964.31	0.12
TOTAL Operating Expenses	<u>87,903.49</u>	<u>16.20</u>	<u>1,625,719.84</u>	<u>15.11</u>
Net Income from Operations	<u>9,396.69</u>	<u>1.73</u>	<u>(133,935.80)</u>	<u><1.24></u>

Unaudited - For Management Purposes Only

Red River Networks LLC
Income Statement
December 31, 2003

Other Income & Expenses				
Income - Interest	-	0.00	(8.90)	0.00
Income - Management Fees	-	0.00	(712,814.01)	<6.63>
Income - Other	(40.94)	<0.01>	(1,324.77)	<0.01>
Depreciation	1,862.70	0.34	3,498.34	0.03
Bad Debt	88,529.15	16.31	503,714.70	4.68
Finance Charges/Late Fees	9,004.82	1.66	10,014.96	0.09
Interest Expense	-	0.00	10,337.39	0.1
Management Fee Expense	37,915.46	6.99	987,381.94	9.17
Management Fees-Prior ZNZ Acq.	-	0.00	65,640.12	0.61
Management Fees-Prior DST Acq.	60.63	0.01	60.63	0.00
	<hr/>		<hr/>	
TOTAL Other Income & Expenses	137,331.82	25.31	866,500.40	8.05
	<hr/>		<hr/>	
Net Income (Loss)	<u>\$ (127,935.13)</u>	<23.58>	<u>\$ (1,000,436.20)</u>	<9.30>

Unaudited - For Management Purposes Only

RED RIVER NETWORKS LLC						
PROFORMA INCOME STATEMENTS						
FOR THE YEARS 2003 - 2006						
	2003	2004	2005	2006		
Revenues						
Prepaid Calling Card	10,780,000	17,304,000	19,514,520	22,514,568		70,113,088
Competitive Exchange Local Carrier	4,635,000	8,854,800	13,115,147	19,674,288		46,279,235
Switched & Dedicated LD	1,345,000	1,747,200	2,074,919	2,579,472		7,746,591
Website Revenue	0	0	0	0		0
Public Service Programs	0	0	0	0		0
Commissions - Advertising	0	0	0	0		0
Total Gross Revenues	16,760,000	27,906,000	34,704,586	44,768,328		124,138,914
Cost of Goods Sold						
Carrier Expense - Prepaid	7,330,400	11,766,720	13,269,874	15,309,906		47,676,900
Competitive Local Carrier	2,873,700	5,489,976	8,131,391	12,198,059		28,693,126
Switched & Dedicated LD	874,250	1,135,680	1,348,697	1,676,657		5,035,284
Loop Expense - Cox	175,200	202,200	238,200	274,200		889,800
Resporg Expense	13,415	13,415	13,415	13,415		53,660
Circuit Expense - SS7	26,400	26,400	52,800	52,800		158,400
Cost of Cards - Printing	117,800	173,040	195,145	225,146		711,131
POS Transaction Fee	97,020	155,736	175,631	202,631		631,018
Cost of Big Change Sales	0	0	0	0		0
Total Cost of Goods Sold	11,508,185	18,963,167	23,425,153	29,952,813		83,849,318
Gross Profit	5,251,815	8,942,833	11,279,433	14,815,515		40,289,596
Operating Expenses						
Accounting	15,000	15,000	20,000	20,000		70,000
Advertising	180,000	210,000	240,000	270,000		900,000
Auto Expense	38,000	38,000	38,000	38,000		152,000
Bad Debt	41,900	69,765	86,761	111,921		310,347
Bank Charges	6,000	6,000	6,000	6,000		24,000
Billing Fees	78,000	85,800	94,380	103,818		361,998
Commissions	243,805	328,666	399,103	514,836		1,486,409
Consulting Fees	100,000	150,000	175,000	175,000		600,000
Contract Labor	176,400	176,400	176,400	176,400		705,600
Credit Card Fees	14,400	16,800	19,200	21,600		72,000
Customer Service Fees	10,500	6,000	6,000	6,000		28,500

RED RIVER NETWORKS LLC					
PROFORMA INCOME STATEMENTS					
FOR THE YEARS 2003 - 2006					
	2003	2004	2005	2006	
Equipment Rental	0	0	0	0	0
Insurance - Health	168,281	176,695	203,620	223,983	772,580
Insurance - Property & Liability	12,470	16,776	18,612	21,324	69,182
Insurance - W/C	14,411	12,632	14,442	15,887	57,372
Legal	120,000	120,000	120,000	120,000	480,000
Licenses & Tariff Fees	785,225	1,208,364	1,390,571	1,648,915	5,033,075
Meals & Entertainment	9,000	9,000	9,000	9,000	36,000
Office Expense	18,000	18,000	18,000	18,000	72,000
Postage	48,000	48,000	48,000	48,000	192,000
Printing	10,780	17,304	19,515	22,515	70,113
Promotional Expenses	12,132	12,132	12,132	12,132	48,528
Rent	157,705	157,705	157,705	157,705	630,819
Repairs & Maintenance	9,000	9,000	9,000	9,000	36,000
Salaries - Officers (3)	375,000	375,000	375,000	375,000	1,500,000
Salaries - Other	1,808,475	1,913,966	2,188,251	2,407,076	8,317,768
Software Expense	18,000	18,000	18,000	18,000	72,000
Taxes - Payroll	218,347	228,897	256,325	278,208	981,777
Telephone	155,568	155,568	155,568	155,568	622,272
Travel	68,000	68,000	68,000	68,000	272,000
Utilities	13,500	13,500	13,500	13,500	54,000
Other Operating Expenses	14,340	0	0	0	14,340
Total Operating Expenses	4,940,240	5,680,970	6,356,085	7,065,386	24,042,681
Net Income from Operations	311,575	3,261,863	4,923,348	7,750,128	16,246,915
Other Expenses					
Interest Expense	27,296	30,605	25,828	19,897	103,626
Depreciation	80,000	80,000	80,000	80,000	320,000
Total Other Expenses	107,296	110,605	105,828	99,897	423,626
Net Income Before Income Taxes	204,279	3,151,258	4,817,520	7,650,232	15,823,289

ATTACHMENT E

STATEWIDE MAP

520 AREA CODE RELIEF APPROVED GEOGRAPHIC SPLIT

