

TC97-031

KCT/S

TC97-031

DOCKET NO.

In the Matter of IN THE MATTER OF THE
APPLICATION OF RSL COM U.S.A.,
INC. FOR A CERTIFICATE OF
AUTHORITY TO PROVIDE
TELECOMMUNICATIONS SERVICES IN
SOUTH DAKOTA

Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

3/37/97	Filed and Racketed;
3/37/97	TC for Filing.
11/3/97	Order Shortland COA,
11/3/97	Noted Closed.

ANN. BAVENDT
ANNE GOODWIN CRUMP
VINCENT J. CURTIS, JR.
RICHARD J. ESTEVEZ
PAUL J. FELDMAN
ERIC FISHMAN
RICHARD HILDRETH
FRANK R. JAZZ
ANDREW S. KESTENOT
KATHRYN A. KLEMAN
EUGENE M. LAWSON, JR.
HARRY C. MARTIN
J. TODD METCALF
GEORGE PETRALISAS
LEONARD R. RAUSH
JAMES P. RILEY
KATHLEEN VICTORY
HOWARD M. WEISS

*NOT ADMITTED IN VIRGINIA

FLETCHER, HEALD & HILDRETH, P.L.C.

ATTORNEYS AT LAW
11th FLOOR, 1300 NORTH 17th STREET
ROSSLYN, VIRGINIA 22099-3801

(703) 812-0400
TELECOPIER
(703) 812-0486
INTERNET
office@fth.law.com

TC97-031
ORIGINAL

FRANK G. FLETCHER
(1938-1981)
ROBERT L. HEALD
(1934-1983)
PAUL D. SPEARMAN
(1938-1982)
FRANK ROBERTSON
(1908-1981)
RUSSELL MCWELL
(1944-1977)
RETIRED
EDWARD F. KENNEDY
CONSULTANT FOR INTERNATIONAL AND
INTERGOVERNMENTAL AFFAIRS
SHELTON J. KIPP
U.S. AMBASSADOR (R)
OF COUNSEL
EDWARD A. CANE
WRITER'S NUMBER
(703) 812

March 26, 1997

BY FEDERAL EXPRESS

Attn: William Bullard, Jr.
Executive Director
500 E. Capitol Ave.
Pierre, South Dakota 57501

RE: RSL COM U.S.A., Inc.
Application to Provide Resold Interexchange Telecommunications
Services

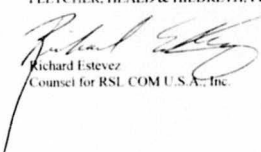
Dear Mr. Bullard:

On behalf of RSL COM U.S.A., Inc. ("RSL"), please find enclosed for filing an original and ten (10) copies of RSL's application to allow RSL to provide resold interexchange telecommunications services in the state of South Dakota. Also, please find enclosed a check in the amount of \$250.00 for the required filing fee.

A courtesy copy of the filing and a self-addressed, stamped envelope are enclosed herewith. Please date-stamp the courtesy copy when received and return it by mail to this office in the self-addressed, stamped envelope.

Should you have any questions concerning this application, please contact the undersigned attorney.

Sincerely,
FLETCHER, HEALD & HILDRETH, PLC


Richard Estevez
Counsel for RSL COM U.S.A., Inc.

Enclosures

RECEIVED
MAR 27 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In the Matter of the Application for
a Certificate of Authority to Allow
RSL COM U S A , Inc.
to Provide Resold Interexchange
Telecommunications Services

RSL COM U S A, Inc. ("RSL" or "Applicant") hereby submits its Application for a Certificate of Authority to the Public Utility Commission of South Dakota to allow the resale of interexchange telecommunications service throughout the State of South Dakota.

- RSL COM U.S.A., Inc.**
169 EAB Plaza, West Tower
8th Floor
Uniondale, New York 11556
TEL: (516) 465-7000

2. RSL, formerly named International Telecommunications Corporation, is incorporated in the State of Delaware and is authorized to transact business in South Dakota. RSL was organized on May 18, 1990 and is a subsidiary of International Telecommunications Group, LTD. A copy of the certificate to do business in South Dakota, along with evidence of the name change to RSL, may be found as Exhibit I. A copy of the company's Articles of Incorporation are also attached.

- 3 The name and address of RSL's contact person with regards to the RSL's on-going operations is:

Carl Borruso
RSL COM U S A., Inc.
169 Eab Plaza, West Tower, 8th Floor
Uniondale, NY 11556
TEL: (516) 465-7000

- 4 Correspondence or communications regarding this application and related regulatory matters should be addressed to RSL's Legal Counsel:

Eric Fishman, Esq.
Fletcher, Heald & Hildreth, PLC
1300 North 17th Street
11th Floor
Rosslyn, VA 22209
Phone: 703-812-0400
FAX: 703-812-0486

- 5 The following is a description of the services RSL plans to provide and the means by which they intend to provide them:

RSL COM U.S.A., Inc. ("RSL") proposes to resell intrastate interexchange telecommunications services. RSL utilizes MCI, Sprint, LCI and other facilities-based interexchange carriers as its underlying carrier to provide transmission and switching services to its customers. RSL proposes to offer services to both business and residential users, throughout the State of South Dakota.

RSL proposes to offer four types of service: presubscribed direct dial interexchange service, hereinafter referred to as Message Toll Service or MTS; inbound Wide Area Telecommunications Service (WATS); Directory Assistance, and Prepaid Card Service.

Message Toll Service (MTS)

MTS service is a one-way direct dial service. In central offices where equal access is not available, customers may use MTS service by dialing a 7-digit access number. MTS is available to business and residential Customers for direct dial calling from presubscribed telephones.

Inbound Wide Area Telecommunications Service (WATS)

WATS service is a custom switched telecommunications service which permits inbound 800-number service from stations located in the State of South Dakota to a station associated with a customer's local exchange telephone number.

Directory Assistance

Directory Assistance is available to customers of any of RSL's services. Like other services, this service is provided by RSL's underlying carrier.

Prepaid Card Service

Prepaid Card Service is a switched service that enables an end-user to place calls charged to prepaid phone cards issued by RSL. The end-user accesses the network by dialing the appropriate RSL 800 number printed on the back of the card. The Prepaid Card is available in 10, 20, 50, 100 and 200 dollar denominations. Each minute of service will cost the same, regardless of intrastate destination or time of day. Prepaid Card Service is available 24 hours a day, 7 days a week. Card availability is limited and shall be handled on a first come, first served basis. Prepaid Card Service can be accessed through touchtone telephones only. 900 calls cannot be made on the Prepaid Card.

Each time the card is used, the end-user hears a message stating the amount of minutes remaining on the card. Sixty (60) seconds prior to the card being depleted, the user hears a warning announcing the time remaining on the card. If the end user is holding a re-usable card, the user can extend the value of the card increments identified via voice prompt by charging the cost of additional increments on an authorized major credit card. The system will prompt the user through the processes necessary to purchase these additional increments on the phone card. An online credit check will be done to ensure available credit. Each Prepaid Card will expire twelve (12) months following activation of the cards.

RSL may, in the future, construct or lease facilities for switching of intrastate interexchange services offered to subscribers in South Dakota. Any such actions will, however, only be taken after obtaining any necessary additional regulatory approval from the Public Utility Commission.

6. RSL intends to provide resold long distance telecommunications service originating and terminating throughout the State of South Dakota. Applicant proposes to offer its services to business and residential customers throughout the State.

7. RSL is committed to providing high quality telecommunications services to its customers. RSL is able to take full advantage of the resources, expertise and technical capabilities of its underlying carriers for all physical originating and terminating facilities. The underlying carriers will provide the necessary maintenance and monitoring required for all of RSL's services. Additionally, RSL has well qualified managerial personnel to oversee the overall provision of service to its customers and its equipment. The Company will carefully monitor the service provided by its underlying carrier to ensure that RSL

customers continue to receive the best possible service at competitive prices.

8 RSL is presently authorized to conduct business in the following states: Colorado, Florida, Iowa, Massachusetts, Michigan, New Jersey, New York, North Dakota, Oregon, Texas, Utah, Virginia, Washington, D.C., and Wyoming. RSL has never been denied certification or registration in any state.

9 Applicant's subscribers will be billed for Applicant's proposed services directly by the subscriber's local exchange carrier. Subscribers will be billed at rates specified in Applicant's tariff. Subscribers will be billed on a monthly basis, and each bill will have Applicant's name, address and its toll-free customer service number. Applicant's billing agreements with local exchange carriers will provide that all call detail information will be given to Applicant, so that Applicant will have all of the information necessary to address any subscriber inquiries.

10 RSL owns a majority interest in Cyberlink, Inc. Cyberlink, Inc. provides telecommunication services in various states.

11 RSL intends to market its services in South Dakota by means of telemarketing and direct sales. While service will be made available to all residential and business subscribers, RSL will initially focus on residential and small business customers.

12 The name and address of RSL's registered agent are:

CT Corporation System
319 S. Coteau Street
Pierre, South Dakota 57501

13 Attached as Exhibit II are profiles of Key Personnel demonstrating their technical and managerial qualifications.

14 Attached as Exhibit III is a copy of RSL's proposed telecommunications tariff, setting

forth its rates, charges and regulations.

15. Attached as Exhibit IV are financial statements establishing RSL's financial ability to support its proposed service offerings. The attached financial statements contain information for International Telecommunications Group, Ltd. and its subsidiaries. Since RSL is a subsidiary of International Telecommunications Group, Ltd. the attached financial statements more accurately reflect RSL's financial ability to support its proposed operations.

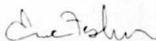
16. Attached as Exhibit V is a list of RSL's officers, directors and owners with 10 percent or more of the Applicant's equity.

0142358

WHEREFORE, having shown that it has the financial, managerial and technical resources to provide services in the public interest, RSL COM U S A , Inc. hereby requests Authority to allow it to resell intrastate telecommunications services to the public as proposed herein and set forth in the attached tariff.

Dated this 19th day of March, 1997.

Respectfully submitted,

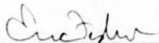


Eric Fishman, Esq
Assistant Secretary
RSL COM U S A , Inc.
1300 N. 17th Street,
11th Floor
Rosslyn, VA 22209
(703)812-0400

0. J. J. N. A. 8

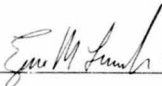
Verification

Eric Fishman, being duly sworn, deposes and says that he is the Assistant Secretary of RSL COM U S A, Inc., that he has read the foregoing application and knows the contents thereof, and that the same is true of his own knowledge except as to the matters therein stated upon information and belief, and as to those matters he believes them to be true. On behalf of RSL COM U S A, Inc., Eric Fishman verifies that it will comply with and abide by Commission guidelines and requirements, as currently written, and as modified in the future.



Eric Fishman, Esquire
Assistant Secretary, RSL

Subscribed and sworn to before me this the 19th day of March, 1997.



Notary Republic

My commission expires 3/31/98

Exhibit I
RSL COM U.S.A., Inc.

**Certificate to Do Business and
Articles of Incorporation**

0142
JUS
11

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF GOOD STANDING

FOREIGN CORPORATION

I, Joyce Hazeltine, Secretary of State of the State of South Dakota, do hereby certify that INTERNATIONAL TELECOMMUNICATIONS CORPORATION, D/B/A ITC-INTERNATIONAL TELECOMMUNICATIONS CORPORATION (DE) was authorized to transact business in this state on May 2, 1996.

I, further certify that said corporation has complied with the South Dakota law governing foreign corporations transacting business in this state, and so far as the records of this office show, said corporation is in good standing in this State at the date hereof and duly authorized to transact business in the State of South Dakota. This certificate is not to be construed as an endorsement, recommendation or notice of approval of the corporation's financial condition or business activities and practices. Such information is not available from this office.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital this July 7, 1996.

Joyce Hazeltine
JOYCE HAZELTINE
Secretary of State

State of South Dakota

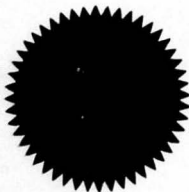


OFFICE OF THE SECRETARY OF STATE

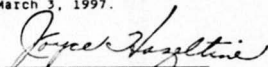
AMENDED CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for an Amended Certificate of Authority of RSL COM USA, INC. (DE) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Amended Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of RSL COM U.S.A., INC.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this March 3, 1997.


JOYCE HAZELTINE
Secretary of State

8142

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

AMENDED CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for an Amended Certificate of Authority of INTERNATIONAL TELECOMMUNICATIONS CORPORATION D/B/A ITC-INTERNATIONAL TELECOMMUNICATIONS CORPORATION (DE) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Amended Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of RSL COM USA, INC.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this March 3, 1997.

Joyce Hazeltine
JOYCE HAZELTINE
Secretary of State

8
7
4
2
3
6
1
4

RESTATED CERTIFICATE OF INCORPORATION

OF

INTERNATIONAL TELECOMMUNICATIONS CORPORATION

We, the undersigned, being the President and Assistant Secretary of International Telecommunications Corporation, a corporation organized and existing under the laws of the State of Delaware, pursuant to the provisions of Sections 242 and 245 of the General Corporation Law of Delaware, do hereby certify as follows:

1. The name of the Corporation is International Telecommunications Corporation. The name of the corporation has not been changed since its original incorporation.
2. The original Certificate of Incorporation was filed in the office of the Secretary of State of Delaware on May 18, 1990.
3. This Restated Certificate of Incorporation restates and integrates and further amends the provisions of the original Certificate of Incorporation to change the name of the corporation (Article First), to incorporate the revisions to the Restated Certificate of Incorporation set forth in the corporation's Certificate of Amendment to the Certificate of Incorporation, filed May 7, 1996 (Article Fourth), to increase the number of authorized shares of Class A Voting Common Stock of the Corporation from 95,000 to 950,000, and to increase the number of authorized shares of Class B Non-Voting Common Stock for the Corporation from 5,000 to 50,000 (Article Fourth), and to reflect the change of the corporation's registered agent and registered office, filed August 7, 1996 (Article Second).
4. This Restated Certificate of Incorporation has been approved by a majority of the outstanding shareholders of the corporation in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware.
5. The text of the Certificate of Incorporation, as restated and integrated and as further amended hereby, is restated to read as herein set forth in full:

RESTATED CERTIFICATE OF INCORPORATION

OF

RSL COM USA, INC.

FIRST. The name of this corporation is RSL COM USA, Inc.

SECOND. Its registered office in the state of Delaware is to be located at Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle. The registered agent in charge thereof is The Corporation Trust Company at "same as above."

THIRD. The nature of the business and the objects and purposes proposed to be transacted, promoted and carried on, are to do any or all the things herein mentioned, as fully and to the same extent as natural persons might or could do, and in any part of the world, viz:

"The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware."

FOURTH. 1. The total number of shares of all classes of stock which the Corporation shall have the authority to issue is One Million (1,000,000) shares of common stock, of the par value of One Cent (\$.01) per share and of the aggregate par value of Ten Thousand Dollars (\$10,000). The common stock of the Corporation is divided into 950,000 shares of Class A Voting Common Stock and 50,000 shares of Class B Non-Voting Common Stock.

2. The holders of Class A Voting Common Stock shall be entitled to vote on all matters submitted to a vote of stockholders of the Corporation and shall not be subject to redemption. Notwithstanding any other provision of this Certificate of Incorporation or the By-Laws of the Corporation or the General Laws of the State of Delaware, the number of authorized shares of any class of stock of the Corporation may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the shares of Class A Voting Common Stock.

3. The holders of Class B Non-Voting Common Stock shall not be entitled to vote on any matter submitted to a vote of the stockholders of the Corporation, except as otherwise may be required by the laws of Delaware. Such shares shall be subject to other qualifications and limitations, including, but not limited to, the right of the Corporation to redeem certain shares of Class B Non-Voting Common Stock at the redemption price of such shares as determined by the Board of Directors of the Corporation and such shares shall be subject to restrictions on transferability, all in accordance with the terms and conditions of the documents by which the shares were issued and by which the ownership of such shares is governed, as executed by the Corporation and the stockholder of such shares. The shares of Class B Non-Voting Common Stock shall be converted automatically on a one-to-one basis to shares of Class A Voting Common Stock contemporaneous with the offer for sale of any capital stock of the Corporation on a national securities exchange or the designation of any capital stock of the Corporation as national market system securities on an interdealer quotation system by the National Association of Securities Dealers, Inc. Any such conversion of each share of Class B Non-Voting Common Stock to a share of Class A Voting Common Stock shall be self-executing upon the occurrence of such offer for sale or designation without any further action by the Board of Directors, stockholders or subsequent filing with the Delaware Secretary of State. Notwithstanding the above qualifications and restrictions on shares of Class B Non-Voting Common Stock, no holder of such shares shall be entitled to any other conversion rights or preemptive rights. With the exception of the right to share equally with all holders of all shares of all classes and series of the Corporation in any dividends and/or distributions properly declared and effected by the Board of Directors of the Corporation and the right to share ratably in the distribution of assets of the Corporation upon its dissolution, the holders of Class B Non-Voting Common Stock shall have no other rights or privileges as a consequence of their ownership of such shares.

FIFTH. The powers of the incorporator are to terminate upon filing of the certificate of

incorporation, and the name(s) and mailing address(es) of persons who are to serve as director(s) until the first annual meeting of stockholders or until their successors are elected and qualify are as follows:

Charles M. Piluso
60 Hudson Street
New York, New York 10013

SIXTH. The stockholders of the Corporation shall have sole power and right to make and to alter or amend the By-Laws. The Board of Directors of the Corporation shall have power to fix the amount to be reserved as working capital, and to authorize and cause to be executed, mortgages and liens without limit as to the amount, upon the property and franchise of the Corporation.

With the consent in writing, and pursuant to a vote of the holders of a majority of the capital stock issued and outstanding, the Board of Directors shall have the authority to dispose, in any manner, of the whole property of this corporation.

The By-Laws shall determine whether and to what extent the accounts and books of this corporation, or any of them shall be open to the inspection of the stockholders, and no stockholder shall have any right of inspecting any account, or book or document of this Corporation, except as conferred by the law or the By-Laws, or by resolution of the stockholders.

The stockholders and the Board of Directors shall have power to hold their meetings and keep the books, documents and papers of the Corporation outside of the State of Delaware, at such places as may be from time to time designated by the By-Laws or by resolution of the stockholders or directors, except as otherwise required by the laws of Delaware.

It is the intention that the objects, purposes and powers specified in the Third paragraph hereof shall, except where otherwise specified in said paragraph, be nowise limited or restricted by reference to or inference from the terms of any other clause or paragraph in this certificate of incorporation, but that the objects, purposes and powers specified in the Third paragraph and in each of the clauses or paragraphs of this charter shall be regarded as independent objects, purposes and powers.

SEVENTH. The Board of Directors of the corporation shall not be liable to either the corporation or its stockholders for monetary damages for a breach of fiduciary duties unless the breach involves: (1) a director's duty of loyalty to the corporation or its stockholders; (2) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (3) liability for unlawful payments or dividends or unlawful stock purchases or redemption by the corporation; or (4) a transaction from which the director derived an improper personal benefit.

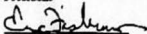
IN WITNESS WHEREOF, the undersigned being the President and Assistant Secretary hereinabove named, do hereby further certify that the facts hereinabove stated are truly set forth and accordingly have hereunto set their hand and seal.

Dated at Rosslyn, Virginia
January 8, 1997

ITZHAK FISHER

Itzhak Fisher

President



Eric Fishman

Assistant Secretary

814235.18

RESTATED CERTIFICATE OF INCORPORATION

OF

RSL COM USA, Inc.

We, the undersigned, being the President and Assistant Secretary of RSL COM USA, Inc. (formerly International Telecommunications Corporation), a corporation organized and existing under the laws of the State of Delaware, pursuant to the provisions of Sections 242 and 245 of the General Corporation Law of Delaware, do hereby certify as follows:

1. The original name of the Corporation was International Telecommunications Corporation. By a Restated Certificate of Incorporation filed January 8, 1997, the name of the corporation was changed to RSL COM USA, Inc.
2. The original Certificate of Incorporation was filed in the office of the Secretary of State of Delaware on May 18, 1990.
3. This Restated Certificate of Incorporation restates and integrates and further amends the provisions of the original Certificate of Incorporation to change the name of the corporation to RSL COM U.S.A., Inc. (Article First).
4. This Restated Certificate of Incorporation has been approved by a majority of the outstanding shareholders of the corporation in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware.
5. The text of the Certificate of Incorporation, as restated and integrated and as further amended hereby, is restated to read as herein set forth in full:

RESTATED CERTIFICATE OF INCORPORATION

OF

RSL COM U.S.A., INC.

FIRST. The name of this corporation is RSL COM U.S.A., Inc.

SECOND. Its registered office in the state of Delaware is to be located at Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle. The registered agent in charge thereof is The Corporation Trust Company at "same as above."

THIRD. The nature of the business and the objects and purposes proposed to be transacted, promoted and carried on, are to do any or all the things herein mentioned, as fully and to the same extent as natural persons might or could do, and in any part of the world, viz:

"The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware."

FOURTH. 1. The total number of shares of all classes of stock which the Corporation shall have the authority to issue is One Million (1,000,000) shares of common stock, of the par value of One Cent (\$.01) per share and of the aggregate par value of Ten Thousand Dollars (\$10,000). The common stock of the Corporation is divided into 950,000 shares of Class A Voting Common Stock and 50,000 shares of Class B Non-Voting Common Stock.

2. The holders of Class A Voting Common Stock shall be entitled to vote on all matters submitted to a vote of stockholders of the Corporation and shall not be subject to redemption. Notwithstanding any other provision of this Certificate of Incorporation or the By-Laws of the Corporation or the General Laws of the State of Delaware, the number of authorized shares of any class of stock of the Corporation may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the shares of Class A Voting Common Stock.

3. The holders of Class B Non-Voting Common Stock shall not be entitled to vote on any matter submitted to a vote of the stockholders of the Corporation, except as otherwise may be required by the laws of Delaware. Such shares shall be subject to other qualifications and limitations, including, but not limited to, the right of the Corporation to redeem certain shares of Class B Non-Voting Common Stock at the redemption price of such shares as determined by the Board of Directors of the Corporation and such shares shall be subject to restrictions on transferability, all in accordance with the terms and conditions of the documents by which the shares were issued and by which the ownership of such shares is governed, as executed by the Corporation and the stockholder of such shares. The shares of Class B Non-Voting Common Stock shall be converted automatically on a one-to-one basis to shares of Class A Voting Common Stock contemporaneous with the offer for sale of any capital stock of the Corporation on a national securities exchange or the designation of any capital stock of the Corporation as national market system securities on an interdealer quotation system by the National Association of Securities Dealers, Inc. Any such conversion of each share of Class B Non-Voting Common Stock to a share of Class A Voting Common Stock shall be self-executing upon the occurrence of such offer for sale or designation without any further action by the Board of Directors, stockholders or subsequent filing with the Delaware Secretary of State. Notwithstanding the above qualifications and restrictions on shares of Class B Non-Voting Common Stock, no holder of such shares shall be entitled to any other conversion rights or preemptive rights. With the exception of the right to share equally with all holders of all shares of all classes and series of the Corporation in any dividends and/or distributions properly declared and effected by the Board of Directors of the Corporation and the right to share ratably in the distribution of assets of the Corporation upon its dissolution, the holders of Class B Non-Voting Common Stock shall have no other rights or privileges as a consequence of their ownership of such shares.

FIFTH. The powers of the incorporator are to terminate upon filing of the certificate of incorporation, and the name(s) and mailing address(es) of persons who are to serve as director(s) until the first annual meeting of stockholders or until their successors are elected and qualify are as follows:

Charles M. Piluso
60 Hudson Street
New York, New York 10013

SIXTH. The stockholders of the Corporation shall have sole power and right to make and to alter or amend the By-Laws. The Board of Directors of the Corporation shall have power to fix the amount to be reserved as working capital, and to authorize and cause to be executed, mortgages and liens without limit as to the amount, upon the property and franchise of the Corporation.

With the consent in writing, and pursuant to a vote of the holders of a majority of the capital stock issued and outstanding, the Board of Directors shall have the authority to dispose, in any manner, of the whole property of this corporation.

The By-Laws shall determine whether and to what extent the accounts and books of this corporation, or any of them shall be open to the inspection of the stockholders, and no stockholder shall have any right of inspecting any account, or book or document of this Corporation, except as conferred by the law or the By-Laws, or by resolution of the stockholders.

The stockholders and the Board of Directors shall have power to hold their meetings and keep the books, documents and papers of the Corporation outside of the State of Delaware, at such places as may be from time to time designated by the By-Laws or by resolution of the stockholders or directors, except as otherwise required by the laws of Delaware.

It is the intention that the objects, purposes and powers specified in the Third paragraph hereof shall, except where otherwise specified in said paragraph, be nowise limited or restricted by reference to or inference from the terms of any other clause or paragraph in this certificate of incorporation, but that the objects, purposes and powers specified in the Third paragraph and in each of the clauses or paragraphs of this charter shall be regarded as independent objects, purposes and powers.

SEVENTH. The Board of Directors of the corporation shall not be liable to either the corporation or its stockholders for monetary damages for a breach of fiduciary duties unless the breach involves: (1) a director's duty of loyalty to the corporation or its stockholders, (2) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) liability for unlawful payments or dividends or unlawful stock purchases or redemption by the corporation, or (4) a transaction from which the director derived an improper personal benefit.

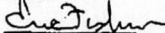
IN WITNESS WHEREOF, the undersigned being the President and Assistant Secretary hereinabove named, do hereby further certify that the facts hereinabove stated are truly set forth and accordingly have hereunto set their hand and seal.

Dated at Rosslyn, Virginia
January 15, 1997

ITZHAK FISHER

Itzhak Fisher

President



Eric Fishman

Assistant Secretary

Exhibit II
RSL COM U S A., Inc.

Profiles of Key Personnel

TECHNICAL, FINANCIAL AND MANAGERIAL EXPERIENCE

Applicant's key personnel have many years of experience in telecommunications business and bring to RSL the technical, financial and managerial experience necessary to provide high quality services.

Charles M. Piluso

Mr. Piluso is the founder and Chairman of RSL COM U.S.A., Inc. and of RSL Com PrimeCall, Inc., as well as their parent corporation, International Telecommunications Group, Ltd. Mr. Piluso brings management and finance expertise to his position. Prior to establishing RSL COM U.S.A., Inc. and ITG, Mr. Piluso served as President, Business Networks of America (1987-1989); General Manager, Sales and Sales Engineering, United Technologies Communications Corporation (1984-1987); and Manager, Business Development, and other positions in Sales Management and Marketing Management at ITT Corp. (1978-1984). Mr. Piluso holds Bachelor's and Master's Degrees in Political Science from St. John's University, and a Master's Degree in Business Administration, with a specialty in Accounting and Marketing from St. John's University. Mr. Piluso has held teaching positions as an Instructor and Professor in the College of Business, Department of Management, at St. John's University.

Itzhak Fisher

Mr. Fisher is Co-Chairman and President of RSL COM U.S.A., Inc., and of RSL's parent corporation International Telecommunications Group, Ltd. ("Ltd.") and a director, President and Chief Executive Officer of ITG's parent, RSL Communications, Ltd., all international telecommunication companies. Prior to his employment at RSL and ITG, from 1992 to 1994, Mr. Fisher served as General Manager of Clalcom, the telecommunications subsidiary of Clal (Israel), Ltd., Israel's largest investment corporation. Prior to joining Clalcom, he served as a Special Consultant to the President of Bezeq, Israel's national telecommunications company, from 1993 to 1994. In 1993 he founded Aurec Goldnet, a company that provides on-line data and electronic mail services in Israel. In 1991, he founded Medic Media, a company engaged in the business of renting telephone and television systems in hospitals throughout Israel. Mr. Fisher holds a Bachelor's in Economics from Tel Aviv University, and a Master's Degree in Computer Science from New York University.

Lawrence Vierra

Lawrence Vierra serves as Senior Vice President of International Telecommunications Group, Ltd. Prior to his employment at ITG, Mr. Vierra served as Vice-President, International, at GTE International (1994-1995); Vice-President, Marketing and International Services, Codetel (1993-1994); Director, International Services, GTE-Hawaiian Telephone Company (1987-1993); and Vice-President, Telecommunications, Charles Schwab & Co (1978-1983). Mr. Vierra holds Bachelor's and Master's Degrees in Business Administration from St. Mary's University and Nova Southeastern University, respectively.

Eric Fishman

Eric Fishman serves as Assistant Secretary and General Counsel of RSL COM U.S.A., Inc. and RSL COM PrimeCall, Inc. Mr. Fishman is Special Counsel to the law firm of Fletcher, Heald & Hildreth, P.L.C., where he practices telecommunications and general business law. Mr. Fishman holds a J.D. Degree from Columbia University School of Law, a Ph.D. from Columbia University, and a B.A. Degree from the University of Chicago. He is a member of the New York State and District of Columbia Bars.

Richard P. Rebetti, Jr.

Richard P. Rebetti, Jr. is the President of RSL COM PrimeCall, Inc., and the Treasurer of RSL COM U.S.A., Inc. Both companies are telecommunications carriers authorized by the Federal Communications Commission to provide interstate and international services, and by various state regulatory bodies, including New York and Florida, to resell intrastate interexchange telecommunications services. Mr. Rebetti brings management, customer service and finance expertise to his positions. Mr. Rebetti holds a Bachelor's Degree in Finance from St. John's University, a Master's Degree in Management from Baruch College, City University of New York, and an Advanced Personal Certificate in Accounting from St. John's University.

Arnold Goodstein

Arnold Goodstein serves as Senior Vice-President of RSL COM PrimeCall, Inc., where he is responsible for the company's Global key prepaid calling card program. From 1991 through May 1996, Mr. Goodstein was the founder, President and CEO of Public Switch Corporation, an operator services company, and from 1984 through 1991, Mr. Goodstein served as President of Coin Operated Telecommunications, a wholesale distributor of private pay phones in the New York-New Jersey area. Mr. Goodstein holds a Bachelor's Degree in Electrical Engineering from Polytechnic Institute of Brooklyn.

Sidney P. Huang

Sidney P. Huang serves as Director of Enhanced Services of RSL COM U.S.A., Inc., where he develops new products and product enhancements, as well as managing the call handling capability of debit card services marketed by RSL COM PrimeCall, Inc. Mr. Huang received a B.A. from Brown University in 1977 and holds a Master's Degree in Computer Science from New York University.

Exhibit III
RSL COM U.S.A., Inc

Tariff

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by RSL COM U.S.A., Inc., with offices at 169 EAB Plaza, West Tower, 8th Floor, Uniondale, NY 11556. This tariff applies for services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the Company's place of business.

Issued:

Effective:

Carl Borroso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

CHECK SHEET

Sheets 1 through 20 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

<u>SHEET</u>	<u>REVISION</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

TABLE OF CONTENTS

	<u>Page</u>
Title Sheet	1
Check Sheet	2
Table of Contents	3
Section 1 - Technical Terms and Abbreviations	6
Section 2 - Rules and Regulations	7
Section 3 - Description of Service	13
Section 4 - Rates	18

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SYMBOLS

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

- (DR) - Discontinued rate
- (AT) - Additions to text
- (RT) - Removal of text
- (CR) - Change in rate
- (CP) - Change in practice
- (CT) - Change in text
- (NR) - New rate
- (C) - A correction
- (MT) - Move of text

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

TARIFF FORMAT

- A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the P.U.C. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the most current sheet number on file with the P.U.C. is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2 1
 - 2 1 1
 - 2 1 1 A
 - 2 1 1 A 1
 - 2 1 1 A 1 (a)
 - 2 1 1 A 1 (a) I
 - 2 1 1 A 1 (a) I (i)
 - 2 1 1 A 1 (a) 1 (i) (1)
- D. Check Sheets - When a tariff filing is made with the P.U.C., an updated check sheet accompanies the tariff filing. The check sheet lists the sheets 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. All revisions made in a given filing are designated by an asterisk. There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the P.U.C.

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to a RSL COM U.S.A., Inc. network switching center.

Authorization Code - 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.

Company or Carrier- RSL COM U.S.A., Inc.

Customer- The person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with the Company's tariff regulations.

Day - From 8:00 AM up to but not including 5:00 PM local time Monday through Friday.

Commission - South Dakota Public Utilities Commission.

Evening - From 5:00 PM up to but not including 11:00 PM local time Sunday through Friday.

Holidays - RSL COM U.S.A., Inc.'s recognized holidays are New Year's Day, Martin Luther King, Jr. Day, Presidents Day, St. Patrick's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day.

Night/Weekend - From 11:00 PM up to but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to but not including 5:00 PM Sunday.

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of RSL COM U.S.A., Inc.**

RSL COM U.S.A., Inc. services and facilities are furnished for communications originating at specified points within the State of South Dakota under terms of this Tariff. RSL COM U.S.A., Inc. installs, operates, and maintains the communication services provided here under in accordance with the terms and conditions set forth under this Tariff. It 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 RSL COM U.S.A., Inc. network. The customer shall be responsible for all charges due for such service arrangement. The Company's services and facilities are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of facilities and the provisions of this tariff.
- 2.2.2 RSL COM U.S.A., Inc. reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control, or when the customer is using service in violation of the law or the provisions of this Tariff.
- 2.2.3 All facilities provided under this Tariff are directly or indirectly controlled by RSL COM U.S.A., Inc. and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

Issued

Effective

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations (Cont.)

2.2.4 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this Tariff shall apply to all such permitted assignees or transferees, as well small conditions for service.

2.2.5 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.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of The Company

2.4.1 RSL COM U S A , Inc.'s liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customers for the period during which the aforementioned faults in transmission occur.

2.4.2 RSL COM U S A , Inc. shall not be liable for and shall be held harmless by the customer against:

- (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over the Company's facilities.

Issued:

Effective

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 2 - RULES AND REGULATIONS

2.4 Liabilities of The Company (Cont.)

- (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by RSL COM U.S.A., Inc.

2.5 Interruption of Service

- 2.5.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence of the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.4 herein. It shall be obligation of the customer to notify the Company immediately of any interruption in service for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, or is not in wiring or equipment, if any, furnished by the customer and connected to the Company's facilities.
- 2.5.2 For purposes of credit computation, every month shall be considered to have 720 hours.
- 2.5.3 No credit shall be allowed for an interruption of a continuous duration of less than two hours.
- 2.5.4 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 facilities affected for each hour or major fraction thereof that the interruption continues.

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

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 2 - RULES AND REGULATIONS**2.5 Interruption of Service (Cont.)**

"A" - outage time in hours

"B" - total monthly charge for affected facility

2.6 Restoration of Service

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

2.7 Advance Payments

When the Company has reason to believe that it is necessary to assure future payment, it reserves the right to collect a service deposit in an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charge; and if necessary a new advance payment will be collected for the next month.

2.8 Taxes

All state and local taxes (i.e., gross receipts tax sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.9 Cancellation by Customer

Customer may cancel service by providing written notice to the Company.

2.10 Refusal or Discontinuance by Company

RSL may refuse or discontinue service under the following conditions and in accordance with P.U.C. rules, if any. Unless otherwise stated, the Customer will

Issued:

Effective:

Carl Boruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 2 - RULES AND REGULATIONS**2.10 Refusal or Discontinuance by Company (Cont.)**

be given 30 day's written notice and allowed a reasonable time to comply with any rule or remedy any deficiency.

- (a) For non-compliance with and/or violation of any State or municipal law, ordinance or regulation pertaining to telephone service.
- (b) For the use of telephone service for any other property or purpose other than that described in the application.
- (c) For failure or refusal to provide the Company with a deposit, when requested, to insure payment of bills in accordance with the Company's regulations or failure to meet the Company's credit requirements.
- (d) For neglect or refusal to provide reasonable access to Company for the purpose of inspection and maintenance of Company-owned Equipment.
- (e) For non-compliance with and/or violation of the P.U.C.'s regulations or the Company's rules and regulations on file with the P.U.C., provided 30 days' written notice is given before termination.
- (f) For non-payment of bills for telephone service. Suspension or termination of service shall not be made without five (5) working days' written notice to the Customer, or otherwise, in compliance with P.U.C. rules.
- (g) Without notice in the event of Customer use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
- (h) Without notice in the event of tampering with the equipment furnished

Issued

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 2 - RULES AND REGULATIONS

2.10 Refusal or Discontinuance by Company (Cont.)

and owned by the Company.

- (i) Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his own expense, all changes in facilities or equipment necessary to eliminate illegal use.
- (j) For failure of the Customer to make proper application for service.
- (k) When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.

Issued

Effective:

Carl Boruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 3 - DESCRIPTION OF SERVICE**3.1 Timing of Calls**

The customer's long distance usage charge is based on the actual usage of RSL COM U.S.A., Inc.'s network. Usage begins when the called destination returns answer supervision, determined through receipt of a signal sent by the local telephone company to the RSL switch, or through software utilizing audio tone detection. When software answer supervision is employed, up to 60 seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.2 Minimum Grade of Service

A customer can expect a minimum grade of service (successful access to non-RSL networks) of not less than 90% during peak use periods for all FG D services.

3.3 Special Services

For the purpose of this tariff, a Special Service is deemed to be any service requested by the customer for which there is no prescribed rate in this tariff. Special Service charges will be developed on an individual case basis and filed in this tariff.

3.4 General Description of RSL's Communication Services

There are four types of service: Common shared access switched service, hereinafter referred to as Message Toll Service or MTS, inbound Wide Area Telecommunications Service (WATS), Directory Assistance and Prepaid Card Service. The customer's total monthly use of Company's service is charged at the applicable rates per minute set forth herein.

Issued

Effective

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 3 - DESCRIPTION OF SERVICE**3.4.1 Message Toll Service (MTS)**

MTS service is a one-way direct dial service utilizing dial-up access, making use of common shared access lines connecting the customer with RSL facilities. In central offices where equal access is not available, customers may use MTS service by dialing a 7-digit access number. MTS is available to business and residential Customers for direct dial calling from presubscribed telephones. There is no minimum commitment required. Calls are billed in six (6) second increments after the initial minimum period of eighteen (18) seconds, with the fraction, if any, of the last minute of each call rounded up to the next highest whole minute, unless stated otherwise.

3.4.2 Inbound Wide Area Telecommunications Service (WATS)

WATS service is a custom switched telecommunications service which permits inbound 800-number service from stations located in the State of South Dakota to a station associated with a customer's local exchange telephone number. For each call under the WATS option the minimum charge shall be the applicable charge for one minute of use with use in excess of one minute during a call charged at the applicable rate per minute, with the fraction, if any, of the last minute of each call rounded up to the next highest tenth of one minute, unless stated otherwise. For plans that offer a volume discount, interstate, intrastate and international calls (except directory acceptance calls) will be aggregated to determine the Customer's volume level achieved in a monthly billing cycle.

Issued

Effective

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 3 - DESCRIPTION OF SERVICE

3.4.3 Directory Assistance

Directory Assistance is available to customers of any of RSL's services. A charge will apply to each Directory Assistance call. The charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number. Up to two requests may be made on each Directory Assistance call. Directory Assistance charges will not count towards any volume discounts.

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 3 - DESCRIPTION OF SERVICE**3.4.4 Prepaid Card Service**

Prepaid Card Service is a switched service that enables an end-user to place calls charged to prepaid phone cards issued by RSL. The end-user accesses the network by dialing the appropriate RSL 800 number printed on the back of the card.

The Prepaid Card is available in 10, 20, 50, 100 and 200 dollar denominations. Each minute of service will cost the same, regardless of intrastate destination or time of day.

RSL is not liable or responsible for theft, loss or unauthorized use of cards or card numbers. RSL will not refund or issue credit on unused units (minutes) of the Prepaid Card. The Customer(s) of Prepaid Card Service is solely responsible for payment of all applicable federal, state or local use, excise, sales or privilege taxes, duties or any similar fees that may be assessed by any governmental body or regulatory authority in connection with the service.

A. Availability

Prepaid Card Service is available 24 hours a day, 7 days a week. Card availability is limited and shall be handled on a first come, first served basis. Prepaid Card Service can be accessed through touchtone telephones only. 900 calls cannot be made on the Prepaid Card.

B. Card Depletion/Renewal or Expiration

Each time the card is used, the end-user hears a message stating the amount of minutes remaining on the card. Sixty (60) seconds prior to the card being depleted, the user hears a warning.

Issued

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 3 - DESCRIPTION OF SERVICE

3.4.4 Prepaid Card Service (Cont.)

announcing the time remaining on the card. If the end user is holding a re-usable card, the user can extend the value of the card increments identified via voice prompt by charging the cost of additional increments on an authorized major credit card. The system will prompt the user through the processes necessary to purchase these additional increments on the phone card. An online credit check will be done to ensure available credit.

Each Prepaid Card will expire twelve (12) months following activation of the cards.

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 4 - RATES**4.1 Time of Day Rate Periods**

For time of day sensitive products, the appropriate rates apply for day (DAY), evening (NON-DAY) and night/weekend (NON-DAY) calls based on the following chart.

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM	DAYTIME RATE PERIOD						
5:00 PM TO 11:00 PM*	EVENING AND NON-DAY RATE PERIOD						EVE & N.D.
11:00 PM TO 8:00 AM*	NIGHT/WEKEND AND NON-DAY RATE PERIOD						

* to, but not including

Calls are billed based on the rate in effect for the actual time period(s) during which the call occurs. Calls that cross rate period boundaries are billed the rates in effect in that boundary for each portion of the call.

4.2 Rates and Charges

The Customer is charged individually for each call placed through the Carrier. Customers are billed based on their use of RSL's service. Rates may vary by call duration, time of day, and product type.

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 4 - RATES**4.2.1 MTS and WATS Services**

Calls are billed in six (6) second increments after the initial minimum period of eighteen (18) seconds.

Mileage	DAYTIME		EVENING		NIGHT/WEEKEND	
	Initial 18 Sec.	Add'l 6 Sec.	Initial 18 Sec.	Add'l 6 Sec.	Initial 18 Sec.	Add'l 6 Sec.
All Miles	0637	0212	0508	0169	.0508	0169

4.2.2 Prepaid Card Service

Each minute of service, or any portion thereof, will cost \$0.33, regardless of intrastate destination or time of day.

4.2.3 Directory Assistance

Directory Assistance is available to Customers of RSL's MTS, WATS and Prepaid Card Services. Directory Assistance charge applies to each call to the Directory Assistance Bureau. Up to two requests may be made on each call to Directory Assistance. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

Per Call Charge: \$0.75

Issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

SECTION 4 - RATES

4.3 Special Promotions

The company will, from time to time, offer special promotions to its customers waiving certain charges. These promotions will be approved by the P.U.C. with specific starting and ending dates and under no circumstances run for longer than 90 days in any 12 month period.

issued:

Effective:

Carl Borruso
169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000

8
2
4
2
5
4
5
Exhibit IV
RSL COM U S A, Inc.

Financial Information

**INTERNATIONAL TELECOMMUNICATIONS GROUP LTD.
AND SUBSIDIARIES**

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1995:	
Consolidated Balance Sheet	2
Consolidated Statement of Operations and Accumulated Deficit	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5-11



INDEPENDENT AUDITORS' REPORT

To the Stockholders of
International Telecommunications Group Ltd. and Subsidiaries

We have audited the accompanying consolidated balance sheet of International Telecommunications Group Ltd. and Subsidiaries (the "Company") as of December 31, 1995, and the related consolidated statements of operations and accumulated deficit, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the consolidated financial position of International Telecommunications Group Ltd. and Subsidiaries at December 31, 1995, and the results of their operations and their cash flows for the year then ended in conformity with generally accepted accounting principles.

Deloitte & Touche LLP

New York, New York
June 14, 1996

**INTERNATIONAL TELECOMMUNICATIONS GROUP LTD.
AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEET
DECEMBER 31, 1995**

ASSETS

CURRENT ASSETS

Cash	\$ 2,920,452
Accounts receivable, net of allowance for bad debts of \$1,594,766	5,997,133
Prepaid expenses	319,141
Stock subscription receivable (subsequently received)	1,750,000
Other current assets	<u>288,484</u>
Total current assets	<u>11,275,210</u>

PROPERTY AND EQUIPMENT

Telecommunications equipment	3,581,130
Equipment held under capital leases	5,629,329
Furniture, fixtures and other	825,332
Construction in progress	<u>1,189,684</u>
	<u>11,225,475</u>

Less accumulated depreciation	<u>(926,540)</u>
-------------------------------	------------------

Property and equipment - net	<u>10,298,935</u>
------------------------------	-------------------

GOODWILL - Net of accumulated amortization	<u>15,283,535</u>
--	-------------------

DEPOSITS AND OTHER ASSETS	<u>901,941</u>
---------------------------	----------------

TOTAL ASSETS	<u>\$37,759,621</u>
--------------	---------------------

LIABILITIES AND STOCKHOLDERS' DEFICIENCY

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$21,283,444
Notes payable	2,235,967
Current portion of capital lease obligations	270,507
Due to affiliates	310,913
Other liabilities	<u>3,176,239</u>

Total current liabilities	<u>27,277,070</u>
---------------------------	-------------------

OTHER LIABILITIES - Noncurrent	<u>8,905,703</u>
--------------------------------	------------------

LONG TERM DEBT	<u>1,604,123</u>
----------------	------------------

CAPITAL LEASE OBLIGATIONS - Less current portion	<u>5,043,498</u>
--	------------------

Total liabilities	<u>42,830,394</u>
-------------------	-------------------

COMMITMENTS AND CONTINGENCIES

REDEEMABLE CONVERTIBLE PREFERRED STOCK -

\$ 10 par value - 100,000 shares authorized; 66,667 shares issued and outstanding	<u>4,750,000</u>
--	------------------

STOCKHOLDERS' DEFICIENCY

Common stock - par value \$ 01, 1,000,000 shares authorized; 245,714 shares issued and outstanding	2,457
Additional paid in capital	7,063,056
Accumulated deficit	<u>(16,836,286)</u>

Total stockholders' deficiency	<u>(9,820,773)</u>
--------------------------------	--------------------

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	<u>\$37,759,621</u>
--	---------------------

See notes to consolidated financial statements

**INTERNATIONAL TELECOMMUNICATIONS GROUP LTD.
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT
YEAR ENDED DECEMBER 31, 1995**

REVENUES	\$ 43,025,267
COST OF SERVICES	<u>40,533,006</u>
Gross Profit	2,492,261
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>13,823,852</u>
LOSS FROM OPERATIONS	(11,331,591)
INTEREST INCOME	102,572
INTEREST EXPENSE	<u>(504,267)</u>
NET LOSS	(11,733,286)
ACCUMULATED DEFICIT, JANUARY 1, 1995	<u>(5,153,000)</u>
ACCUMULATED DEFICIT, DECEMBER 31, 1995	<u><u>\$ (16,886,286)</u></u>

See notes to consolidated financial statements

INTERNATIONAL TELECOMMUNICATIONS GROUP LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 1995

CASH FLOWS USED IN OPERATING ACTIVITIES	
Net loss	\$ (11,733,286)
Adjustments to reconcile net loss to net cash used in operating activities, net of effects of purchase of subsidiaries	
Depreciation and amortization	871,139
Provision for losses on accounts receivable	8,119,624
Changes in assets and liabilities	
Increase in accounts receivables	(10,496,487)
Increase in prepaid expenses	(117,597)
Decrease in other current assets	348,243
Decrease in deposits	150,832
Increase in accounts payable and accrued expenses	11,854,020
Increase in due to affiliates	250,000
Increase in other liabilities	340,944
Net cash used in operating activities	(412,568)
CASH FLOWS USED IN INVESTING ACTIVITIES	
Acquisition of subsidiary	(1,500,000)
Purchase of property and equipment	(1,998,966)
Net cash used in investing activities	(3,498,966)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	
Payment of notes payable	(2,919,214)
Proceeds from issuance of common stock	6,000,000
Proceeds from issuance of preferred stock	3,000,000
Principal payments under capital lease obligations	(170,665)
Proceeds from long term debt	470,000
Net cash provided by financing activities	6,380,121
INCREASE IN CASH	2,468,587
CASH AT JANUARY 1, 1995	451,865
CASH AT DECEMBER 31, 1995	\$ 2,920,452
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION	
Cash paid for -	
Interest	\$ 247,994
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING ACTIVITIES	
Assets acquired under capital lease obligations	\$ 4,950,333

See notes to consolidated financial statements

INTERNATIONAL TELECOMMUNICATIONS GROUP LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 1995

1. BUSINESS DESCRIPTION

International Telecommunications Group Ltd. and its subsidiaries ("ITG") operate a domestic and international communications network which provides international and domestic long distance telephone services for businesses and individuals in the United States and abroad.

2. ACQUISITION

Effective September 1, 1995, ITG's subsidiary International Telecommunications Corporation ("ITC") (collectively, "ITG") consummated a stock purchase agreement with Cyberlink, Inc. ("Cyberlink") and Cyberlink's principal stockholder.

The agreement provided for the purchase of 51% of the capital stock of Cyberlink. The purchase price consisted of \$1,500,000 paid to Cyberlink and assumption of net liabilities of \$14,131,000. In connection with the purchase of Cyberlink, the Company recorded approximately \$15,631,000 of goodwill.

In connection with the acquisition of Cyberlink, the 49% minority stockholders of Cyberlink may sell their shares to ITC at fair market value if ITC consummates an initial public offering of its securities. ITC can call the 49% minority stockholders' shares at any time after December 31, 1996 for a price equal to 49% of the sum of eight times Cyberlink's average monthly revenues of the last quarter prior to exercise date plus cash minus long-term liabilities.

The acquisition has been accounted for by the purchase method of accounting, and accordingly, the purchase price has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The excess of the purchase price over the estimated fair values of the net assets acquired has been recorded as goodwill, which will be amortized over fifteen years.

The accompanying consolidated statements of operations and accumulated deficit and cash flows include the results of Cyberlink from its date of acquisition through December 31, 1995.

8142.355

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management Assumptions - The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at December 31, 1995 and the reported amounts of revenues and expenses during the year ended December 31, 1995. Such estimates primarily relate to reserves recorded for doubtful accounts and accruals for litigation and other claims. Actual results could differ from these estimates.

The Company records payments received in advance for prepaid calling card services and services to be supplied under contractual agreements as deferred revenues until such related services are provided. Deferred revenue is included in other current liabilities in the accompanying balance sheet.

- 6 -

8
7
6
5
4
3
2
1

Property and Equipment and Related Depreciation - Property and equipment are stated at cost or fair value, at the date of acquisition, and in the case of equipment under capital leases, the present value of the future minimum lease payments, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the depreciable assets, which range from five to fifteen years. Improvements are capitalized, while repair and maintenance costs are charged to operations as incurred. Construction in progress represents costs incurred in connection with the building of a switch facility center.

Deposits - Deposits consist principally of amounts paid to the Company's providers of telephone access lines.

Income Taxes - The Company accounts for income taxes under the provisions of Statement of Financial Accounting Standards ("SFAS") No. 109, *Accounting for Income Taxes*. SFAS No. 109 establishes financial accounting and reporting standards for the effect of income taxes that result from activities during the current and preceding years. SFAS No. 109 requires an asset and liability approach for financial reporting for income taxes.

New Accounting Standards - During 1995, the Company adopted SFAS No. 121, *Impairment of Long-Lived Assets*. There was no adjustment recorded as a result of adopting this standard. The Company periodically compares the carrying value of its long-lived assets, principally property and equipment, to undiscounted cash flows generated by the long-lived assets. The Company's undiscounted cash flows exceed the carrying value of its long-lived assets.

4. CONCENTRATION OF CREDIT RISK

The Company is subject to significant concentrations of credit risk which consist principally of trade accounts receivable. The Company sells a significant portion of its services to other carriers and, as a result, maintains significant receivable balances with certain carriers. If the financial condition and operations of these customers deteriorate below critical levels, the Company's operating results could be adversely affected. During 1995, one of the Company's customers, which represented approximately 11% of the Company's 1995 sales, failed to meet minimum payments schedules and, as a result, the Company terminated services to this customer. Consequently, the customer refused to pay outstanding receivable balances totaling approximately \$4,900,000. At December 31, 1995, the Company had written off the entire \$4,900,000. The Company has commenced legal proceedings to recover amounts owed to the Company.

The Company now performs ongoing credit evaluations of its customer's financial condition and requires collateral in the form of deposits in certain circumstances.

5. RELATED PARTY TRANSACTIONS

Due to affiliates, aggregating \$310,913 at December 31, 1995, consists of a short-term loan from Incom UK.

It is the intention of the Company's stockholders to continue to support the operations of the Company through January 1, 1997.

6. INCOME TAXES

No provision for income taxes has been made because the Company has sustained cumulative losses since the commencement of its operations in 1994. For the year ended December 31, 1995, the Company had net operating loss carryforwards generated primarily in the United States of approximately \$16,900,000. The net operating loss carryforwards will expire at various dates beginning in 2009 through 2010 if not utilized.

In accordance with SFAS No. 109, the Company has computed the components of deferred income taxes as follows:

Deferred tax assets	\$ 12,800,000
Less valuation allowance	<u>(12,800,000)</u>
Net deferred tax assets	<u>\$ -</u>

The Company's net operating losses and legal reserves generated the deferred tax assets. At December 31, 1995, a valuation allowance of \$12,800,000 is provided as the realization of the deferred tax benefits are not likely.

7. NOTES PAYABLE AND LONG-TERM DEBT

ITC has a series of notes payable to different vendors in the amount of \$698,652 which bear interest at the rates from 8% to 14.5%, of which \$564,529 is current.

Cyberlink has a credit agreement which provides for up to \$5,000,000 in committed credit lines to finance its accounts receivable. Interest is payable at 2 1/4% over the prime rate of interest (prime being 8.50% at December 31, 1995). A second credit line provides for up to \$2,000,000 in capital expenditure financing with interest payable at 2 1/2% over the prime rate. The total amount outstanding at December 31, 1995 from the above credit lines are \$1,566,438 and \$470,000, respectively. The credit line terminates on August 31, 1998. Borrowings under both of these credit lines are collateralized by a pledge of the common stock owned by Cyberlink's president and substantially all of Cyberlink's assets and are personally guaranteed by the president of Cyberlink.

Cyberlink has a long-term note payable to a vendor in the amount of \$1,000,000 which bears interest at the rate of 10%, commencing January 1, 1997.

Long term debt matures as follows:

1996	\$ 2,235,967
1997	1,134,123
1998	<u>470,000</u>
Total	3,840,090
Less current maturities	<u>(2,235,967)</u>
	<u>\$ 1,604,123</u>

ITG's notes payable had fair values that approximated their carrying amounts.

Interest expense on the above notes was approximately \$171,160 for the year ended December 31, 1995.

8. **GOODWILL**

Goodwill at December 31, 1995 consists of the following:

Goodwill	\$15,630,889
Less accumulated amortization	<u>(347,354)</u>
Goodwill net	<u>\$15,283,535</u>

Amortization expense for the year ended December 31, 1995 was \$347,354.

9. **STOCKHOLDERS' DEFICIENCY**

Common Stock

During 1995 the Company issued 45,714 shares of common stock for cash aggregating \$6,000,000.

Preferred Stock

During 1995 the Company issued 66,667 shares of its preferred stock to the holder, RSL Communications, Ltd. ("RSL") of its common stock for cash of \$3,000,000 and a stock subscription receivable of \$1,750,000. The preferred stock ranks senior to the Company's common stock as to dividends and a liquidation preference of \$45 per share, plus accrued and unpaid dividends. Each share is convertible at the holder's option into one share of common stock. All preferred shares will be automatically converted into the Company's common stock in the event of the consummation of a public offering that yields proceeds in excess of \$25,000,000 at a price per share in excess of 250% of the conversion price. Dividends, at the rate of 8.25%, are cumulative.

10. CAPITAL LEASE OBLIGATIONS

Future minimum annual payments applicable to assets held under capital lease obligations for years subsequent to December 31, 1995 are as follows:

1996	\$ 388,997
1997	357,356
1998	1,231,017
1999	1,576,947
2000	1,260,599
2001 and thereafter	<u>3,253,868</u>
Total minimum lease obligations	8,068,784
Less interest	<u>(2,754,779)</u>
Present value of future minimum lease obligations	5,314,005
Less current portion	<u>(270,507)</u>
Long term lease obligations at December 31, 1995	<u>\$5,043,498</u>

Assets held under capital leases aggregated \$5,243,694 (net of accumulated depreciation of \$385,635)

The assets and liabilities under capital leases are recorded at the present value of the minimum lease payments using effective interest rates ranging from 9% to 11% per annum.

11. EMPLOYMENT AGREEMENTS

The Company has employment contracts with certain of its executive officers. These agreements expire beginning April 1998 through May 2000 unless terminated earlier by the executive or the Company, and provides for an annual base salary. Salary expense for the officers was \$365,000 for the year ended December 31, 1995. The aggregate commitment for annual future salaries at December 31, 1995, excluding bonuses, was approximately \$463,000 for 1996, \$421,500, \$262,500, \$200,000 and \$66,667 for 1997, 1998, 1999 and 2000, respectively.

12. COMMITMENTS AND CONTINGENCIES

At December 31, 1995, the Company is committed to unrelated parties for the purchase of certain capital assets and the rental of office space under operating leases. Minimum annual lease payments with respect to the leases and capital commitment is as follows:

Year Ended December 31,

1996	\$ 1,462,931
1997	909,403
1998	648,134
1999	529,612
2000	422,439
2001 and thereafter	<u>1,268,916</u>
	<u>\$ 5,241,435</u>

Rent expense for the year ended December 31, 1995 was \$348,435

The Company is committed to the rental of transmission capacity under certain operating leases. The minimum annual lease payments with respect to these agreements is as follows:

Year Ended December 31,

1996	\$21,500,000
1997	40,500,000
1998	<u>3,000,000</u>
	<u>\$65,000,000</u>

The Company is currently negotiating the termination of these operating leases.

Litigation and Other Claims - The Company is involved in various litigation and other claims that arose in the ordinary course of its acquired businesses prior to the Company's acquisition of such businesses. The expected settlements from these matters have been accrued and are recorded as "Other Liabilities." In management's opinion, the settlement of such litigation and claims would not have a material adverse effect on the Company's consolidated financial position or results of its operations.

Letters of Credit - The Company has outstanding letters of credit aggregating \$75,478 at December 31, 1995, expiring at various dates between June 1, 1996 and August 8, 1996. Such letters of credit, which were issued as deposits to vendors or security on leased premises, are fully secured by certificates of deposit, classified as current assets and included in the balance sheet caption "Cash."

13. SIGNIFICANT CUSTOMER

For the year ended December 31, 1995, one customer accounted for 11% of the Company's revenues.

Exhibit V
RSL COM U S A , Inc.

List of RSL's Officers, Directors and Major Shareholders

Officers and Directors of RSL COM U.S.A., Inc.

1. Charles Piluso, Chairman
RSL, 169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000
2. Itzhak Fisher, Vice-Chairman and President
RSL, 169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000
3. Nir Tarlovsky, Director
RSL, 169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000
4. Carl Borruso, Vice-President
RSL, 169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000
5. Richard P. Rebetti, Treasurer
RSL, 169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000
6. Mark J. Hirschhorn, Secretary
RSL, 169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000
7. Avery Fischer, Assistant Secretary
RSL, 169 EAB Plaza, West Tower, 8th Floor
Uniondale, NY 11556
(516) 465-7000
8. Eric Fishman, Assistant Secretary
FHH, 1300 N. 17th Street
11th Floor
Rosslyn, VA 22209
(703) 812-0400

**Shareholders with at least 10%
Interest in RSL COM U.S.A., Inc.**

1. International Telecommunications Group, Ltd.

INTERNATIONAL TELECOMMUNICATIONS CORPORATION

3066

ACCOUNT NO.		VENDOR		CHECK NO.	CHECK DATE
		PUBLIC UTILITIES COMM		3066	3/25/97
VOUCHER	INVOICE NUMBER	INV. DATE	REFERENCE	INVOICE AMOUNT	AMOUNT PAID
	970319	3/19/97	PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA		
				DISCOUNT TAKEN	NET CHECK AMOUNT
					\$250.00*
					CHECK TOTAL \$250.00*

TC97-031

INTERNATIONAL TELECOMMUNICATIONS CORPORATION
 169 EAB PLAZA, WEST TOWER, 8th FLOOR
 UNIONDALE, NEW YORK 11556-0169

THE BANK OF NEW YORK (DELAWARE)
 NEWARK, DELAWARE
 62-35311

3066

PAY

*TWO HUNDRED FIFTY AND 00/100 DOLLARS

TO THE
 ORDER

OF PUBLIC UTILITIES COMMISSION
 OF SOUTH DAKOTA

CHECK NO.	CHECK DATE	VENDOR NO.
3066	03/25/97	

CHECK AMOUNT
\$250.00*

[Signature]
 AUTHORIZED SIGNATURE

003066 0311003510 *0300974649*

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (800) 332-1782
Fax: (605) 773-3829

TELECOMMUNICATIONS SERVICE FILINGS

These are the telecommunications service filings that the Commission has received for the period of:

03/21/97 through 03/27/97

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC97-031	Application by RSL COM U.S.A., Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/KC) "RSL proposes to offer four types of service: presubscribed direct dial interexchange service, inbound Wide Area Telecommunications Service, Directory Assistance, and Prepaid Card Service."	03/27/97	04/11/97
REQUEST FOR ELIGIBLE TELECOMMUNICATIONS COMPANY STATUS			
TC97-030	Dakota Cooperative Telecommunications, Inc., Dakota Telecom, Inc. and Dakota Telecommunications Systems, Inc. (collectively, Dakota) filed a petition with the Commission requesting that the Commission take the steps necessary to implement the Regulations relating to the Universal Service Fund which the Federal Communications Commission (FCC) must have ready by May 8, 1997. Specifically, Dakota is requesting that it be designated as an Eligible Telecommunications Company, as that term is used in 47 USC 214 (e) (1), for the following exchanges: Alsen (253), Beresford Rural (957), Chancellor (647), Davis (238), Flyger (327), Gayville (267), Hurley (238), Irene (263), Lennox (647), Monroe (297), Parker (297), Volin (267), Wakonda (267) and Worthing (372). Dakota offers services throughout these territories and will, once final rules are adopted by the FCC, continue to offer services that are supported by Federal universal service support mechanisms and as supplemented by State regulations under section 254 (f) of the Telecommunications Act, as amended. To provide these services in these exchanges, Dakota will use its own facilities. Dakota has previously, and will continue to advertise the availability of its services in media of general distribution. Prior to this filing, Dakota has not advertised its prices as part of its marketing, but makes those rates known upon inquiry. Dakota further requests that the Commission establish a "service area" as that term is defined in 47 USC 214 (e) (5) for Dakota. Due to the compact and contiguous nature of Dakota's traditional service area, Dakota requests that the Commission designate Dakota's present study area as its service area. (Staff: HB/CH)	03/26/97	04/11/97
NONCOMPETITIVE TARIFF FILING			
TC97-029	McLeodUSA Telecommunications Services, Inc. filed its tariff to offer local exchange service in the Aberdeen, Pierre-Fort Pierre, Rapid City, Sioux Falls and North Sioux City exchanges in South Dakota. The tariff includes general rules and regulations, description of services offered, and rates and charges. (Staff: HB/KC)	03/21/97	04/11/97

ANN BAVENDER
ANNE GOODMAN CRUMP
VINCENT J. CURTIS, JR.
RICHARD J. ESTEVEZ
PAUL J. FELLMAN
ERIC FISHMAN
RICHARD HILDRETH
FRANK R. JAZZO
ANDREW S. KESTINOV
KATHRYN A. KLEMAN
EUGENE M. LAWSON, JR.
HARRY G. MARTIN
J. TODD METCALF
GEORGE PETRUTSIS
LEONARD R. RAISH
JAMES P. RILEY
KATHLEEN VICTORY
HOWARD M. WEISS
*NOT ADMITTED IN VIRGINIA

FLETCHER, HEALD & HILDRETH, P.L.C.

ATTORNEYS AT LAW
11th FLOOR, 1300 NORTH 17th STREET
ROSSLYN, VIRGINIA 22099-3801

(703) 812-0400

TELECOPIER

(703) 812-0486

INTERNET

office@fth-law.com

RECEIVED

JUL 25 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

FRANK G. FLETCHER
(1939-1981)
ROBERT L. HEALD
(1908-1982)
PAUL G.P. SPEARMAN
(1936-1982)
FRANK ROBERSON
(1936-1981)
RUSSELL ROWELL
(1948-1975)

NOTED:
EDWARD F. KENEHAN
CONSULTANT FOR INTERNATIONAL AND
INTERSTATE COMMERCIAL AFFAIRS
SHELDON J. KIRBY
J. S. HARRIS (1947)
OF COUNSEL:
EDWARD A. GARNET
WRITER'S NUMBER
(703) 812-

July 22, 1997

BY FIRST-CLASS MAIL

Attn: Dave Jacobsen
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501-5070

RE: **RSL COM U.S.A., Inc. (Applicant in SD PUC Docket No. TC 97-031)**
Applicant to Provide Resold Interexchange Telecommunications Service

To Whom it May Concern:

On behalf of RSL COM U.S.A., Inc. ("RSL"), this letter hereby notifies and informs the Commission that RSL has relocated its corporate office. RSL's new corporate address and telephone and facsimile numbers are listed below:

RSL COM U.S.A., Inc.

5550 Topanga Canyon Boulevard, Suite 250

Woodland Hills, CA 91367

TEL: (818) 888-7600 FAX: (818) 702-6645

Please send all future correspondence and notices to the above-referenced address. Please note that RSL's consumer service toll-free number has remained the same.

A courtesy copy of this letter and a self-addressed, stamped envelope are enclosed herewith. Please date-stamp the courtesy copy when received and return it by mail to this office in the self-addressed, stamped envelope.

Should you have any questions or require any additional filings with regard to this matter, please contact the undersigned attorney.

Sincerely,

FLETCHER, HEALD & HILDRETH, P.L.C.

Richard J. Estevez

Counsel for RSL COM U.S.A., Inc.

ANN BAVENDER
ANNE GOODWIN CRUMP
VINCENT J. CURTIS, JR.
RICHARD J. ESTEVEZ
PAUL J. FELDMAN
ERIC FISHMAN
RICHARD HILDRETH
FRANK R. JAZZO
ANDREW S. KERSTING
KATHRYN A. KLEMAN
EUGENE M. LAWSON, JR.
HARRY C. MARTIN
J. TODD METCALF
GEORGE PETRUSAKIS
LEONARD B. RAUSH
JAMES P. RILEY
KATHLEEN VICTORY
HOWARD W. WEISS
*NOT ADMITTED IN VIRGINIA

FLETCHER, HEALD & HILDRETH, P. L. C.

ATTORNEYS AT LAW
11th FLOOR, 1300 NORTH 17th STREET
ROSSLYN, VIRGINIA 2209-3801

(703) 812-0400

TELECOPIER

(703) 812-0486

INTERNET

office@fth-law.com

August 14, 1997

FRANK U. FLETCHER
(1939-1985)
ROBERT L. HEALD
(1944-1985)
PAUL D.F. SPEARMAN
(1936-1985)
FRANK ROBERSON
(1904-1985)
RUSSELL ROWELL
(1948-1977)

RETIREE

EDWARD P. KENEMAN

CONSULTANT FOR INTERNATIONAL AND
INTERGOVERNMENTAL AFFAIRS
SHELDON J. KIRBY
U. S. AMBASSADOR (1961)

OF COUNSEL

EDWARD A. CAINE
JOHN JOSEPH SMITH

WRITER'S DIRECT

BY FIRST-CLASS MAIL

Attn: David Jacobsen
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501-5070

RE: **RSL COM U.S.A., Inc. (formerly International Telecommunications Corporation)**

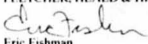
Dear Sir/Madam:

On behalf of RSL COM U.S.A., Inc. (formerly International Telecommunications Corporation), this letter hereby notifies and informs the Commission that the corporate address of the above-referenced company has changed. By this letter, the Company hereby requests that all correspondence to the Company be directed as follows:

Paul G. Black, President
RSL COM U.S.A., Inc.
5550 Topanga Canyon Boulevard, Suite 250
Woodland Hills, CA 91367
TEL: (818) 888-7600 FAX: (818) 702-6645

and to: Eric Fishman, Esq.
Fletcher, Heald & Hildreth, P.L.C.
1300 North 17th Street
11th Floor
Rosslyn, VA 22209
TEL: (703) 812-0400 FAX: (703) 812-0486

A courtesy copy of this letter and a self-addressed, stamped envelope are enclosed herewith. Please date-stamp the courtesy copy when received and return it by mail to this office in the self-addressed, stamped envelope. Should you have any questions or require any additional filings with regard to this matter, please contact the undersigned attorney.

Sincerely,
FLETCHER, HEALD & HILDRETH, P.L.C.

Eric Fishman
Counsel for RSL COM U.S.A., Inc.

cc: Paul G. Black

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF)
RSL COM U.S.A., INC. FOR A CERTIFICATE)
OF AUTHORITY TO PROVIDE)
TELECOMMUNICATIONS SERVICES IN)
SOUTH DAKOTA)

ORDER GRANTING
CERTIFICATE OF
AUTHORITY
TC97-031

On March 27, 1997, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20 10 24 02, received an application for a certificate of authority from RSL COM U S A., Inc. (RSL).

RSL proposes to offer four types of service: presubscribed direct dial interexchange service; inbound WATS, directory assistance, and prepaid card service. A proposed tariff was filed by RSL. The Commission has classified long distance service as fully competitive.

On March 27, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of April 11, 1997, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled October 28, 1997, meeting, the Commission considered RSL's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that RSL not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20 10 24 02 and 20 10 24 03. The Commission finds that RSL has met the legal requirements established for the granting of a certificate of authority. RSL has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves RSL's application for a certificate of authority, subject to the condition that RSL not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

ORDERED, that RSL's application for a certificate of authority is hereby granted, subject to the condition that RSL not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

FURTHER ORDERED, that RSL shall file informational copies of tariff changes with the Commission as the changes occur.

Dated at Pierre, South Dakota, this 3rd day of November, 1997.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By	<u>Nelson & Nelson</u>
Date	<u>11/4/97</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

100-564-2328

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company
Within The State Of South Dakota

Authority was Granted October 28, 1997
Docket No. TC97-031

This is to certify that

RSL COM U.S.A., INC.

is authorized to provide telecommunications services in South Dakota.

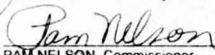
This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20 10 24 02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services

Dated at Pierre, South Dakota, this 28th day of November, 1997

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner