

Filing fee: \$50.00
License fee: \$15.00 minimum
(Section 7-11-124)

**APPLICATION FOR
CERTIFICATE OF AUTHORITY
OF**

Teleconnect Long Distance Services & Systems Company

To the Secretary of State
of the State of Rhode Island

Pursuant to the provisions of Section 7-1.1-103 of the General Laws, 1956, as amended, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of Rhode Island, and for that purpose submits the following statement:

FIRST: The name of the corporation is Teleconnect Long Distance Services & Systems Company

SECOND: The name which it elects to use in Rhode Island is Teleconnect Long Distance Services & Systems Company

(If the name of the corporation does not contain the word "corporation," "company," "incorporated," or "limited," or an abbreviation of one of such words, insert the name of the corporation with the word or abbreviation which it elects to add thereto for use in Rhode Island;)

THIRD: It is incorporated under the laws of Iowa

FOURTH: The date of its incorporation is November 20, 1986 and the period of its duration is perpetual

FIFTH: The address of its principal office in the state or country under the laws of which it is incorporated is 500 Second Avenue, S.E., Cedar Rapids, IA 52403

SIXTH: The address of its proposed registered office in Rhode Island is 123 Dyer Street, Providence, R. I. 02903 and the name of its proposed registered agent in Rhode Island at that address is C T CORPORATION SYSTEM

SEVENTH: The purpose or purposes which it proposes to pursue in the transaction of business in Rhode Island are

Providing long distance telephone services and systems.

EIGHTH: The names and respective addresses of its directors and officers are:

| <u>Name</u> | <u>Office</u> | <u>Address</u> |
|-----------------|----------------|---|
| Clark E. McLeod | Director | 2920 - 2nd Avenue, Marion, Iowa |
| Larry W. Crain | Director | 2407 Buckingham Drive, N.W., Cedar Rapids, Iowa |
| Bruce A. Thayer | Director | 1709 Lyncrest Dr., Coralville, Iowa 52241 |
| Casey D. Mahon | Director | 2160 Blake Blvd., S.E., Cedar Rapids, Iowa |
| James L. Cram | Director | R.R.#1, Box 39D, Vinton, Iowa |
| Clark E. McLeod | President | 2920 - 2nd Avenue, Marion, Iowa |
| Larry W. Crain | Vice President | 2407 Buckingham Drive, N.W., Cedar Rapids, Iowa |
| Casey D. Mahon | Secretary | 2160 Blake Blvd., S.E., Cedar Rapids, Iowa |
| James L. Cram | Treasurer | R.R.#1, Box 39D, Vinton, Iowa |
| Bruce A. Thayer | Vice Pres. | 1709 Lyncrest Dr., Coralville, Iowa 52241 |

NINTH: The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class, is:

| <u>Number of Shares</u> | <u>Class</u> | <u>Series</u> | <u>Par Value per Share or Statement that Shares are without Par Value</u> |
|-------------------------|--------------|---------------|---|
| 100,000 | Common | ----- | Shares are without par value |

TENTH: The aggregate number of its issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class, is:

| <u>Number of Shares</u> | <u>Class</u> | <u>Series</u> | <u>Par Value per Share or Statement that Shares are without Par Value</u> |
|-------------------------|--------------|---------------|---|
| 9,700 | Common | ----- | Shares are without par value |

ELEVENTH: An estimate of the value of all property to be owned by it for the following year, wherever located, is \$^{56,262,654}

TWELFTH: An estimate of the value of its property to be located within Rhode Island during such year is \$⁰

THIRTEENTH: An estimate of the gross amount of business to be transacted by it during such year is \$^{136,024,000.00}

FOURTEENTH: An estimate of the gross amount of business to be transacted by it at or from places of business in Rhode Island during such year is \$⁰

FIFTEENTH: This Application is accompanied by a copy of its articles of incorporation and all amendments thereto, duly authenticated by the proper officer of the state or country under the laws of which it is incorporated.

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ARTICLES OF INCORPORATION
OF
TELECONNECT LONG DISTANCE SERVICES & SYSTEMS COMPANY

The undersigned person, acting as incorporator of a corporation organized under the Iowa Business Corporation Act, Chapter 488A, Code of Iowa 1985, hereby adopts the following Articles of Incorporation for such corporation, to be effective upon filing with the Secretary of State of the State of Iowa.

ARTICLE I

NAME, CORPORATE EXISTENCE

The name of the corporation is Teleconnect Long Distance Services & Systems Company. The corporation shall begin its existence upon the issuance of a certificate of incorporation by the Secretary of State.

ARTICLE II

CORPORATE POWERS

The corporation shall have unlimited power to engage in and to do any lawful act concerning any and all lawful business for which corporations may be organized under this act.

ARTICLE III

AUTHORIZED SHARES

The aggregate number of shares which the corporation shall have authority to issue is one hundred thousand shares of no par value each.

ARTICLE IV

REGISTERED OFFICE, AGENT

The address of the initial registered office of the corporation is 500 Second Avenue S.E., Cedar Rapids, Iowa, 52401, and the name of its initial registered agent at such address is Casey Mahon.

ARTICLE V

BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors is nine and the names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and shall qualify are:

| <u>Name</u> | <u>Address</u> |
|-----------------|--|
| Clark McLeod | 500 Second Avenue S.E. Cedar Rapids, Iowa 52401 |
| Lavern T. Buse | 500 Second Avenue S.E. Cedar Rapids, Iowa 52401 |
| James L. Cram | 500 Second Avenue S.E. Cedar Rapids, Iowa 52401 |
| Bruce A. Thayer | 500 Second Avenue S.E. Cedar Rapids, Iowa 52401 |
| Eric M. Hender | 200 Second Avenue S.E. Cedar Rapids, Iowa 52401 |
| Paul D. Rhines | 2750 First Avenue N.E. Cedar Rapids, Iowa 52402 |
| Donald E. Flynn | 101 Second Street S.E. Cedar Rapids, Iowa 52401 |
| J.B. Rehnstrom | 200 First Street S.E. Cedar Rapids, Iowa 52401 |

Larry D. Root

200 First Street S.E.
Cedar Rapids, Iowa 52401

After the initial Board of Directors, the Board shall consist of such number of directors as shall be fixed and determined by the shareholders from time to time at each annual meeting thereof at which directors are to be elected.

ARTICLE VI

INCORPORATOR

The name and address of the incorporator are:

Name

Address

Casey D. Mahon

500 Second Avenue S.E.
Cedar Rapids, Iowa 52401

ARTICLE VII

DIRECTOR OR OFFICER INTEREST

In the absence of fraud, no contract or transaction between this corporation and any other association or corporation shall be affected by the fact that any director or officer of this corporation is interested in or is a director or officer of such other association or corporation, and any director or officer of this corporation individually may be a party to or may be interested in any such contract or transaction or in any way connected with any such person, firm, association or corporation and each and every person who may become a director or officer of this corporation is hereby relieved of all liability which may otherwise exist by reason of contracting with the corporation for the benefit of himself or any other person, firm, association or corporation in which he may in any way be interested.

ARTICLE VIII
STOCK TRANSFER RESTRICTION

No stockholder of this corporation shall sell any shares of stock held by him in said corporation without first offering to sell said stock to the corporation on the same terms and conditions and at the price offered in good faith and in writing by any proposed purchaser, which written offer by said proposed purchaser shall be delivered to the corporation at the time the stock is offered to the corporation for sale. The corporation shall have the right to accept said offer at anytime within thirty (30) days from and after the date on which said offer is made by said stockholder and shall exercise said option to purchase by notifying the stockholder in writing. In the event the corporation shall not exercise its option to so purchase said shares of stock, it shall so notify the stockholder in writing within said thirty (30) day period and said shares may then be sold by the stockholder, but only to said proposed purchaser and only on the same terms and conditions as offered to the corporation and only within thirty (30) days from and after the date on which the said corporation declines to exercise its option.

ARTICLE IX
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Definitions. As used in this Article:

- a. "Director" means any person who is or was a director of the corporation and any person who, while a director of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise or employee benefit plan.

- b. "Corporation" includes any domestic or foreign predecessor entity of the corporation in a merger, consolidation or other transaction in which the predecessor's existence ceased upon consummation of the transaction.
- c. "Expenses" includes attorneys' fees.
- d. "Officer" means any person who is or was an officer of the corporation.
- e. "Official capacity" means:
 - (1) When used with respect to a director, the office of director in the corporation, and
 - (2) When used with respect to a person other than a director, as contemplated in Section 8, the elective or appointive office in the corporation held by the officer,but in each case does not include service for any other foreign or domestic corporation or any partnership, joint venture, trust, or other enterprise or employee benefit plan.
- f. "Party" includes a person who was, is or is threatened to be made, a named defendant or respondent in a proceeding.
- g. "Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

Section 2. Indemnification of Directors. The corporation shall indemnify any person made a party to any proceeding by reason of the fact that the person is or was a director if:

- a. The person acted in good faith; and
- b. The person reasonably believed:
 - (1) In the case of conduct in the person's official capacity with

the corporation, that the conduct was in its best interests, and

(2) In all other cases, that the person's conduct was at least not opposed to its best interest, and

c. In the case of any criminal proceeding, the person had no reasonable cause to believe the person's conduct was unlawful.

Indemnification may be made against judgments, penalties, fines, settlements, and reasonable expenses, actually incurred by the person in connection with the proceeding; except that if the proceeding was by or in the right of the corporation, indemnification may be made only against such reasonable expenses and shall not be made in respect of any proceeding which the person shall have been adjudged to be liable to the corporation. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, be determinative that that person did not meet the requisite standard of conduct set forth in this section.

Section 3. No Indemnification for Improper Personal Benefit. A director shall not be indemnified under Section 2 in respect of any proceeding charging improper personal benefit to the director, whether or not involving action in the director's official capacity, in which the director shall have been adjudged to be liable on the basis that personal benefit was improperly received by the director.

Section 4. Determination of Indemnification. No indemnification under Section 2 shall be made by the corporation unless authorized in the specific case after a determination has been made that indemnification of the director is permissible in the circumstances because the director has met the standard of conduct set forth in Section 2. Such determination shall be made:

a. By the Board of Directors by a majority vote of quorum consisting of directors not at the time parties to the proceeding; or

- b. By special legal counsel, selected by the Board of Directors by vote as set forth in paragraph "a" of this Section 4, or if the requisite quorum of the full board cannot be obtained therefore, by a majority vote of the full board, in which selection directors who are parties may participate; or
- c. By the shareholders.

Authorization of indemnification and determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification and determination as to reasonableness of expenses shall be made in the manner specified in paragraph "b" of this Section for the selection of such counsel. Shares held by directors who are parties to the proceeding shall not be voted on the subject matter under this Section 5.

Section 5. Advance payment. Reasonable expenses incurred by a director who is a party to a proceeding may be paid or reimbursed by the corporation in advance of the final disposition of such proceeding upon receipt of the corporation of:

- a. A written affirmation by the director of the director's good faith belief that the director has met the standard of conduct necessary for indemnification by the corporation as authorized in this Section, and
- b. A written undertaking by or on behalf of the director to repay such amount if it shall ultimately be determined that the director has not met such standard of conduct, and

after determination that the facts then known to those making the determination would not preclude indemnification under this Section. The undertaking required by this paragraph shall be an unlimited general obligation of the director but need

not be secured and may be accepted without reference to financial ability to make repayment. Determinations and authorizations of payments under this Section 5 shall be made in the manner specified in Section 4.

Section 6. **Witness fees.** The corporation shall pay or reimburse expenses incurred by a director in connection with the director's appearance as a witness in a proceeding at a time when the director has not been made a named defendant or respondent in the proceeding.

Section 7. **Employee Benefit Plan.** For purposes of this Article, the corporation shall be deemed to have requested a director to serve an employee benefit plan whenever the performance by the director of the director's duties to the corporation also imposes duties on, or otherwise involves services by, the director to the plan or participants or beneficiaries of the plan; excise taxes assessed on a director with respect to an employee benefit plan pursuant to applicable law shall be deemed fines; and action taken or omitted by the director with respect to an employee benefit plan in the performance of the director's duties for a purpose reasonably believed by the director to be in the interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose which is not opposed to the best interests of the corporation.

Section 8. **Indemnification of Officers.**

- (a) An officer of the corporation shall be indemnified as and to the same extent provided in Section 2 for a director.
- (b) The corporation shall indemnify and advance expenses to an officer, of the corporation to the same extent that it indemnifies and advances expenses to directors pursuant to this Article.

Section 9. **Insurance.** The corporation shall have the power to purchase and maintain insurance of behalf of any person who is or was a director, officer, employee or agent of the corporation, and who, while a director, officer,

employee or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, against any liability asserted against the person and incurred by the person in any such capacity or arising out of the person's status as such, whether or not the corporation would have the power to indemnify the person against such liability under the provisions of this Section.

Section 10. Notice to Shareholders. Any indemnification of, or advance of expenses, to a director in accordance with this Article, if arising out of a proceeding by or in the right of the corporation, shall be reported in writing to the shareholders with or before the notice of the next shareholders' meeting.

ARTICLE X

CORPORATE SEAL AND EXECUTION OF WRITTEN INSTRUMENTS

The corporation shall have no corporate seal. All instruments executed by the corporation, including those which affect an interest in real estate, may be executed by the President or Vice President. Notwithstanding any of the foregoing provisions, any written instrument may be executed by any officer or officers, agent or agents, or other person or persons specifically designated by resolution of the Board of Directors of the corporation.

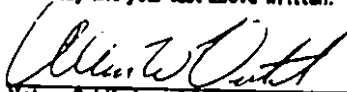
Dated this 2nd day of November, A.D. 1986.


CASEY D. MAHON, Incorporator

STATE OF IOWA)
) ss
COUNTY OF LINN)

On this 7th day of November, 1966, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Casey D. Mahon, to me personally known to be the identical person whose name is subscribed to and executed the foregoing Articles of Incorporation and did for herself acknowledge execution thereof to be her free and voluntary act and deed.

Witness my hand and notarial seal the day and year last above written.


Notary Public in and for the State of Iowa



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CONSENT TO USE OF CORPORATE NAME

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SECRETARY OF STATE

The undersigned, Teleconnect Company, an Iowa corporation, hereby consents to the use of the name "Teleconnect Long Distance Services & Systems Company" for an Iowa corporation in accordance with the Articles of Incorporation attached to this consent form, and authorizes and empowers the incorporators of Teleconnect Long Distance Services & Systems Company to use the name Teleconnect Long Distance Services & Systems Company for said new corporation.

Dated the 10th day of November, 1986.


Teleconnect Company

By: 
Casey D. Mahon, Senior Vice
President and Corporate Counsel

STATE OF IOWA)
) SS.
COUNTY OF LINN)

On this 10th day of November, 1986, before me, the undersigned, a Notary Public in and for the State of Iowa and County of Linn, personally appeared Casey D. Mahon, to me personally known to be the person who executed the foregoing Consent to Use of Corporate Name, who being by me duly sworn did say that she is Senior Vice President and Corporate Counsel of Teleconnect Company, that no seal has been procured by said corporation, and that said instrument was signed on behalf of said corporation by authority of its board of directors and the said Casey D. Mahon acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by her voluntarily executed.

Witness my hand and notarial seal the day and year last above written.


Notary Public in and for the State
of Iowa

ALLAN W. VESTAL
NOTARY PUBLIC
IOWA

Perpetual - November 20 1986
Shullawell & Ingersoll, CAS 3731, Allen Vestal, R.O. Box 2107 Cedar Rapids, Ia.
Consent 2000 Mary Jo Bluff 55406-2107
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Consent -

Dated March 15, 1988

Teleconnect Long Distance Services & Systems Company
[Exact Corporate Name of Corporation Making Application]

By [Signature]
Its Vice President
and [Signature]
Its Secretary

STATE OF IOWA

COUNTY OF LINN

} Sc.

At Cedar Rapids in said County on the 15 day
of March 1988, before me personally appeared

Larry W. Crain, who being by me first duly sworn, declared that
he is the Vice President of Teleconnect Long Distance Services & Systems
that he signed the foregoing document as such Vice President of the
corporation, and that the statements therein contained are true.

Company

[Signature]
Notary Public

(NOTARIAL SEAL)

3-15-88
11:00 AM
11:00 AM